BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF NEW MEXICO GAS COMPANY, INC.; EMERA INC., EMERA U.S. HOLDINGS INC.; NEW MEXICO GAS INTERMEDIATE, INC.; TECO HOLDINGS, INC.; TECO ENERGY, LLC; BCP INFRASTRUCTURE FUND II, LP; BCP INFRASTRUCTURE FUND II-A, LP; BCP INFRASTRUCTURE FUND II GP, LP; SATURN UTILITIES, LLC; SATURN UTILITIES HOLDCO, LLC; SATURN UTILITIES AGGREGATOR, LP; SATURN UTILITIES AGGREGATOR GP, LLC; SATURN UTILITIES TOPCO, LP; AND SATURN UTILITIES TOPCO GP, LLC FOR THE ACQUISITION OF TECO ENERGY LLC, AND FOR ALL OTHER APPROVALS AND AUTHORIZATIONS REQUIRED TO CONSUMMATE AND IMPLEMENT THE ACQUISITION, **JOINT APPLICANTS.**	)	**Case No. 24-00___-UT**

DIRECT TESTIMONY AND EXHIBITS

OF

JEFFREY M. BAUDIER

October 28, 2024

NMPRC CASE NO. 24-_____-UT
INDEX TO THE DIRECT TESTIMONY OF
JEFFREY M. BAUDIER

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Affirmation

DIRECT TESTIMONY OF
JEFFREY M. BAUDIER
NMPRC CASE NO. 24-______-UT

1 **I. INTRODUCTION AND PURPOSE**

2 **Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

3 **A.** My name is Jeffrey ("Jeff") M. Baudier. I am President of Saturn Utilities Holdco, LLC
4 ("Saturn Holdco"), one of the Joint Applicants in this case. I am also a Senior Managing
5 Director at Bernhard Capital Partners Management, LP ("BCP Management"). My
6 business address is 400 Convention St., Suite 1010, Baton Rouge, LA 70802.

7

8 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AT SATURN HOLDCO.**

9 **A.** As President, I am responsible for the executive functions of Saturn Holdco. In that
10 capacity I oversee general management, financial stewardship and operational planning for
11 Saturn Holdco.

12

13 **Q. WHAT ARE YOUR RESPONSIBILITIES WITH BCP MANAGEMENT?**

14 **A.** In my current role as Senior Managing Director, I am involved in all aspects of BCP's
15 investment activities, with my primary focus on infrastructure and regulated utilities.

16

17 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND,**
18 **PROFESSIONAL QUALIFICATIONS AND EXPERIENCE.**

19 **A.** I have a Bachelor's Degree in English from the University of New Orleans and a Juris
20 Doctor Degree from the Loyola University School of Law in New Orleans.

21

1 I have more than 22 years' experience in the utility industry in the United States. In
2 addition, I have over 10 years' experience in the oil and gas energy industry. Prior to my
3 current employment at BCP Management, I was previously a Managing Director at BCP
4 Management for three years from 2018 to 2021 during which time I was involved in and
5 responsible for investments in infrastructure and regulated utilities. I left BCP Management
6 in 2021 to become Chief Executive Officer of CORE Electric Cooperative ("CORE") in
7 Colorado. I rejoined BCP Management in May 2024.
8
9 CORE is the largest electric distribution cooperative in Colorado, serving almost 180,000
10 metered customers covering over 5,000 square miles of service territory. While at CORE,
11 I developed and executed upon enterprise-wide strategy and oversaw the general
12 management, financial stewardship, operational planning and implementation, and board
13 relations. During my tenure, CORE executed on a state-leading clean energy transition plan
14 by contracting for over 1 GW of renewable and clean natural gas resources; achieved a
15 first-time rating of AA- from Fitch Ratings; and maintained a system availability of
16 99.98%.
17
18 I have also served as Chief Marketing and Development Officer at Cleco Corporate
19 Holdings, where I oversaw its strategic growth efforts, including the $1 billion acquisition
20 of NRG South Central Generating from NRG Energy, Inc. ("NRG").
21

1 I was also previously employed in various roles at NRG, serving first as General Counsel
2 of NRG's South-Central Region, and then as President and CEO of NRG's affiliate
3 Louisiana Generating LLC, with executive responsibility for over 4,000 MW of generation
4 assets and wholesale power supply arrangements. In my last assignment at NRG, I served
5 as CEO of Petra Nova LLC, where I led the development of the world's largest operating
6 carbon capture facility on a coal-fired power plant.
7
8 As an attorney in private practice during various periods, I advised energy industry and
9 utility clients on a full spectrum of corporate and regulatory activities. A copy of my
10 curriculum vitae is attached as JA Exhibit JMB-1.
11
12 **Q. HAVE YOU PREVIOUSLY FILED TESTIMONY IN A CASE BEFORE THE NEW**
13 **MEXICO PUBLIC REGULATION COMMISSION ("NMPRC" OR THE**
14 **"COMMISSION")?**
15 **A.** I have not testified before the NMPRC. I have previously testified with respect to utility
16 matters in Colorado State court. I have also represented parties before the Louisiana Public
17 Service Commission, the Federal Energy Regulatory Commission, and state and federal
18 courts throughout the United States in utility and energy matters.
19
20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

1 **A.** The purpose of my testimony is to support the Joint Application filed by New Mexico Gas
2 Company, Inc. ("NMGC"); Emera Inc. ("Emera"); Emera U.S. Holdings Inc. ("EUSHI");
3 New Mexico Gas Intermediate, Inc. ("NMGI"); TECO Holdings, Inc. ("TECO Holdings");
4 TECO Energy, LLC[1], ("TECO Energy"); Saturn Holdco; BCP Infrastructure Fund II, LP
5 ("BCP Infrastructure Fund II"); BCP Infrastructure Fund II-A, LP ("BCP Infrastructure
6 Fund II-A"), and BCP Infrastructure Fund II GP, LP ("BCP Infrastructure II GP,"
7 collectively with BCP Infrastructure Fund II and BCP Infrastructure Fund II-A, the "BCP
8 Infrastructure Funds"); Saturn Utilities, LLC; Saturn Utilities Aggregator, LP ("Saturn
9 Aggregator"); Saturn Utilities Aggregator GP, LLC ("Saturn Aggregator GP"); Saturn
10 Utilities Topco, LP ("Saturn Topco") and Saturn Utilities Topco GP, LLC ("Saturn Topco
11 GP") (together the "Joint Applicants") for: (1) approval of the acquisition of TECO Energy,
12 NMGI, and NMGC (collectively, the "NMGC Group") by Saturn Holdco (the
13 "Transaction");[2] (2) approval of the Transition Services Agreement ("TSA") whereby
14 Emera and its affiliates will provide a variety of support services to the NMGC Group for
15 a period of time after closing the Transaction; (3) approval of the divestiture of the NMGC
16 Group by Emera, EUSHI and TECO Holdings; (4) approval of NMGC's Amended General
17 Diversification Plan ("Amended GDP"); and (5) any other approvals or authorizations
18 necessary to consummate and implement the Transaction.
19

[1] It is intended that TECO Energy's name will change at or around the time of closing.

[2] Saturn Holdco, Saturn Utilities, LLC, the BCP Infrastructure Funds, Saturn Aggregator, Saturn Utilities Aggregator, Saturn Topco, and Saturn Topco GP, collectively, are the "BCP Applicants."

1 **Q. WHAT HAS YOUR INVOLVEMENT BEEN IN THE TRANSACTION?**

2 **A.** My role in the Transaction has been as the project lead on behalf of the BCP Applicants
3 and BCP Management. This has entailed participating in negotiations, overseeing the due
4 diligence process, the creation and drafting of transaction documents, the creation and
5 execution of a transition plan for NMGC, the regulatory approval process, and the process
6 of obtaining necessary financing for the transaction.

7

8 **Q. IS THERE A DATE BY WHICH THE JOINT APPLICANTS REQUEST**
9 **APPROVAL OF THE TRANSACTION?**

10 **A.** Yes. The Joint Applicants have committed to not close the Transaction prior to September
11 30, 2025, unless otherwise authorized by the Commission. However, the Joint Applicants
12 believe that it would be in the public interest to authorize an earlier closing date to permit
13 the benefits of this Transaction to begin to be realized sooner and are thus requesting
14 Commission approval as soon as is practicable and authorization to close in advance of
15 September 30, 2025.

16

17 **Q. WHAT DO YOU ADDRESS IN YOUR TESTIMONY?**

18 **A.** In my testimony I address: (1) the BCP Applicants, and by way of background, I discuss
19 BCP Management and the other funds BCP Management supports, and the businesses in
20 which these funds invest (collectively, "BCP"); (2) an overview of the Transaction
21 including a description of the post-closing corporate holding structure of NMGC; (3) the

1 benefits and protections of the Transaction for NMGC customers, employees and New
2 Mexico overall; (4) the TSA for the provision of necessary services to NMGC following
3 closing until such time as NMGC replaces these functions with new positions in New
4 Mexico; and (5) NMGC's Amended GDP.
5
6 **Q. PLEASE INTRODUCE THE OTHER WITNESSES PROVIDING DIRECT**
7 **TESTIMONY ON BEHALF OF THE JOINT APPLICANTS IN THIS CASE.**
8 **A.** The other witnesses providing direct testimony include:

9 - Karen Hutt, Executive Vice President of Business Development & Strategy for
10 Emera who provides testimony describing Emera's decision to sell the NMGC
11 Group, as well as the terms of the TSA including how the costs under the TSA
12 were determined.
13
14 - Ryan Shell, President of NMGC who provides testimony that discusses the
15 aspects of the Transaction as they affect NMGC; NMGC's current management
16 and operations and the anticipated positive impact of the Transaction on current
17 and long-term operations of NMGC; and explains why, as President of NMGC,
18 he believes this Transaction to be in the public interest and as providing a net
19 benefit to the customers of NMGC.
20
21 - Christopher Erickson, Ph.D. is an economic expert and is the Garrey E. and
22 Katherine T. Carruthers Chair for Economic Development of New Mexico
23 State University. Dr. Erickson quantified the economic benefits of the creation
24 of 51 to 61 additional full time equivalent jobs in New Mexico through
25 NMGC's establishment of operations to replace the out-of-state shared services
26 currently provided by Emera. He estimated that the new jobs will translate to
27 an annual economic benefit to New Mexico of approximately $40.0 million. Dr.
28 Erickson also evaluated the commitment to contribute $5 million over five years
29 and estimates the economic impact to be $8.6 million.
30

1 ## II. BCP AND ITS BUSINESS

2 **Q. PLEASE DESCRIBE BCP MANAGEMENT AND BCP.**

3 **A.** BCP Management is a Delaware limited partnership established in 2013. It has offices in
4 Baton Rouge and New Orleans, Louisiana and Nashville, Tennessee, and is an independent
5 services and infrastructure-focused private equity management firm with approximately
6 $4.4 billion in assets under management. BCP, distinct from BCP Management itself, is
7 not a corporate entity – as noted above, I use it to refer collectively to BCP Management
8 and the investment funds BCP Management supports, including the BCP Applicants.
9
10 BCP invests in businesses that provide critical services to the government, infrastructure,
11 industrial, utility, and energy sectors as well as in infrastructure and utility assets. BCP,
12 through its supported funds, has deployed capital in four funds across several strategies,
13 and these funds have collectively invested in over 71 services-focused companies across
14 20 investment platforms, including investments in several utility companies. BCP's
15 portfolio companies employ over 20,000 people globally. BCP's portfolio companies
16 benefit from its investor-operator capabilities, its relationships and experience across the
17 infrastructure landscape. NMGC, as a member of BCP's investment portfolio, will enjoy
18 the benefit of prudent, financially sound, and experienced utility owners and operators.
19 Following the closing of the Transaction, the NMGC Group will reside in the BCP
20 Infrastructure Funds segment of BCP's portfolio of investments.
21

1 **Q. IF THE TRANSACTION IS APPROVED, WILL BCP MANAGEMENT HAVE**
2 **ANY OWNERSHIP INTEREST IN TECO ENERGY, NMGI OR NMGC?**
3 **A.** No. BCP Management is not a party to the Purchase and Sale Agreement dated August 5,
4 2024 ("PSA") and does not and will not directly or indirectly own NMGC. BCP
5 Management is strictly an investment fund manager with a contractual right to manage
6 certain fund entities, which own the portfolio of investments. Saturn Holdco will directly
7 own TECO Energy, which owns NMGI, which owns NMGC. The ultimate upstream
8 owners of Saturn Holdco are the BCP Infrastructure Funds.
9
10 **Q. PLEASE DESCRIBE BCP'S OPERATING PHILOSOPHY.**
11 **A.** BCP partners with existing strong management teams to run the day-to-day operations of
12 its portfolio companies, to develop initiatives, and to create long-term value. BCP works
13 in an advisory capacity at the board level to provide strategic guidance, and ongoing
14 financial support for long-term value. BCP's team is sensitive to the issues inherent to the
15 purchase and sale of a corporate subsidiary. BCP has an experienced team in place to work
16 with Emera and NMGC to ensure a smooth and seamless transition.
17
18 **Q. HOW ARE BCP PORTFOLIO COMPANIES MANAGED?**
19 **A.** Generally, each of BCP's portfolio companies are distinct, standalone entities with their
20 own boards of directors and dedicated management teams, as will be the case with NMGC
21 if the Transaction closes. In this and other transactions BCP brings to bear ownership

1 expertise and relies largely on the local management team for day-to-day management of
2 the business. The local management possesses unique first-hand knowledge of the specific
3 environment in which the company operates and is therefore invaluable to the partnership
4 philosophy discussed above. This rigorous governance practice, as supplemented by the
5 commitments set forth in the Amended GDP and discussed later in my testimony, will be
6 conditions to approval of the Transaction, and will continue if the Transaction closes. Other
7 than the BCP Applicants, none of the other BCP companies, nor any of their respective
8 subsidiaries, will have any ownership interest in or control over NMGC.
9
10 **Q. WHAT TYPE OF INVESTORS PARTICIPATE IN THE BCP INFRASTRUCTURE**
11 **FUNDS INVESTMENT POOL?**
12 **A.** The investment pool for the BCP Infrastructure Funds is comprised of large institutional
13 investors, public and private pension funds, college endowments, insurance companies,
14 labor union funds and other investment groups with extensive experience investing in
15 infrastructure and utility investment vehicles such as the BCP Infrastructure Funds. These
16 investors understand this sector requires a patient investment strategy that results in stable
17 and uniform asset growth over the long-term and seek long-term, prudent, and financially
18 sound investments in natural gas infrastructure assets. These entities understand this
19 approach and have confidence in BCP's ability to allocate these funds and manage the
20 utility assets in a manner that benefits all parties and results in a growing utility that
21 continues to provide safe, reliable and affordable gas services for customers.

1 **Q. HAVE FUNDS SUPPORTED BY BCP MANAGEMENT MADE ANY OTHER GAS**
2 **LOCAL DISTRIBUTION COMPANY ("LDC") ACQUISITIONS SIMILAR TO**
3 **NMGC?**
4 **A.** BCP Management has fostered several transactions where funds purchased the assets or
5 subsidiaries from publicly traded companies, similar to the situation with Emera and
6 NMGC in this case. Recently, BCP Management announced the acquisition by certain
7 BCP funds of CenterPoint's Louisiana and Mississippi natural gas assets, which serve over
8 380,000 customers. In October 2023, BCP Management announced the acquisition by
9 certain BCP funds of Entergy's Louisiana gas distribution business that serves over
10 200,000 customers.
11
12 **Q. HOW DO THE BCP FUND INVESTORS COMPARE TO THE EXISTING**
13 **INVESTORS OF EMERA?**
14 **A.** Emera, the ultimate parent of NMGC, is a Nova Scotia corporation based in Halifax, Nova
15 Scotia. It is a publicly traded company on the Toronto Stock Exchange with a wide variety
16 of shareholders. By contrast, BCP Management is a registered investment advisor,
17 regulated by the United States Securities and Exchange Commission, and the BCP
18 Infrastructure Funds are privately owned by the types of sophisticated and focused
19 institutional investors discussed above. These investors are experienced in infrastructure
20 investments such as public utilities.

1 **Q. HAS NMGC PREVIOUSLY BEEN UNDER PRIVATE EQUITY OWNERSHIP OR**
2 **UNDER A PRIVATE EQUITY FUND STRUCTURE?**
3 **A.** Yes, in 2008, when NMGC was originally formed and granted its certificate of public
4 convenience and necessity in Case No. 08-00078-UT, and until 2014, it was owned 100%
5 by partnerships affiliated with and managed by Lindsay Goldberg, LLC, a private equity
6 firm. The proposed form of ownership of NMGC in this case is not materially different
7 than the private equity ownership of Lindsay Goldberg, LLC approved in Case No. 08-
8 00078-UT.
9
10 **Q. ARE THERE CURRENTLY ANY INVESTOR-OWNED PUBLIC UTILITIES IN**
11 **NEW MEXICO THAT ARE UNDER PRIVATE EQUITY OWNERSHIP?**
12 **A.** Yes. The ultimate owner of El Paso Electric Company is IIF US Holding 2 LP, a U.S.
13 limited partnership, which is one of three master partnerships of private investment funds
14 under IIF.
15
16 **Q. WHAT EXPERIENCE DOES BCP HAVE WORKING WITH UTILITY**
17 **COMPANIES?**
18 **A.** As discussed previously, BCP relies upon experienced local management teams to operate
19 the day-to-day activities of its portfolio companies; however, like myself, a number of the
20 BCP professionals have experience working in and with regulated utilities. Infrastructure
21 investment has been a focus of BCP, and, inclusive of NMGC, funds supported by BCP

1 own or are in the process of acquiring approximately $3 billion in utility assets which serve
2 over 1.14 million customer meters, including water, wastewater and gas utility companies.
3 Utilities currently in the BCP portfolios include:
4
5 • National Water Infrastructure, a wastewater utility headquartered in
6 Prairieville, Louisiana, provides wastewater services to over 20,000 customers
7 in Ascension, Livingston and East Baton Rouge parishes of Louisiana.
8
9 • ClearCurrent, a water and wastewater utility headquartered in Raleigh, North
10 Carolina, which services approximately 1,800 customers.
11
12 **Q. DOES BCP HAVE ANY OTHER UTILITY-RELATED BUSINESSES?**
13 **A.** Yes. The other businesses in BCP's portfolio that relate to the utility sector include:
14 • Elevation, headquartered in Chandler, Arizona, provides whole-home energy
15 solutions through a combination of solar, energy storage, energy efficiency and
16 energy monitoring services.
17
18 • Allied Power, headquartered in Baton Rouge, Louisiana, provides operations,
19 maintenance, radiological and environmental services to primarily nuclear and
20 fossil fuel markets.
21
22 • United Utility, headquartered in New Orleans, Louisiana, provides installation,
23 maintenance and repair of overhead and underground transmission and
24 distribution systems.
25
26 **Q. ARE OTHER BCP FUNDS IN THE PROCESS OF ADDING OTHER PUBLIC**
27 **UTILITIES TO THE OVERALL BCP PORTFOLIO OF COMPANIES?**

1 **A.** Yes. Certain BCP investment funds are in the process of acquiring natural gas LDCs in
2 Louisiana from Entergy Louisiana, LLC and Entergy New Orleans, LLC (collectively,
3 "Entergy") (the "Entergy Transaction"), and in Louisiana and Mississippi from
4 CenterPoint Energy Resources Corp. ("CERC") (the "CenterPoint Transaction"). These
5 transactions are summarized below:

6 • Entergy Transaction: Delta States Utilities LA, LLC ("Delta LA") and Delta States
7 Utilities NO, LLC ("Delta NO") will acquire all of Entergy's LDCs in Louisiana.
8 On August 14, 2024, Delta LA received unanimous regulatory approval from the
9 Louisiana Public Service Commission ("LPSC") for the Entergy Transaction. Delta
10 NO has an application currently pending before the New Orleans City Council. The
11 Entergy Transaction is expected to close mid-2025.

12 • CenterPoint Transaction: Delta Utilities No. LA, LLC, Delta Utilities S. LA, LLC,
13 Delta Utilities MS, LLC, and Delta Shared Services Co., LLC will acquire certain
14 LDCs in Louisiana and Mississippi from CERC. Applications for regulatory
15 approvals of the CenterPoint Transaction are pending before the LPSC and the
16 Mississippi Public Service Commission. The CenterPoint Transaction is expected
17 to close in the first half of 2025.
18

19 **Q. HOW DO THE DELTA UTILITIES AND DELTA STATES UTILITIES**
20 **TRANSACTIONS RELATE TO THE TRANSACTION IN THIS CASE?**

21 **A.** If the Delta Utilities and the Delta States Utilities transactions are approved, there are no
22 plans to consolidate or integrate NMGC into any of the Delta Utilities or Delta States
23 Utilities operations or vice versa. However, the Delta Utilities and Delta States Utilities
24 transactions, in conjunction with the Transaction, underscore BCP's ongoing commitment
25 to the natural gas LDC business and, as described below, while they will be separate, it is
26 anticipated that these utilities will benefit each other through communication and shared

1 ideas of best practices and possibly "mutual aid" agreements to assist one another in the
2 event such aid is necessary.
3
4 **Q. ARE THE BCP INFRASTRUCTURE FUNDS SUFFICIENTLY QUALIFIED AND**
5 **EXPERIENCED TO SERVE AS THE ULTIMATE UPSTREAM OWNERS OF**
6 **NMGC?**
7 A. Yes. As discussed above the BCP Infrastructure Funds are part of the investment portfolio
8 of BCP, which already successfully includes funds that own utilities and utility-related
9 businesses. Additionally, BCP investment funds are making significant investments in
10 additional natural gas utilities at this time, each of which has experienced and successful
11 management teams, which will create a collaborative environment which will promote
12 best-practices among these utilities, including the sharing of ideas and the promotion of
13 mutual assistance. Moreover, the current employees of NMGC, including NMGC
14 management, will be retained and they will be responsible for running the daily operations
15 of NMGC. Under the direction and expertise of this leadership team, NMGC will continue
16 to interact with its customers, employees and the community on a day-to-day basis as it
17 does presently. The majority of the NMGC Board of Directors (the "NMGC Board") will
18 continue to be comprised of New Mexico business and community leaders.
19
20 **Q. WHY IS BCP INTERESTED IN INCLUDING NMGC IN ITS PORTFOLIO AND**
21 **IN DOING BUSINESS IN NEW MEXICO?**

1 **A.** BCP views NMGC as a well-run natural gas utility with a high caliber management team,
2 a good reputation and track record of safe and reliable operations, an outstanding
3 workforce, which operates in a state with an improving business and regulatory
4 environment. When BCP learned that NMGC was potentially available to be acquired, it
5 was immediately interested. NMGC will be a perfect fit in the portfolio of natural gas
6 utilities that the BCP funds are purchasing and will enhance and benefit from the synergy
7 of the natural gas utilities being acquired.
8
9 BCP is also excited to expand investment in New Mexico. New Mexico's vibrant culture
10 and diverse population provide an accepting atmosphere where innovation and growth can
11 flourish. The State's weather, abundant natural resources and recreational opportunities
12 provide a high quality of life that is attractive to potential employees and new businesses.
13 And the State's strong university system and long-standing connection to technology,
14 particularly energy related technology, make New Mexico an ideal location for investment
15 and conducting business. New Mexico is at the forefront of the Nation's evolving energy
16 landscape. New Mexico provides abundant energy resources - both conventional and
17 renewable fuels. These affordable energy sources are key components for economic
18 development, helping the State attract large and small industrial customers, which will
19 drive further associated commercial and residential growth. BCP believes that natural gas
20 is and will continue to be the most economical option for heating New Mexico's homes
21 and businesses, as well as the fuel of choice for commercial and industrial facilities driving

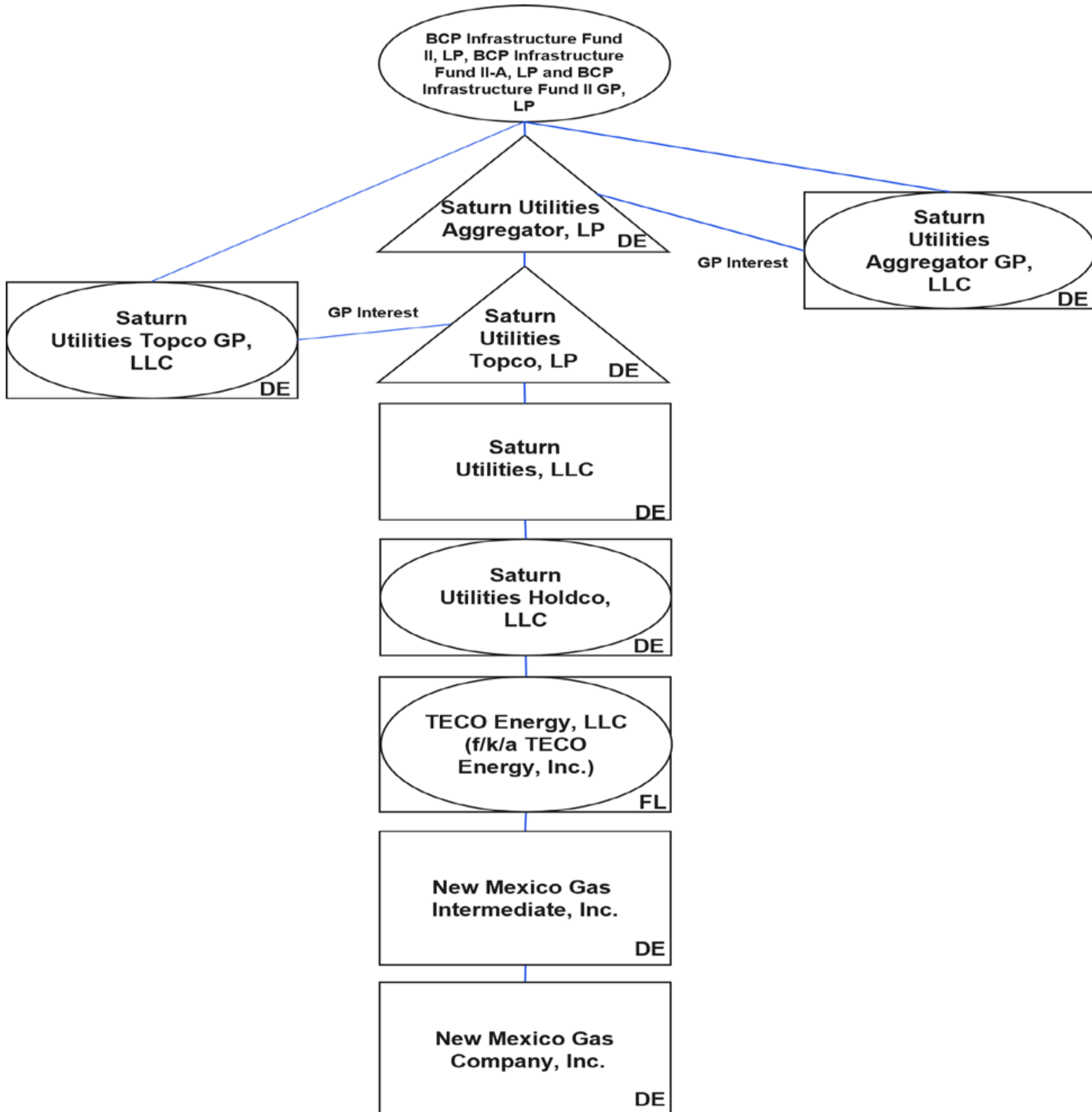
1 New Mexico's economy. In addition, renewable natural gas ("RNG") and certified low-
2 emissions natural gas are examples of opportunities to meet New Mexico's clean energy
3 goals. Along with the clean energy framework, New Mexico has abundant and diverse
4 feedstock opportunities for RNG development. Hydrogen has also emerged as potentially
5 playing a central role in reducing carbon emissions.
6
7 New Mexico also provides numerous economic development incentives, including job
8 training and tax related programs, as well as state and local economic development
9 associations with which Saturn Holdco intends to partner to drive growth and bring new
10 businesses and residents to New Mexico. Saturn Holdco believes it can continue to build
11 upon and enhance NMGC's existing efforts to attract and retain diverse, top talent in the
12 state.
13
14 BCP believes that NMGC and its transmission and distribution infrastructure are poised to
15 play an important role in delivering future solutions to New Mexico end users. The BCP
16 Infrastructure Funds, through Saturn Holdco, are well-suited to support NMGC in these
17 endeavors.
18
19 **Q. DOES BCP CURRENTLY HAVE ANY OTHER BUSINESSES IN NEW MEXICO**
20 **THAT ARE PART OF ITS INVESTMENT PORTFOLIO?**

1 **A.** Yes. In April of this year, Strategic Management Solutions, LLC ("SMSI") was added to
2 the businesses in BCP's portfolios. SMSI has its headquarters in Albuquerque and has
3 been in business since 1999. SMSI is a project solutions business with approximately 400
4 employees that provides management, technical and engineering services to the
5 Department of Energy, National Nuclear Security Administration, National Laboratories,
6 and industrial clients. SMSI's key business lines include procurement and supply chain
7 expertise, special nuclear material and high hazard operations, decontamination and
8 demolition and project delivery and integration services. SMSI currently operates across
9 locations at the Los Alamos National Laboratory, in Albuquerque, and in other locations
10 across the country.
11
12 Boston Government Services and SE&C, LLC are additional businesses affiliated with
13 SMSI that provide services in New Mexico.
14
15 **III. <u>THE TRANSACTION</u>**

16 **Q. PLEASE DESCRIBE THE TRANSACTION FOR WHICH THE JOINT**
17 **APPLICANTS SEEK APPROVAL IN THIS CASE.**
18 **A.** NMGC, a New Mexico LDC, is 100% owned by NMGI, and NMGI is 100% owned by
19 TECO Energy. All of the Equity Interests (as that term is defined in the PSA) of TECO
20 Energy are owned by EUSHI and TECO Holdings, which in turn are each ultimately
21 wholly owned by Emera. As further set forth in the Joint Application, EUSHI, TECO

1 Holdings, and Saturn Holdco have entered into the PSA which encompasses the terms of
2 the Transaction. Under the PSA, Saturn Holdco will purchase 100% of the Equity Interests
3 of TECO Energy from EUSHI and TECO Holdings. Upon consummation of the
4 Transaction, TECO Energy will become a wholly owned subsidiary of Saturn Holdco. A
5 copy of the PSA is attached as JA Exhibit JMB-2 to my testimony.
6
7 **Q. DOES THE COPY OF THE PSA ATTACHED AS JA EXHIBIT JMB-2 INCLUDE**
8 **ANY REDACTIONS?**
9 **A.** Yes. The Joint Applicants have redacted limited portions of the PSA (approximately six
10 lines of text on page 1 and five lines of text on page 3) to protect highly confidential trade
11 secret information related to the structure that the BCP Infrastructure Funds used and is
12 using to support certain financial commitments to the Transaction during the period after
13 the PSA was signed and closing on the Transaction. If released, this information could
14 lead to competitive disadvantages to the BCP Infrastructure Funds in other transactions.
15 Redacting this limited text allows the Joint Applicants to provide the Commission and
16 interested parties with access to the balance of the PSA on a non-confidential
17 basis. Moreover, the redacted information is relevant only during an interim period before
18 closing and does not relate to the post-closing ownership for which the Joint Applicants
19 request approval.
20

1 **Q. PLEASE DESCRIBE THE CORPORATE OWNERSHIP STRUCTURE**
2 **RELATING TO NMGC FOLLOWING THE CLOSING OF THE TRANSACTION.**
3 **A.** JA Figure JMB-1 below depicts the post-closing corporate ownership structure of NMGC.
4 **JA Figure JMB-1**



5

1 **Q. PLEASE DESCRIBE SATURN HOLDCO.**

2 **A.** Saturn Holdco is a newly created Delaware limited liability company formed solely for the
3 purpose of entering into the PSA, completing the Transaction, and owning 100% of the
4 Equity Interests of TECO Energy. Saturn Holdco has not engaged in any business except
5 for the activities necessary and incidental to those purposes and is an indirect subsidiary of
6 the BCP Infrastructure Funds.

7

8 **Q. PLEASE DESCRIBE THE ROLE OF THE BCP INFRASTRUCTURE FUNDS IN**
9 **THE TRANSACTION.**

10 **A.** The BCP Infrastructure Funds are Delaware limited partnerships established to hold and
11 administer the pool of funds invested for purposes of the acquisition of the NMGC Group,
12 as well as other anticipated distinct and unrelated investments. BCP Infrastructure II GP
13 is the general partner for the BCP Infrastructure Funds. To facilitate the Transaction, the
14 BCP Infrastructure Funds will indirectly invest in the NMGC Group through their ultimate
15 ownership of Saturn Holdco. At the closing of the Transaction, Saturn Holdco will be the
16 direct parent of TECO Energy, with the BCP Infrastructure Funds as its ultimate indirect
17 owners.

18

19 The BCP Infrastructure Funds own 100% of the limited partnership interests in Saturn
20 Aggregator, which is managed by its general partner, Saturn Aggregator GP. Saturn
21 Aggregator owns 100% of the limited partnership interests in Saturn Topco, which is

1 managed by its general partner, Saturn Topco GP. Both Saturn Aggregator GP and Saturn
2 Topco GP are owned 100% by the BCP Infrastructure Funds. Saturn Topco owns 100%
3 of the membership interests in Saturn Utilities, LLC ("Saturn Utilities" and collectively,
4 with Saturn Aggregator, Saturn Aggregator GP, Saturn Topco and Saturn Topco GP, the
5 "Intermediate Companies"). The Intermediate Companies are included as Joint Applicants
6 and BCP Applicants because they are each technically an "affiliated interest that controls
7 a public utility through the direct or indirect ownership of voting securities of that public
8 utility," as discussed in NMSA 1978, Section 62-3-3(N). However, these are mere flow-
9 through entities established for the Transaction with no employees. The information
10 concerning the organization and governance of the Intermediate Companies is contained
11 in the Amended GDP attached to my testimony as JA Exhibit JMB-3.
12
13 **Q. WHAT IS THE PURPOSE OF THE INTERMEDIATE COMPANIES IN THE**
14 **POST-CLOSING OWNERSHIP STRUCTURE OF NMGC?**
15 **A.** The use of entities such as the Intermediate Companies is not uncommon in the context of
16 private equity ownership and is desirable in order to implement debt financing that is non-
17 recourse to NMGC, which is a benefit to customers. With this corporate structure, the
18 Intermediate Companies are able to obtain debt financing for the Transaction without any
19 liability for NMGC or the use of any NMGC assets as collateral. The financial health or
20 operations of NMGC will not be adversely impacted by the existence of the Intermediate
21 Companies post-closing.

1 Additionally, retaining TECO Energy and NMGI in the ownership structure allows the
2 Transaction to retain NMGC's existing income tax-related balances and treatment. This
3 ensures that the Transaction avoids creating negative tax-related consequences for
4 customers.
5
6 **Q. WHAT IS THE PURCHASE PRICE FOR THIS TRANSACTION?**
7 **A.** The full consideration for the purchase of the Equity Interests of TECO Energy is set forth
8 Section 2.2 of the PSA, but the purchase price is $1.252 billion, including the assumption
9 of approximately $550 million of existing debt of NMGC and subject to customary post-
10 closing adjustments. The purchase price was arrived at after extensive arm's length
11 negotiations between the parties to the PSA.
12
13 **Q. WILL THE TRANSACTION REQUIRE THE REISSUANCE OR REFINANCING**
14 **OF ANY EXISTING DEBT HELD BY NMGC?**
15 **A.** No. The Transaction will not require any issuance or refinancing of existing debt held by
16 NMGC. Any such existing debt will be retired or refinanced in the ordinary course of
17 NMGC's business and not as part of the Transaction.
18
19 **Q. HOW WILL SATURN HOLDCO FUND THE PURCHASE OF THE EQUITY**
20 **INTERESTS OF TECO ENERGY?**

1 **A.** Saturn Holdco intends to fund the purchase of the Equity Interests of TECO Energy
2 through a mix of equity and debt consisting of $448,900,000 of equity from the BCP
3 Infrastructure Funds, $250,000,000 of private debt, which is non-recourse to NMGC, and
4 the assumption of approximately $550,000,000 of portable debt currently at NMGC.
5
6 **Q. WHAT REGULATORY APPROVALS ARE REQUIRED FOR THE CLOSING OF**
7 **THE TRANSACTION?**
8 **A.** The primary regulatory approval needed for the Transaction is from the NMPRC in this
9 proceeding.
10
11 The other approvals involve an anti-trust review by the United States Department of Justice
12 or Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements
13 Act ("Hart-Scott-Rodino"). In addition, a filing with the Federal Communications
14 Commission ("FCC") will be made associated with the FCC licenses maintained by
15 NMGC due to the change in ownership of the parent company of the operating company
16 holding the FCC licenses. The parties do not have any concerns regarding the anti-trust
17 review or FCC filing and expect that the approvals will be forthcoming in the first half of
18 2025.
19

1 **Q. WILL THE BCP APPLICANTS OR NMGC SEEK TO INCLUDE ANY**
2 **ACQUISITION ADJUSTMENT THAT MAY RESULT FROM THE**
3 **TRANSACTION IN CUSTOMERS RATES?**
4 **A.** No.
5
6 **Q. WILL THE COSTS ASSOCIATED WITH THE NEGOTIATION AND CLOSING**
7 **OF THE TRANSACTION BE RECOVERED IN CUSTOMER RATES?**
8 **A.** No. The BCP Applicants will maintain a thorough accounting of all costs associated with
9 the negotiation of the Transaction, brokers' fees, the costs of obtaining all necessary
10 approvals and the costs associated with the closing of the Transaction and associated
11 financing. None of these costs will be proposed for inclusion in NMGC customer rates.
12
13 **Q. HOW WILL NMGC BE MANAGED AFTER THE TRANSACTION CLOSES?**
14 **A.** BCP's philosophy is to acquire existing well-managed companies. Except for the return of
15 the shared services functions to New Mexico, NMGC will be managed the way it is today.
16 The current employees, including NMGC management, will be retained and will report to
17 the NMGC Board as they do currently. NMGC's headquarters will remain in Albuquerque
18 and all regional offices will be maintained in their respective communities. The BCP
19 Applicants and NMGC anticipate that the Transaction will result in adding approximately
20 51 to 61 new jobs in New Mexico as services currently provided from out-of-state locations
21 are moved to New Mexico. These new jobs could include positions in areas such as

1 Information Technology, Finance, Human Resources and other analyst positions. While
2 the initial estimate of new jobs was in the range of 70, further analysis suggests that 51 to
3 61 new jobs are more likely. Through all of this, NMGC customers will experience
4 improved quality and reliability of service from what they experienced prior to the closing
5 of the Transaction.
6
7 **Q. HOW WILL THE NMGC BOARD BE DETERMINED AFTER THE CLOSING OF**
8 **THE TRANSACTION?**
9 **A.** After closing the Transaction, the local NMGC Board will continue in substantially similar
10 form and will continue to provide local governance oversight and guidance of the strategy
11 and business plans of the NMGC management team. The NMGC President will continue
12 to report to the NMGC Board. The current NMGC Board currently consists of the
13 President of NMGC, two Emera employees, and local business and community leaders
14 selected to promote diversity on the NMGC Board consistent with good governance
15 practices, with the majority composed of local business and community leaders. The two
16 (2) Emera employees will be replaced with appointees as designated by the BCP
17 Applicants. The BCP Applicants will seek to retain the other current NMGC Board
18 members.
19

1 **Q. ARE THE BCP APPLICANTS OR NMGC REQUESTING ANY CHANGES TO**
2 **NMGC'S AUTHORIZED RATES OR CHARGES IN THIS PROCEEDING AS A**
3 **RESULT OF THE TRANSACTION?**
4 **A.** No. NMGC's new base rates that became effective October 1, 2024, will remain in effect
5 until new base rates are approved by the Commission in NMGC's next general rate case.
6 Likewise, the BCP Applicants are not requesting any changes to any other NMGC tariffs,
7 charges or riders in this case as a result of the Transaction. Any changes in NMGC's riders,
8 charges or tariffs before NMGC's next base rate case will only be made in the ordinary
9 course of business and not as a result of the Transaction.
10
11 **Q. WHAT ARE THE ANTICIPATED TAX IMPACTS ON NMGC FROM THE**
12 **TRANSACTION?**
13 **A.** There will be no regulatory tax implications for NMGC. NMGC's income taxes will
14 continue to be calculated on a stand-alone basis for regulatory financial reporting and
15 ratemaking purposes. The Transaction will have no impact on the Commission's authority
16 to determine NMGC's income tax expense for ratemaking purposes.
17
18 **Q. WILL THERE BE ANY REBRANDING OF NMGC FOLLOWING THE CLOSING**
19 **OF THE TRANSACTION?**

1 **A.** No. NMGC will continue to do business as New Mexico Gas Company, Inc., although
2 without reference to being an Emera company. In addition, TECO Energy's name will be
3 changed in connection with the closing of the Transaction.
4
5 **Q. DO THE TRANSACTION AND PSA CONTEMPLATE A TRANSITION**
6 **SERVICES AGREEMENT AND TRANSITION PERIOD FOLLOWING**
7 **CLOSING?**
8 **A.** Yes. I discuss the TSA and the associated transition period in Section V of my testimony.
9
10 **IV. <u>BENEFITS AND PROTECTIONS OF THE TRANSACTION</u>**
11 **Q. WHAT STANDARD DOES THE NMPRC APPLY IN RULING UPON AN**
12 **APPLICATION FOR APPROVAL OF A TRANSACTION INVOLVING THE**
13 **ACQUISITION OF A PUBLIC UTILITY?**
14 **A.** I understand that the statutory standards the Commission applies for approval of public
15 utility acquisitions are set forth in Sections 62-6-12 and 62-6-13 of the Public Utility Act
16 ("PUA"). Section 62-6-12 provides that the merger and acquisition of a utility or its public
17 utility holding company, and another entity are permissible with the prior authorization of
18 the Commission. Transactions that require NMPRC approval under Section 62-6-12
19 include mergers, purchases of public utility plant, and acquisitions of stock of a public
20 utility holding company. Section 62-6-13 directs the NMPRC to approve such proposed
21 acquisitions and consolidations "unless the commission shall find that the proposed

1 transaction is unlawful or is inconsistent with the public interest." The "test" is whether
2 the public interest is served by approving the transaction as determined by the facts and
3 circumstances of each case. Generally, a showing of a positive benefit to customers is
4 required. I understand that the Commission generally applies a six-factor test in determining
5 the public interest:

6 1. Whether the transaction provides benefits to utility customers;
7 2. Whether the Commission's jurisdiction will be preserved;
8 3. Whether the quality of service will be diminished;
9 4. Whether the Transaction will result in improper subsidization of non-utility
10 activities;
11 5. Careful verification of the qualifications and financial health of the new owner; and
12 6. Adequacy of protections against harm to customers.

13 As I detail below, and as confirmed in the other Joint Applicants' testimonies, the
14 Transaction satisfies the six-factor test.
15
16 **Q. DO YOU HAVE ANY OVERALL OBSERVATIONS CONCERNING THE**
17 **TRANSACTION AND RESULTING BENEFITS TO NMGC CUSTOMERS AND**
18 **NEW MEXICO?**

19 **A.** Yes. NMGC exists to serve its customers and the public interest, and NMGC has a unique
20 and vital role to play in the New Mexico community and economy. If the Transaction is
21 approved, NMGC's customers will continue to receive safe, reliable natural gas service

1 and customers will benefit from having all gas utility operations, including support
2 services, located in New Mexico. Additionally, as outlined in this section of my testimony,
3 NMGC customers (as well as New Mexico residents generally) will also receive additional
4 economic and operational benefits from the Transaction. As detailed in this testimony, it
5 is not anticipated that this Transaction will have an adverse impact on existing rates.
6
7 Finally, as we discuss the benefits of this Transaction, it is important to consider the context
8 in which the case arises. Emera has made a strategic business decision to exit one of its
9 natural gas LDC businesses: NMGC. Saturn Holdco, backed by funding from the BCP
10 Infrastructure Funds, is excited for the opportunity to acquire NMGC on the terms set forth
11 in the PSA. There are inherent benefits to customers, and to New Mexico overall, to have
12 NMGC owned and supported by an enterprise willing to make the investment to acquire
13 NMGC and that stands ready to provide any further equity capital that will be required to
14 fund NMGC's capital investments.
15
16 **Q. WILL APPROVAL OF THE TRANSACTION RESULT IN ECONOMIC**
17 **BENEFITS TO NEW MEXICO AND NMGC CUSTOMERS?**
18 **A.** Yes. Approval of the Transaction will bring quality new jobs to New Mexico. Emera and
19 its affiliates are currently, and have historically, provided support services to NMGC
20 through shared services performed in Nova Scotia, Canada and Tampa, Florida. These
21 services will continue post-closing on a temporary basis, not to exceed eighteen (18)

1 months, under the TSA as discussed below. During the term of the TSA, NMGC will
2 replace the shared service functions by hiring new employees in New Mexico or procuring
3 such services from third-party vendors. It is anticipated that by the end of the TSA term,
4 NMGC will require an additional 51 to 61 full time equivalent employees in New Mexico.
5 Customers will benefit from having these necessary services performed locally instead of
6 several hundreds or thousands of miles away, including not being subject to delays, outages
7 or other issues arising from severe weather in Florida or Nova Scotia. Joint Applicant
8 witness Shell addresses the additional benefits to customers from the additional employees
9 located in New Mexico where service is provided. In addition to certain operational
10 benefits to NMGC from bringing support services back to New Mexico, and the benefit of
11 hiring skilled employees in New Mexico, Joint Applicant witness Dr. Erickson estimates
12 an annual economic benefit to New Mexico of approximately $40 million.
13
14 **Q. ARE THE BCP APPLICANTS AND THE NMGC GROUP PROPOSING ANY**
15 **OTHER ECONOMIC DEVELOPMENT COMMITMENTS IN NEW MEXICO AS**
16 **PART OF THE APPLICATION?**
17 **A.** Yes, the BCP Applicants and the NMGC Group propose several other substantial economic
18 development initiatives including the following:
19 1. NMGC will evaluate opportunities for the development of and investment in
20 renewable natural gas, certified low emission natural gas, and/or other lower-

1 carbon energy sources including low-carbon hydrogen development, without
2 seeking recovery from customers for the costs of those evaluations;
3 2. NMGC will contribute $5 million over a period of five (5) years to economic
4 development projects or programs in NMGC's service territory designed to attract
5 new business and to retain and grow existing businesses, without seeking recovery
6 from customers for the costs of those economic development projects or programs;
7 and
8 3. NMGC will make annual charitable contributions of cash or in-kind donations
9 valued at a minimum of $500,000 for a total of five years to qualified, tax-exempt
10 organizations that are engaged in the development and improvement of
11 communities and citizens in NMGC's service territory. NMGC will not seek
12 recovery from customers those contributions or in-kind donations.
13
14 **Q. ARE THE BCP APPLICANTS AND THE NMGC GROUP PROPOSING ANY**
15 **NMGC-EMPLOYEE PROTECTIONS FOLLOWING THE CLOSING OF THE**
16 **TRANSACTION?**
17 **A.** Yes. NMGC currently has approximately 740 local employees. Each NMGC employee
18 as of the date of closing of the Transaction will continue their employment post-closing.
19 The BCP Applicants and the NMGC Group commit to the following NMGC employee
20 protections:

1 NMGC's current level of employees will be maintained for eighteen (18) months following
2 closing. More specific to ensuring customer service, during this eighteen (18) month
3 period, NMGC will maintain its current level of customer-facing positions. As discussed
4 previously, it is anticipated that an additional 51 to 61 new employees will be hired to
5 replace certain of the current shared services functions and to safely and reliably serve
6 customers.
7
8 **Q. WHAT COMMITMENTS ARE PROPOSED TO ENSURE THAT NMGC'S**
9 **QUALITY OF SERVICE WILL NOT BE DIMINISHED AFTER THE CLOSING**
10 **OF THE TRANSACTION?**
11 **A.** The BCP Applicants and the NMGC Group are committed to maintaining the quality of
12 service and system reliability currently provided to NMGC's customers. The approval of
13 the Transaction will in no way diminish the level of customer service or reliability NMGC
14 provides to its customers. NMGC will remain a separate entity, with local management
15 and employees responsible for day-to-day operations. The BCP Applicants recognize that
16 retention of local management and employees ensures continuity of the quality of service
17 and reliability to which NMGC customers are accustomed. The BCP Applicants and the
18 NMGC Group commit to the following specific protections to ensure that there is no
19 diminution in NMGC's quality of service or reliability:
20 1. NMGC will invest a minimum of the rolling three (3) year average for depreciation
21 and amortization expense on an average annual basis in the NMGC system as

1 needed to ensure reliability and safety until the issuance of the final order in
2 NMGC's next general rate case. NMGC agrees that all investments will be subject
3 to prudency review in NMGC's next general rate case;
4 2. NMGC will not close or relocate to outside of New Mexico its call center
5 operations, and all regional or operations offices will remain open in their
6 respective communities, unless otherwise authorized by the Commission;
7 3. NMGC Gas Control Operations will not be moved out of New Mexico without
8 prior express Commission approval;
9 4. The BCP Applicants will not sell their interest in NMGC for at least five (5) years
10 after closing of the Transaction;
11 5. NMGC will continue to participate in the annual JD Power Residential Gas Utility
12 Customer Satisfaction Surveys and provide the Commission with the results; and
13 6. NMGC agrees to continue filing specific customer service reports as ordered in
14 NMPRC Case No. 09-00163-UT (expired June 2013), and agrees to include in this
15 filing supplemental customer service reports regarding leak response time and
16 damages per 1,000 locate ticket requests.
17
18 **Q. WHAT FINANCIAL AND GOVERNANCE PROTECTIONS DO THE BCP**
19 **APPLICANTS AND THE NMGC GROUP PROPOSE WITH RESPECT TO NMGC**
20 **FOLLOWING THE CLOSING OF THE TRANSACTION?**

1 **A.** The BCP Applicants are proposing financial and governance protections to ensure that
2 NMGC remains financially sound and that its local management is focused on continuing
3 to provide safe and reliable service to customers. These protections will ensure against
4 harm to customers as a result of the Transaction. The proposed financial and governance
5 protections include the following:

6 1. NMGC will maintain a post-closing equity ratio of at least fifty percent (50%) at
7 NMGC until the final order in the next general rate case using a capital structure
8 that includes equity and the par amount of long-term debt only. If the twelve (12)
9 month average equity ratio falls below fifty percent (50%) for more than two
10 consecutive quarters, capital will be invested in NMGC to achieve the fifty percent
11 (50%) equity ratio;

12 2. NMGC will not seek a regulatory equity ratio in the next base rate proceeding in
13 excess of fifty-four percent (54%). NMGC agrees that the Commission is not
14 bound to accept this as the equity ratio and acknowledges that other parties may
15 propose different equity ratios in the next rate proceeding;

16 3. NMGC will not, directly or indirectly, seek to recover in any future rate case, any
17 increased goodwill or the increase in any other intangible asset resulting from the
18 Transaction and allocated to NMGC ("Acquisition Premium"). NMGC agrees not
19 to revalue its assets that are a part of New Mexico regulatory rate base to reflect the
20 Acquisition Premium. NMGC will continue to value such assets for all

1 Commission regulatory purposes based on the original cost less accumulated
2 depreciation valuation methodology;
3 4. None of the direct costs of the Transaction, including, but not limited to, costs such
4 as legal fees, investment banking fees, accounting fees, consulting fees, costs of
5 this Commission proceeding, Hart-Scott-Rodino filing fees, FCC filing fees, and
6 employee travel expenses, accrued by Joint Applicants will be recovered directly
7 or indirectly from NMGC customers. However, NMGC may seek recovery of
8 capital expenditures made in the course of completing the Transaction or as part of
9 the transition to a standalone utility if the capital assets are used and useful after the
10 closing of the Transaction, except as explicitly excluded in this proceeding or
11 through the express agreement of the parties and approved by the
12 Commission. Any such request for rate recovery will be subject to review by the
13 Commission in the next NMGC base rate proceeding prior to any recovery;
14 5. No debt of NMGC is being reissued as a result of the Transaction;
15 6. All of NMGC's existing rates, rules, and forms as currently approved will remain
16 in force and unchanged until such time as any changes are approved by the
17 Commission;
18 7. The Transaction will not result in any disruption or adverse impact to NMGC's gas
19 supply or associated hedging arrangements;
20 8. NMGC will not, without prior Commission approval, pay dividends any time its
21 credit metrics are below investment grade. The restriction on the amount of

1 dividends that may be paid does not apply to equity infused by NMGI into NMGC,
2 which may be transferred out of NMGC without restriction, except that such
3 transfers may not be made if NMGC's credit metrics are below investment
4 grade. Transfers of funds necessary to pay NMGC's tax obligations shall not be
5 construed as dividends. NMGC agrees to continue to have its credit rating
6 performed by one or more nationally recognized credit rating agencies so long as
7 the BCP Applicants own direct or indirect interest in NMGC;

8 9. NMGC will not, without prior Commission approval, pay dividends in excess of
9 net income, on a quarterly basis provided, however, NMGC will be permitted to
10 rollover under-utilized dividend capacity in any quarter to a subsequent period for
11 payment. The restriction on the amount of dividends that may be paid does not
12 apply to equity infused by NMGI into NMGC, which may be transferred out of
13 NMGC without restriction, except that such transfers may not be made if NMGC's
14 credit metrics are below investment grade. Transfers of funds necessary to pay
15 NMGC's tax obligations shall not be construed as dividends;

16 10. NMGC will file with the Commission a notice ("Notice") of its intent to pay a
17 dividend at least fifteen (15) days prior to the dividend being paid and will provide
18 NMPRC Utility Division Staff ("Staff") and the New Mexico Department of
19 Justice a copy of the Notice on the same day it files the Notice with the
20 Commission;

1 11. The BCP Applicants and NMGC have filed an Amended GDP containing all the
2 required Rule 450 representations and commitments and will abide by those
3 commitments for as long as the BCP Infrastructure Funds or an affiliated entity own
4 NMGC; and
5 12. The BCP Applicants will continue, in substantially similar form, the separate local
6 subsidiary NMGC Board which will continue to provide governance oversight and
7 guidance of the strategy and business plans of the NMGC management team. The
8 NMGC Board shall continue to consist of the President of NMGC, local business
9 and community leaders, and senior executives as designated by the BCP
10 Applicants. As is currently the practice, the majority of the NMGC Board shall be
11 composed of local business and community leaders selected to promote diversity
12 on the NMGC Board consistent with good governance practices. The President of
13 NMGC will report to the NMGC Board.
14
15 **Q. WHAT COMMITMENTS ARE THE BCP APPLICANTS AND THE NMGC**
16 **GROUP PROPOSING TO ENSURE THERE IS NO IMPROPER SUBSIDIZATION**
17 **OF NON-UTILITY ACTIVITIES?**
18 **A.** The BCP Applicants and the NMGC Group make the following commitments to avoid any
19 subsidization by customers:
20 1. The BCP Applicants and the NMGC Group affirmatively commit to take all
21 actions necessary to ensure that NMGC's customers do not subsidize the activities

1 of other utilities, or non-utility activities. NMGC will be operated as a standalone
2 LDC and it is not anticipated that affiliates will provide goods or services to
3 NMGC. NMGC will meet its obligation to report any Class I transactions, and
4 understands that in any future rate case, or upon the Commission's initiative, the
5 Commission can inquire into any concerns regarding subsidization between other
6 businesses and NMGC. As provided for in the TSA, support services will be
7 provided to NMGC by Emera and its affiliates in an economically efficient manner
8 that avoids cross subsidization and are consistent with the cost allocation manual
9 ("CAM") that was developed in collaboration between NMGC and the Staff and
10 filed with the Commission in 2015 as subsequently amended;

11 2. During the term the TSA is in place or in the event that NMGC begins to receive
12 services from another investment fund company supported by BCP Management,
13 NMGC will provide annual public submissions to the Commission of allocation
14 information by FERC account and subaccounts, including total amounts allocated
15 for the prior year, total amounts directly assigned to NMGC, with description of
16 the cost, the amount and nature of cost allocated to each affiliate and utility and
17 non-utility operations, the methodology used, including work papers for the
18 allocations;

19 3. The books and records of NMGC will be kept separate from those of non-regulated
20 businesses and NMGC's affiliates in accordance with the Uniform System of
21 Accounts;

1 4. The Commission and its Staff will have access to the books, records, accounts, or
2 documents of NMGC's affiliates, corporate subsidiaries or holding companies
3 pursuant to NMSA 1978, Sections 62-6-17 and 62-6-19; and
4 5. NMGC agrees not to invest in businesses that do not have a significant relationship
5 to regulated services NMGC provides.
6
7 **Q. WHAT DO THE BCP APPLICANTS PROPOSE TO ENSURE THAT THE**
8 **COMMISSION'S JURISDICTION IS PRESERVED?**
9 **A.** Nothing contained in the PSA or the approval of the Transaction will diminish the
10 NMPRC's jurisdiction. On behalf of the BCP Applicants, I affirm that the NMPRC's
11 jurisdiction over NMGC, as well the NMPRC's jurisdiction over TECO Energy, NMGI
12 and the BCP Applicants, as the direct and indirect holding companies of NMGC, will be
13 preserved following closing. Additionally, as part of the Joint Application, an Amended
14 GDP is being filed, which if approved as requested, affirms the NMPRC's jurisdiction over
15 the BCP Applicants and the NMGC Group. The BCP Applicants and the NMGC Group
16 make the further commitments with respect to NMPRC jurisdiction:
17 1. NMGC will continue to abide by all applicable NMPRC rules, regulations, and
18 orders, including compliance with all Class I transaction requirements;
19 2. NMPRC jurisdiction over NMGC will remain in place and will not be diminished
20 or adversely affected in any manner as a result of the Transaction; and

1 3. The BCP Applicants agree to the jurisdiction of NMPRC for the purpose of
2 providing the books and records of each, and providing access to testimony of
3 officers and directors for the purposes of NMPRC oversight and regulation of
4 NMGC rates.
5
6 **Q. HOW CAN THE COMMISSION BE ASSURED THAT THE BCP APPLICANTS**
7 **ARE FINANCIALLY SOUND AND QUALIFIED TO OWN NMGC?**
8 **A.** Both Saturn Holdco and NMGC will continue to have its credit rating performed by one or
9 more nationally recognized credit rating agencies so their credit metrics will be
10 independently ascertained. Further, as I discussed earlier, the BCP Infrastructure Funds
11 are capitalized by their respective limited partners. These limited partners are large
12 institutional investors, such as public and private pension funds, college endowments,
13 insurance companies, labor union funds and other investment groups with extensive
14 experience investing in infrastructure and utility investment vehicles such as the BCP
15 Infrastructure Funds. Each such limited partner is contractually obligated to fund its capital
16 commitments to the fund within 10 business days of BCP Infrastructure Fund II GP issuing
17 a capital call notice. Further, as to qualification of the BCP Infrastructure Funds owning
18 NMGC, the nature of this investment is not one of first instance. As I have described, there
19 are other regulated utilities and non-regulated utility service providers in the utility, energy,
20 government, infrastructure and industrial sectors within the BCP family of portfolio
21 companies.

1 **Q. HOW DO THE BCP APPLICANTS INTEND TO FUND THE FUTURE CAPITAL**
2 **REQUIREMENTS OF NMGC?**
3 **A.** The total sources of funding available to the NMGC will be a blend of debt and equity
4 consistent with the NMPRC-approved capital structure currently in place. These sources
5 will be inclusive of long-term note facilities, a revolving credit facility, utilization of
6 unrestricted cash reserves, and injections of capital to NMGC through the ownership
7 structure. We expect that the regulated nature of the business, which structurally supports
8 a fair return of and on capital, will continue to attract both debt and equity capital to the
9 business sufficient to accommodate the NMPRC's needs.
10

11 **V. <u>TRANSITION SERVICES AGREEMENT</u>**

12 **Q. PLEASE DESCRIBE THE TSA THAT WILL BE ENTERED INTO BY THE**
13 **PARTIES IF THIS TRANSACTION IS APPROVED.**
14 **A.** As part of the Transaction, Emera, TECO Energy, NMGI and NMGC will, on the Closing
15 Date (as defined in the PSA), enter into a TSA, in the form attached to the PSA (JA Exhibit
16 JMB-2) as Exhibit B. Under the terms of the TSA, Emera and its affiliates will continue
17 to provide a number of support services to TECO Energy, NMGI, and NMGC for an initial
18 period of twelve (12) months after closing of the Transaction. These transition services
19 include accounting, information technology, human resources and other corporate services.
20 Under the terms of the TSA, the period of the provision and receipt of services may be

1 extended for an additional six (6) months, and services may be terminated as determined
2 by the parties.
3
4 **Q. WHY IS THE TSA NECESSARY FOLLOWING THE CLOSING OF THE**
5 **TRANSACTION?**
6 **A.** While it is proposed in this Transaction that replacement support services will be provided
7 locally, it will take a reasonable amount of time for NMGC to set up services in New
8 Mexico to replace the shared services currently provided by Emera and its affiliates. The
9 TSA provides that these shared services will continue to be provided by Emera and its
10 affiliates in a manner that ensures that NMGC receives the support it needs for continuity
11 of safe and reliable service to customers. During the term of the TSA, NMGC will work
12 to phase in the New Mexico operations to replace the shared services provided under the
13 TSA. There will be no additional costs to NMGC customers resulting from the TSA.
14
15 **Q. WILL COSTS BE INCURRED BY NMGC IN SETTING UP THE NEW**
16 **OPERATIONS IN NEW MEXICO TO REPLACE THE CURRENT OUT-OF-**
17 **STATE SHARED SERVICES PROVIDED BY EMERA AFFILIATES?**
18 **A.** Yes. There will be labor costs, annual operating costs, and likely other transition capital
19 costs that will be incurred in providing support services during the transition period. These
20 costs will eventually be offset in whole or in part by the reduced shared services costs paid
21 by NMGC. As in the two prior acquisition cases, NMGC reserves the right to seek recovery

1 in NMGC's next base rate proceeding of some or all of the capital expenditures made in
2 the course of completing the Transaction, including in this case transitioning shared
3 services to support services as part of the transition to a standalone utility if the capital
4 assets are shown to be used and useful after the Closing. Any such claim for rate recovery
5 would of course be subject to review by the NMPRC.
6
7 **Q. DURING THE TIME THAT THE TSA IS IN EFFECT, WILL THERE BE ANY**
8 **CROSS-SUBSIDIZATION BETWEEN NMGC AND EMERA AND ITS**
9 **AFFILIATES PROVIDING SERVICES?**
10 **A.** No. The pricing under the TSA is cost-based, and consistent with the existing CAM used
11 to provide charges from shared services. The TSA will in no way impact NMGC's
12 currently approved rates.
13
14 **VI. <u>THE GENERAL DIVERSIFICATION PLAN</u>**
15 **Q. ARE THE BCP APPLICANTS AND NMGC FILING AN AMENDED GDP IN THIS**
16 **CASE?**
17 **A.** Yes. A Class II Transaction occurs when a public utility holding company is formed. In
18 this case, the BCP Applicants are acquiring 100% ownership of TECO Energy which owns
19 NMGI, which owns NMGC. As a result, NMGC will have new holding companies under
20 Rule 450 in the form of the BCP Applicants. I understand that for any Class II Transaction,
21 the public utility involved must file an updated GDP.

1 The Joint Applicants request approval of the Amended GDP, attached to my testimony as
2 JA Exhibit JMB-3, pursuant to Rule 450. The commitments contained in the Amended
3 GDP are sponsored by Joint Applicant witnesses Ryan Shell, as the current and continuing
4 President of NMGC, and by me, as the authorized representative on behalf of the BCP
5 Applicants. The Amended GDP contains the informational requirements and
6 confirmations set forth in Rule 450 and, if approved, will replace and supersede NMGC's
7 current GDP.
8
9 **Q. WHAT ARE THE STATUTORY STANDARDS FOR CLASS II TRANSACTIONS**
10 **IN NEW MEXICO?**
11 **A.** Section 62-6-19(B)(2) of the PUA grants the Commission authority to investigate "Class
12 II transactions or the resulting effect of such Class II transactions on the financial
13 performance of the public utility to determine whether such transactions or such
14 performance have an adverse and material effect" on the provision of utility service at fair,
15 just and reasonable rates. The evidence presented in support of the Application in this case
16 confirms that the Transaction will not have any adverse effect on the financial performance
17 of NMGC. Nor will the Transaction interfere with NMGC's ability to provide utility
18 service at fair, just and reasonable rates.
19
20 **Q. WHAT IS THE COMMISSION'S STANDARD FOR APPROVAL OF A GDP?**

1 **A.** The Commission will approve a GDP if it finds that the GDP contains the information
2 required by Rule 450.10(B), and if approval is in the public interest. Approval is in the
3 public interest if the Commission finds that the level of investment appears reasonable, and
4 the utility's ability to provide reasonable and proper utility service at fair, just and
5 reasonable rates will not be adversely and materially affected as a result of the Class II
6 transaction.
7
8 **Q. HAVE THE JOINT APPLICANTS ADDRESSED THE PUBLIC INTEREST**
9 **STANDARD IN THEIR TESTIMONIES?**
10 **A.** Yes. The evidence submitted in support of the Joint Application in this case demonstrates
11 that the effect of the Class II transaction on NMGC's financial performance will not
12 materially or adversely affect the utility's ability to provide reasonable and proper utility
13 service at fair, just and reasonable rates.
14
15 **Q. HAVE THE BCP APPLICANTS AND NMGC PROVIDED THE RULE 450**
16 **INFORMATION THAT THE COMMISSION REQUIRES TO APPROVE A GDP?**
17 **A.** Yes. In addition to showing that a Class II transaction will have no material adverse impact
18 on a utility's service and rates, the utility must provide all the information required by Rule
19 450. The BCP Applicants and NMGC have done so. The information enumerated in Rule
20 450 is provided in NMGC's Amended GDP and supported in my testimony and the
21 testimony of Joint Applicant witnesses Ryan Shell.

1 **Q. MUST A UTILITY CONFIRM SPECIFIC REPRESENTATIONS AS PART OF ITS**
2 **APPLICATION FOR APPROVAL OF A GDP?**

3 **A.** Yes, and those representations have been made as part of the Joint Application and
4 evidence in this case. Specifically, pursuant to Rule 450.10(C), the utility must make
5 certain affirmative representations to enable the Commission to make findings based on
6 those representations. Accordingly, the Amended GDP contains the following
7 representations of the BCP Applicants and NMGC:

8 (1) the books and records of NMGC will be kept separate from those of
9 nonregulated business and in accordance with the Uniform System of Accounts;

10 (2) the Commission and its staff will have access to the books, records, accounts,
11 or documents of NMGC, its corporate subsidiaries and its holding companies,
12 including the BCP Applicants pursuant to NMSA 1978, Sections 62-6-17 and
13 62-6-19;

14 (3) the supervision and regulation of NMGC pursuant to the PUA will not be
15 obstructed, hindered, diminished, impaired, or unduly complicated;

16 (4) NMGC will not pay excessive dividends to its holding company, and the
17 holding company will not take any action which will have an adverse and
18 material effect on the utility's ability to provide reasonable and proper service
19 at fair, just, and reasonable rates;

20 (5) NMGC will not without prior approval of the Commission:
21 (a) loan its funds or securities or transfer similar assets to any affiliated
22 interest, or
23 (b) purchase debt instruments of any affiliated interests or guarantee or
24 assume liabilities of such affiliated interests;

25 (6) NMGC has complied with, or will comply with, all applicable federal and state
26 statutes, rules, or regulations;

1 (7) when required by the Commission, NMGC will have an allocation study (which
2 will not be charged to ratepayers) performed by a consulting firm chosen by
3 and under the direction of the Commission; and

4 (8) when required by the Commission. NMGC will have a management audit
5 (which will not be charged to ratepayers) performed by a consulting firm chosen
6 by and under the direction of the Commission to determine whether there are
7 any adverse effects of Class II transactions upon the utility.

8 **Q. HOW WILL THE BCP APPLICANTS AND NMGC ADDRESS ANY FUTURE**
9 **CLASS I AFFILIATE TRANSACTIONS THAT MAY OCCUR IF THE**
10 **TRANSACTION IS APPROVED?**

11 **A.** NMGC currently receives shared services through affiliated transactions with Emera and
12 its affiliates. Following the closing of the Transaction, Emera and its affiliates will
13 continue to provide specified services to NMGC during the transition period pursuant to
14 the TSA. However, the provision of and payment for these services will no longer
15 constitute affiliate or Class I transactions because NMGC and Emera will no longer be
16 affiliated. Regarding any future Class I transactions, NMGC will timely comply with the
17 notice and information requirements of Rule 450.
18

19 **VII. <u>CONCLUSION</u>**

20 **Q. DO YOU HAVE ANY OVERALL OBSERVATIONS CONCERNING THE**
21 **TRANSACTION AND RESULTING BENEFITS TO NMGC CUSTOMERS AND**
22 **NEW MEXICO?**

1 **A.** Yes. Emera, the current ultimate owner, has determined to divest itself of NMGC, as part
2 of a strategic reallocation of its capital. The BCP Applicants are financially strong and are
3 willing to make the considerable investment to acquire NMGC on the terms set forth in the
4 PSA. The BCP portfolio companies have experienced managers and owners of other
5 utilities. The acquisition of NMGC is in alignment with BCP's continued investments in
6 LDCs and utility infrastructure. There are inherent benefits to NMGC's customers, and to
7 New Mexico, to have NMGC owned by a company willing to make the significant
8 investment to acquire NMGC because NMGC aligns with the overall business objectives
9 of the new owner.
10
11 **Q. ARE THERE OTHER MAJOR BENEFITS THAT WILL FLOW FROM THE**
12 **APPROVAL OF THE TRANSACTION?**
13 **A.** Yes. To start, if the Transaction is approved, dozens of new jobs will be created in New
14 Mexico. These jobs are associated with NMGC standing up the skilled functions necessary
15 to replace the shared services provided by Emera and its affiliates outside of New Mexico.
16 Joint Applicant witness Dr. Erickson estimates that the overall economic benefit to the state
17 will be an estimated $40 million per year.
18

1 **Q. IN YOUR OPINION, IS APPROVAL OF THE TRANSACTION IN THE PUBLIC**
2 **INTEREST?**
3 **A.** Yes. As laid out in the testimonies of the Joint Applicant witnesses, the Transaction
4 satisfies all of the six (6) factors the Commission has evaluated in prior proceedings to
5 determine whether an acquisition was in the public interest. The Transaction will bring
6 many significant benefits to New Mexico, while also providing robust commitments that
7 will both benefit and protect NMGC customers.
8
9 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**
10 **A.** Yes.

Jeff Baudier

ENERGY EXECUTIVE

Performance-focused leader with a diverse experience shaped by various roles across multiple industries. Executive roles ranging from CEO to General Counsel to Chief Development Officer to Private Equity Senior Managing Director. Proven history of driving innovative solutions to transform underperforming business units and capture previously unrealized value. Recognized for building and motivating talented, diverse teams to adopt and execute a new mission and exceed prior operational metrics. Have overseen executive teams as well as large operational and professional workforces. Drove investments and growth strategies within existing businesses and created new start-up technology to expand company platforms. Equally comfortable in the boardroom, negotiating table, or operational/plant/field setting and have transacted business in state, federal and international venues and under every legal and regulatory regime.

Selected Accomplishments

- ✓ Achieved AA- credit rating from FitchRatings for CORE, the highest rating among electric distribution cooperatives.

- ✓ Led 700 MW clean energy transition that positions CORE's as Colorado's cleanest, most reliable and most affordable electric utility by 2030.

- ✓ Led Bernhard Capital Partner's $20 million acquisition of Ascension Wastewater Treatment.

- ✓ Led through PSA Cleco acquisition of $1bb acquisition of NRG/Louisiana Generating assets and associated load contracts. Development of additional $800 mm plus pipeline of additional growth opportunities. Within first year as Chief Development Officer, rebuilt ineffective marketing group and reduced non-payroll G&A by 38%. Right-sized headcount, improved talent, restructured teams to perform. Signed first new parish franchises in over a decade; won industrial expansion and new 700 customer territory expansion.

- ✓ As CEO of Petra Nova, conceived and created from start-up a first-mover, new technology business to capture CO^2 from coal plants and beneficially re-use it for enhanced oil production. Grew enterprise value of start-up to over $100 million in 24 months and successfully positioned company for premium-based equity sell-down and non-recourse project-level debt financing. Forged first-of-its-kind joint venture among power utility, domestic oil and gas operator, foreign technology supplier, and foreign oil company. Won $167 million grant from the US Department of Energy for Clean Coal technologies, and successfully secured domestic equity partners and foreign investment financing from Japan.

- ✓ As CEO of Louisiana Generating, achieved a 20% growth in regional asset base and expansion of power sales business into new markets in Texas and Arkansas. Renegotiated underwater sales contracts to return profitability and mitigate long-term risks.

- ✓ Led NRG's over $500mm acquisition of the Cottonwood Generating Station, a 1,279 megawatt (MW) natural gas-fired power plant from Kelson Limited Partnership.

- ✓ Restructured and re-motivated Louisiana Generating to drive all-time EBITDA earnings and asset performance.

- ✓ Promoted first African-American plant manager in NRG operating fleet and first female Regional President. Advanced the careers of numerous existing employees through re-organization and growth opportunities and staffed Petra Nova start-up through advancement of high-potential internal employees.

- ✓ Led exploratory development of numerous emerging renewable technologies, including offshore wind, micro-hydroturbines, and biomass generation. Joint-ventured with companies to grow experimental energy crops, and even algae for use as biomass fuels and clean- burning bio-diesel.

Experience

Bernhard Capital Partners Management, LP, Sr Managing Director — May 2024 - Present
Lead and support for the firm's infrastructure investment activities. Responsible for transaction sourcing and execution, ownership transition management, portfolio company business improvement and fund-level strategy.

CORE Electric Cooperative, CEO — March 2021 – April 2024
Leader of one the Nation's largest electric cooperatives.

National Water Infrastructure, LLC, President and Board Member — April 2020 – March 2021
Oversight responsibility for regulated wastewater treatment utility. Company (previously AWT) acquired as portfolio company within Bernhard Capital Partners Infrastructure Fund. Overseeing $250 million greenfield sewer consolidation project, company growth and guidance of company executive management.

Bernhard Capital Partners Management, LP, Managing Director — April 2018 – March 2021
Managing Director focused on the firm's infrastructure investment activities. Responsible for transaction sourcing and execution, ownership transition management, portfolio company business improvement and fund-level strategy. Led $20 million acquisition of Ascension Wastewater Treatment.

Cleco Corporate Holdings LLC, Chief Development Officer — July 2016 – April 2018
Executive responsible for revenue growth through M&A, increase in customer base, new product offerings, and capital project development. Oversight of all origination, electricity sales and marketing, economic development, new business line development, energy efficiency programs and territory expansion.

Phelps Dunbar LLP, Partner — Feb 2013 – July 2016
Advised companies and individuals in business creation, finance and project development. Handled corporate structuring, acquisitions and divestitures, joint ventures, and both conventional and new-technology energy project development. Collaborated with Louisiana state agencies, LSU Center for Energy Studies and private companies in efforts to develop carbon capture/EOR projects in Louisiana. Advised various co-venturers in development of bagasse torrefication, LNG, offshore wind power and de-salinization start-ups. Represented Entergy in asset related aspects of attempted sale of transmission assets to ITC and in successful entity consolidation. Advised Lariat Partners in acquisition/merger of Newpark Environmental and Offshore Cleaning Services to create ECOSERV.

Petra Nova LLC, an NRG Company – President and CEO **Jan 2011 – Dec 2012**
Creator and executive leader of NRG's affiliated CO2-EOR business, which developed industry-leading venture consortium to economically use carbon dioxide captured from power plants to revitalize production at mature oil fields. Led all aspects of creating and launching this completely new business platform, including pitching and winning approval for the concept, selecting employees for, and communicating internally and externally. Won DOE and state funding, obtained equity participation and financing both domestically and abroad. Departed NRG upon completing financing and negotiating equity sell-down to JX Nippon.

NRG Energy, Inc. – SVP and Regional President (NRG), LaGen CEO **Dec 2006 – Jan 2011**
Executive management responsibility for largest independent electric power generator in Southern US, with over 4000 MW of coal and gas-fired generation assets and over 300 employees, and annual average EBITDA of over $100million. Reporting directly to the CEO with frequent presentations to the Board of Directors. Overall accountability for P&L, creation and execution of regional business strategy and development, plant operations, regulatory compliance, counterparty relationships and community, local government and media relations. Continual financial analysis and presentation of investment cases for proposed growth strategies, acquisitions and projects. Also served during this time as Senior Vice President and executive leadership team member of NRG Energy Inc. as South Central Region President.

NRG Energy, Inc. – General Counsel, South Central Region **Apr 2005 – Dec 2006**
Chief legal officer with management responsibility over all regional legal matters. Provided counsel to Board of Directors, executive management and project teams and led negotiation of all corporate transactions. Supervised all legal personnel, outside counsel and consultants. Promoted to Regional President and LaGen CEO after eight months.

Jones Walker – Partner **Mar 2001- Mar 2005**
Private law practice focusing on business transactions, commercial litigation and regulatory issues primarily related to energy, property and the environment. Practice also included intellectual property law (patent and trademark infringement), products liability, bankruptcy and class action defense.

Texaco Inc. – Senior Attorney (Houston, TX) **Mar 2000 – Mar 2001**
Handled international oil and gas exploration, processing and related transactions in Nigeria and Latin America. Created joint ventures for major project development and construction; purchase and sale of assets and business entities; facility services and supply agreements.

Caffery, Oubre, Dugas & Campbell – Attorney **Oct 1998 – Mar 2000**
Private law practice focusing on Louisiana energy transactions and commercial litigation.

Texaco Inc. – Counsel **May 1993 - Oct 1998**
Corporate attorney specializing in contract negotiation, property matters, litigation and environmental matters. Extensive handling of numerous matters before federal and state regulatory agencies. Won Treasurer's Award for leading Sabine Pipeline Co.'s joint development of the Alberta Natural Gas Hub. Represented Texaco Inc. in forming innovative IDC joint venture arrangements with international banks to finance exploration and production activities.

Education

Loyola University School of Law – J.D. **May 1993**
President's Scholarship
Cum Laude Graduate – 3.5 GPA
Top 5th percentile – Class Rank 9/200+
Member of Loyola Law Review
Member of Moot Court National Team

University of New Orleans - B.A. English/ Minor in Political Science **May 1990**
Paul R. Valteau Jr. Memorial Scholarship – to student working full-time while enrolled full-time
Katherine B. Mackey Award – Best Undergraduate Expository Essay

Louisiana State University **Aug 1986-May 1987**

Execution Version

PURCHASE AND SALE AGREEMENT

by and among

EMERA US HOLDINGS INC.

and

TECO HOLDINGS, INC.,

as Sellers,

and

SATURN UTILITIES HOLDCO, LLC,

as Buyer,

dated as of August 5, 2024

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PURCHASE AND SALE AGREEMENT

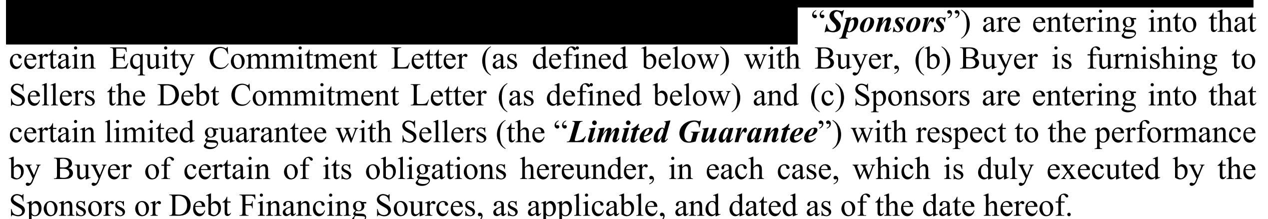
This Purchase and Sale Agreement, dated as of August 5, 2024 (the "***Effective Date***") (as it may be amended, restated, modified or otherwise supplemented from time to time, this "***Agreement***"), is made and entered into by and among Emera US Holdings Inc., a Delaware corporation ("***EUSHI***"), TECO Holdings, Inc., a Florida corporation ("***TECO Holdings***" and, together with EUSHI, each individually a "***Seller***" and, collectively, the "***Sellers***"), and Saturn Utilities Holdco, LLC, a Delaware limited liability company ("***Buyer***").

W I T N E S S E T H:

WHEREAS, Sellers collectively (a) own one hundred percent (100%) of the issued and outstanding Equity Interests (as defined below) of the Target Company (as defined below) (the "***Purchased Equity Interests***") and (b) are the indirect owners of one hundred percent (100%) of the issued and outstanding Equity Interests of the Target Subsidiaries (as defined below);

WHEREAS, Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers, one hundred percent (100%) of the Purchased Equity Interests free and clear of all Liens (other than Permitted Equity Liens), on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, concurrently with the execution of this Agreement, as a material inducement to Sellers' willingness to enter into this Agreement and consummate the Transactions (as defined below),



"***Sponsors***") are entering into that certain Equity Commitment Letter (as defined below) with Buyer, (b) Buyer is furnishing to Sellers the Debt Commitment Letter (as defined below) and (c) Sponsors are entering into that certain limited guarantee with Sellers (the "***Limited Guarantee***") with respect to the performance by Buyer of certain of its obligations hereunder, in each case, which is duly executed by the Sponsors or Debt Financing Sources, as applicable, and dated as of the date hereof.

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and agreements in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I.

DEFINITIONS AND CONSTRUCTION

SECTION 1.1 Definitions. As used in this Agreement, the following capitalized terms have the meanings set forth below:

"***1933 Act***" has the meaning given to it in Section 5.7.

"***Accounting Principles***" means the same accounting principles, practices, procedures, policies and methods (with consistent classifications, judgments, elections, inclusions, exclusions and valuation and estimation methodologies) used in the preparation of the Financial Statements and the illustrative calculation of Net Working Capital set forth on Exhibit A.

"***Additional Notices/Consents***" has the meaning given to it in Section 4.2(b).

"***Adjustment Dispute Notice***" has the meaning given to it in Section 2.6(d).

"***Affiliate***" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person; provided that, for the avoidance of doubt, from and after Closing, the Companies shall be Affiliates of Buyer and shall not be deemed to be Affiliates of either Seller. For purposes of this definition, "***control***" of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether through ownership of voting securities or ownership interests, by Contract or otherwise, and specifically with respect to a corporation, partnership or limited liability company, means direct or indirect ownership of fifty percent (50%) or more of the voting securities in such corporation or of the voting interest in a partnership or limited liability company. The terms "***controlling***," "***controlled***" and "***under common control with***" have correlative meanings under this Agreement.

"***Affiliate Arrangement***" has the meaning given to it in Section 4.19.

"***Agreement***" has the meaning given to it in the Preamble.

"***Alternative Debt Financing***" means an alternative debt financing entered into or to be entered into (as the context may require) by the Buyer in connection with financing the transactions contemplated by this Agreement, all in accordance with Section 6.21(e).

"***Alternative Debt Financing Letters***" means any new executed commitment letter or definitive document that provides for Alternative Debt Financing and any new executed fee letters in connection with Alternative Debt Financing.

"***Anti-Corruption Laws***" means all U.S. and non-U.S. Laws relating to the prevention of corruption, money laundering, and bribery, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the UK Bribery Act 2010.

"***Assets***" of any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible and wherever

situated), including the related goodwill, which assets and properties are operated, owned or leased by such Person.

"***Assignment Agreement***" means that certain Assignment Agreement, substantially in the form of Exhibit C.

"***Assumed Company Benefit Plan***" has the meaning given to it in Section 6.7(b).

"***Attorney-Client Privilege***" has the meaning given to it in Section 11.12(b).

"***Audited Financials***" has the meaning given to it in Section 4.7(a)(i).

"***Base Purchase Price***" has the meaning given to it in Section 2.2(b)(i).

"***Brunswick Agreement***" has the meaning given to it in Section 6.6(b).

"***Burdensome Condition***" means any term, condition, requirement, sanction or similar measures directly or indirectly directed, required, mandated, Ordered or otherwise imposed by a Governmental Authority in connection with the Required Statutory Approvals that, individually or in the aggregate, would, or would reasonably be expected to, have a material adverse effect on the business, assets, liabilities, properties, operations, condition (financial or otherwise) or result of operations of Buyer and its Subsidiaries (including the Companies), taken as a whole, as contemplated to exist immediately after giving effect to the Transactions and the Closing.

"***Business***" means the business as conducted by the Target Subsidiaries during the one (1) year period prior to the Effective Date or during the period from the Effective Date to the Closing Date related to the transmission, distribution and sale of natural gas to sales and transportation customers in the State of New Mexico, including any Indian Lands, and any other activities in support of or related, ancillary, necessary or advisable thereto.

"***Business Day***" means a day other than Saturday, Sunday or any day on which commercial banks in New York, New York, Baton Rouge, Louisiana or Nova Scotia, Canada are authorized or required by applicable Law to close.

"***Buyer***" has the meaning given to it in the Preamble.

"***Buyer 401(k) Plan***" has the meaning given to it in Section 6.7(h).

"***Buyer Closing Failure Notice***" has the meaning given to it in Section 9.1(d).

"***Buyer Cure Period***" has the meaning given to it in Section 9.1(b).

"***Buyer Fundamental Representations***" means the representations and warranties set forth in Section 5.1 (*Organization*), Section 5.2 (*Authority; Enforceability*), and Section 5.10 (*Solvency*).

"***Buyer Indemnified Parties***" has the meaning given to it in Section 10.2.

"***Buyer Termination Fee***" has the meaning given to it in Section 9.2(b).

"***Buyer's Determination***" has the meaning given to it in Section 2.6(b).

"***Cash***" means, with respect to any Person as of any time, the cash, certificates of deposit, commercial paper, treasury bills and notes and cash equivalents (including marketable securities, all other items included as unrestricted or cash equivalents on the Financial Statements and short-term investments) held by such Person at such time, and including checks, ACH transactions and other wire transfers and drafts deposited or available for deposit for the account of such Person at such time; provided that Cash shall (a) be calculated net of issued but uncleared checks, ACH transactions and other wire transfers and drafts written or issued by any of the Companies and (b) not include (i) amounts distributed to the Sellers between the Reference Time and the Closing or (ii) Restricted Cash; provided that, for the avoidance of doubt, the Parties acknowledge and agree that any cash deposits held by the Companies on account of their customers shall be included in the calculation of Cash.

"***CBA***" has the meaning set forth in Section 4.11(a)(xv).

"***Claim***" means any public or non-public administrative, regulatory or judicial demand, demand letter, charge, claim, action, suit, notice, notice of violation or noncompliance, investigation, arbitration, hearing or proceeding (including any civil, criminal, administrative, appellate or arbitration proceedings, whether at law or in equity), order, lien, fine, penalty, subpoena, discovery request, complaint, mediation, private adjudication, audit, examination or litigation by or before any Governmental Authority or any other Person, including any appeal thereof.

"***Claiming Party***" has the meaning given to it in Section 10.7(a).

"***Closing***" means the closing of the transactions contemplated by this Agreement, as provided for in Section 2.3.

"***Closing Date***" means the date on which the Closing occurs.

"***Closing Date Net Working Capital***" has the meaning given to it in Section 2.6(a)(i)(D).

"***Closing Date Purchase Price***" has the meaning given to it in Section 2.2(b).

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Collection Expenses***" has the meaning given to it in Section 9.2(e).

"***Combined Returns***" has the meaning given to it in Section 6.11(a)(i).

"***Combined Tax***" means any Tax with respect to which a member of any Seller Group (other than a Company) has filed or will file a Tax Return on an affiliated, consolidated, combined or unitary group basis with any Company.

"***Commitment Letters***" has the meaning given to it in Section 5.8(b).

"***Companies***" means, collectively, the Target Company and the Target Subsidiaries, and "***Company***" shall mean any such entity individually.

"***Company Benefit Plan***" means any Employee Benefit Plan that is sponsored or maintained solely by NMGC or any of its Subsidiaries.

"***Company Employee***" means each employee who is employed by NMGC, including any Employee on Leave.

"***Confidentiality Agreement***" means that certain Confidentiality Agreement by and between Emera Incorporated and Bernhard Capital Partners Management, LP, dated February 14, 2024, as amended from time to time.

"***Continuation Period***" has the meaning given to it in Section 6.7(b).

"***Continuing Credit Support Arrangements***" has the meaning given to it in Section 6.20.

"***Continuing Employee(s)***" has the meaning given to it in Section 6.7(a).

"***Contract***" means any contract, agreement, lease, license, evidence of Indebtedness, mortgage, indenture, purchase order, binding bid, letter of credit, security agreement, loan, debenture, bond, deed of trust, sale order or other legally binding arrangement (including any amendments, supplements or modifications thereto), whether written or oral, express or implied, but excluding any Permits.

"***Credit Support Arrangements***" has the meaning given to it in Section 6.20.

"***Current Representation***" has the meaning given to it in Section 11.12(a).

"***D&O Indemnified Person***" has the meaning given to it in Section 10.4(a).

"***D&O Tail Policy***" has the meaning given to it in Section 10.4(b).

"***Debt Commitment Letter***" has the meaning set forth in Section 5.8(b).

"***Debt Financing***" means the debt financing incurred or to be incurred pursuant to the Debt Commitment Letter.

"***Debt Financing Related Parties***" means the Debt Financing Sources and other lenders from time to time party to agreements contemplated by or related to the Debt Financing, their

Affiliates and their and their Affiliates' respective directors, officers, employees, agents, advisors and other representatives.

"***Debt Financing Source***" means, in its capacity as such, any lender or similar debt financing source providing a commitment pursuant to the Debt Commitment Letter or any other document relating to the Debt Financing (or any other commitment letter or definitive agreement in respect of any alternative debt financing permitted hereunder).

"***Designated Counsel***" has the meaning given to it in Section 11.12(a).

"***Designated Person***" has the meaning given to it in Section 11.12(a).

"***DPA***" has the meaning given to it in Section 5.12.

"***DSU***" has the meaning given to it in Section 6.7(k).

"***EBPC***" has the meaning given to it in Section 6.6(b).

"***Effect***" has the meaning given to it in the definition of "Material Adverse Effect."

"***Effective Date***" has the meaning given to it in the Preamble.

"***Employee Benefit Plan***" means any (a) "employee benefit plan" (as such term is defined in Section 3(3) of ERISA), whether or not subject to ERISA, and (b) other compensation or benefits plan, program, policy, agreement or arrangement, including any employment agreement, individual consulting agreement, offer letter, severance arrangement, retention, change in control, cash, equity or equity-based, incentive, bonus, deferred compensation, vacation or other paid time off, pension or retirement, profit sharing, medical, dental, life or disability, retiree or post-termination health or welfare, fringe benefit, severance, termination, salary continuation or other compensatory, health or welfare benefit plan or agreement, in each case, that is maintained by any of Sellers or any of their Affiliates (including NMGC and its Subsidiaries) in which any Company Employee or Former Company Employee participates, or under or with respect to which any of the Companies have any current or contingent liability or obligation, excluding any Governmental Authority plan or arrangement.

"***Employee on Leave***" means any employee of NMGC who (a) is on an approved leave of absence (including military leave with reemployment rights under federal law and leave under the Family and Medical Leave Act of 1993) from which such employee is entitled to return to active employment under applicable Laws or pursuant to any applicable personnel policy of NMGC or (b) is receiving short-term or long-term disability benefits under any Seller Benefit Plan or Company Benefit Plan.

"***Employer Payroll Taxes***" means FICA, state, local or foreign payroll, social security, unemployment or similar Taxes; provided that any such Taxes that are incurred with respect to an individual that is reasonably expected to exceed the social security limit based on continued employment shall not constitute Employer Payroll Taxes.

"***Environmental Claim***" means any Claim arising out of or related to any Environmental Law or with respect to Hazardous Materials.

"***Environmental Laws***" means any and all statutes, Laws, regulations and rules, in each case related to public and worker health and safety (to the extent related to exposure to Hazardous Materials), pollution or the protection of the environment.

"***Environmental Permit***" means any Permit issued or required pursuant to Environmental Law.

"***Equity Commitment Letter***" has the meaning given to it in Section 5.8(b).

"***Equity Financing***" means the equity financing incurred or to be incurred pursuant to the Equity Commitment Letter.

"***Equity Interests***" means any (a) capital stock, partnership or membership interests or units (whether general or limited), and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing entity, (b) subscriptions, calls, warrants, options or commitments of any kind or character relating to, or entitling any Person to acquire, any security described in clause (a), (c) any other security containing equity features or profit participation features (including any stock appreciation, phantom stock, equity participation, stock-based performance units, profits interests or similar rights), (d) securities convertible into or exercisable or exchangeable, directly or indirectly, with or without consideration, into or for any security described in the foregoing clauses (a) through (c) or another similar security (including convertible notes), and (e) any security carrying any warrant or right to subscribe for or purchase any security described in clauses (a) through (d) above or any similar security.

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended.

"***Estimated Closing Cash***" has the meaning given to it in Section 2.6(a)(i()A).

"***Estimated Closing Indebtedness***" has the meaning given to it in Section 2.6(a)(i()B).

"***Estimated Closing Seller Transaction Expenses***" has the meaning given to it in Section 2.6(a)(i()C).

"***Estimated Closing Statement***" has the meaning given to it in Section 2.6(a)(ii).

"***EUSHI***" has the meaning given to it in the Preamble.

"***Event of Default***" has the meaning given to it in Section 7.7.

"***Ex-Im Laws***" means all U.S. and non-U.S. Laws relating to export, reexport, transfer, and import controls, including the Export Administration Regulations, the customs and import Laws administered by U.S. Customs and Border Protection, and the EU Dual Use Regulation.

"***Final Adjustment Accrual***" has the meaning given to it in Section 2.6(f)(ii).

"***Final Adjustment Amount***" has the meaning given to it in Section 2.6(b)(ii).

"***Final Cash***" has the meaning given to it in Section 2.6(b)(i()A).

"***Final Closing Statement***" has the meaning given to it in Section 2.6(b)(ii).

"***Final Indebtedness***" has the meaning given to it in Section 2.6(b)(i()B).

"***Final Net Working Capital***" has the meaning given to it in Section 2.6(b)(i()D).

"***Final Seller Transaction Expenses***" has the meaning given to it in Section 2.6(b)(i()C).

"***Financial Statements***" has the meaning given to it in Section 4.7(a)(ii).

"***Former Company Employee***" means any employee of NMGC who is no longer actively employed (including by reason of retirement) by NMGC.

"***Fraud***" means the actual and intentional fraud by a Person with respect to the making by a Party hereto to another Party hereto of an express representation or warranty contained in this Agreement by such Party, or any certificate delivered pursuant to Section 7.3 or Section 8.3 (as applicable) of this Agreement by such Party; provided, that at the time such representation or warranty was made by such Party, (a) such representation or warranty was inaccurate, (b) such Party had actual knowledge (meaning without imputed or constructive knowledge, and without any duty of inquiry or investigation) that such representation or warranty was inaccurate, (c) in making such representation or warranty the Person(s) with knowledge of the inaccuracy thereof had the intent to deceive such other Party and to induce such other Party to enter into this Agreement, and (d) such other Party acted or failed to act in reasonable reliance on such representation or warranty and suffered Losses as a result of such reliance. For the avoidance of doubt, "Fraud" does not include equitable fraud, promissory fraud, unfair dealings fraud, or any torts (including fraud) based on negligence or recklessness.

"***GAAP***" means generally accepted accounting principles in the United States applied on a consistent basis throughout the periods involved.

"***Government Contract***" means any Contract for the sale of supplies or services currently in performance or that has not been closed that is between any of the Companies and a Governmental Authority or entered into by any of the Companies as a subcontractor in connection with a Contract between another Person and a Governmental Authority.

"***Governmental Authority***" means any transnational, domestic or foreign, federal, state, local, county, parish, city or municipal or tribal government or other regulatory authority (including any subdivision, department, bureau, commission, board, body, court, tribunal, legislature, executive, administrative agency, regulatory body or commission or other authority thereof), or any quasi-governmental or private body exercising any regulatory (including self-regulatory), importing or other governmental or quasi-governmental authority, including any Taxing Authority.

"***Hazardous Material***" means (a) any petrochemical or petrochemical products or byproducts, petroleum or petroleum byproducts, radioactive materials, asbestos, polychlorinated biphenyls, per- and polyfluoroalkyl substances, toxic mold and radon gas and (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants" or "pollutants" or words of similar meaning and regulatory effect, which is prohibited, limited, or regulated by, or for which standards of conduct or liability are imposed, pursuant to, any Environmental Law.

"***HSR Act***" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"***Income Tax***" means (a) any United States federal, state or local or non-U.S. Tax based on or measured by reference to income or profits (including franchise Taxes and alternative minimum Taxes) and (b) Taxes based upon or measured by reference to multiple bases (including corporate franchise, doing business or occupation Taxes) if one or more of the bases upon which such Tax may be based, measured by, or calculated with respect to is included in clause (a) above.

"***Indebtedness***" means, as of any time of determination, all outstanding payment obligations (including breakage, prepayment or other premium, accrued fees, reimbursement and any other amounts that become payable in connection with the prepayment arising under any such obligations as a result of the consummation of the Transactions (excluding, for the avoidance of doubt, any such amounts relating to Surviving Indebtedness) and in respect of principal and accrued and unpaid interest) of any Company, without duplication, in respect of (a) borrowed money, (b) obligations evidenced by bonds, promissory notes, debentures or other similar instruments, (c) deferred purchase price of property, goods or services (including obligations under leases required to be capitalized in accordance with the Accounting Principles (but without giving effect to ASC 842, and for the avoidance of doubt, any operating leases required to be capitalized under ASC 842 shall not be included in Indebtedness), but excluding account payables and other current liabilities incurred in the ordinary course of business), (d) reimbursement obligations of such Person relating to letters of credit, bankers' acceptances, surety or other bonds or similar instruments, in each case, to the extent drawn, (e) any outstanding and unpaid severance or similar payments in respect of any former employee, officer, director or other individual service provider of the Companies whose employment or engagement was terminated prior to the Closing that are payable by the Companies after the Closing, (f) any accrued and unpaid deferred compensation, bonus, commission or incentive obligations (other than annual cash incentive bonuses (which are addressed in clause (g) immediately below), RSUs, PSUs, DSUs and any other Seller Transaction Expenses) in respect of any current or former employee, officer, director or other individual service provider of the Companies, in each case, that are accrued prior to Closing, (g) the pro-rated amount of annual cash incentive bonuses in respect of the period prior to the Closing that are payable by the Companies pursuant to Section 6.7(m), (h) any accrued balances with respect to a Nonqualified Seller DB Plan that are payable by the Companies pursuant to Section 6.7(i), (i) the employer's portion of any applicable Employer Payroll Taxes due with respect to the amounts payable pursuant to clauses (e), (f), (g), or (h), (j) the Tax Liability Amount, (k) any such obligations of the type described in the preceding clauses (a) through (d) secured by a Lien (other than a Permitted Lien) on Assets of the Companies, (l) any indebtedness or other obligations of any other Person of the type described in the preceding clauses (a) through (d) to the extent guaranteed by any

Company (but only to the extent of the amount so guaranteed) and (m) all unfunded or underfunded liabilities with respect to any post-retirement health or welfare benefits that accrued prior to the Closing and are payable by the Companies after the Closing; provided that, for the avoidance of doubt, "***Indebtedness***" shall not include any obligations owed solely by one or more of the Companies to one or more other Companies or any amount included in the final calculation of Net Working Capital or Seller Transaction Expenses.

"***Indemnified Parties***" has the meaning given to it in Section 10.2(b).

"***Indemnified Tax***" means (a) any Taxes of any member of any Seller Group which are required to be paid by any Company by reason of such Company having been a member of any Seller Group on or prior to the Closing Date pursuant to Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or non-U.S. Tax Law) or (b) any IRS Penalty Taxes.

"***Indemnifying Party***" means a Person required to indemnify a Buyer Indemnified Party or a Seller Indemnified Party, as the case may be, pursuant to the terms of this Agreement.

"***Independent Accountant***" means a senior employee or partner mutually acceptable to Buyer and Sellers at an independent, nationally recognized accounting firm mutually selected by Buyer and Sellers; provided, that if the Parties cannot agree on the selection of such a senior employee or partner within thirty (30) days after the date of a written request for the same from one Party to the other Party, or if the initial Independent Accountant is unable or unwilling to accept the appointment provided hereunder and the Parties are unable to agree on a replacement within five (5) Business Days after written notice from the initial Independent Accountant that it is unable or unwilling to accept such appointment, either Party may request the American Arbitration Association sitting in New York, New York to appoint a senior employee or partner at an independent, nationally recognized accounting firm to act as the Independent Accountant, and such appointment will be conclusive and binding on the Parties and may be entered or enforced in any court of competent jurisdiction.

"***Indian Lands***" means Indian Lands, as that term is defined at 25 U.S.C. § 2703, as amended.

"***Insurance Policies***" has the meaning given to it in Section 4.26.

"***Insurance Proceeds***" has the meaning given to it in Section 6.8.

"***Intellectual Property***" means all intellectual property rights arising under applicable Law, both statutory and common law rights, including: (a) copyrights, registrations and applications for registration thereof, (b) Trademarks, (c) patents, as well as any reissued and reexamined patents and extensions corresponding to the patents, and any patent applications, as well as any related continuation, continuation in part and divisional applications and patents issuing therefrom, (d) internet domain names, (e) rights in software, data, and databases, and (f) trade secrets and confidential information, including ideas, designs, concepts, compilations of information, methods, techniques, procedures, processes and other know-how, whether or not patentable.

"***Interim Period***" has the meaning given to it in Section 6.1.

"***IRS Penalty Taxes***" has the meaning given to it in Section 6.11(k).

"***Knowledge***" means (a) with respect to Sellers, the actual knowledge (as opposed to any constructive or imputed knowledge) after reasonable inquiry of Ryan Shell, Erik Buchanan, Nicole Strauser or Denise Wilcox and (b) with respect to Buyer, the actual knowledge (as opposed to any constructive or imputed knowledge) after reasonable inquiry of Jeff Baudier, Jeff Jenkins, Jeff Yuknis or Phillip Preis.

"***Laws***" means any and all applicable transnational, domestic or foreign federal, tribal, state, local or municipal laws, rules, regulations, ordinances, directives, tariffs, statutes, acts, treaties, codes, awards, conventions and other legal requirements issued, enacted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority, and other agreements between states, between states and tribes, nations or pueblos, or between states and the European Union or other supranational bodies, rules of common law, and all other laws of, or having an effect in, any jurisdiction from time to time, any rules of any stock exchange on which the shares of any party (or its holding company) are listed and any Order, decree or ruling of any Governmental Authority.

"***Leased Real Property***" means all leasehold or subleasehold estates and other rights (other than ownership rights) to use or occupy any land, buildings or structures held by a Company.

"***Leases***" means all leases, subleases, licenses, concessions and other agreements (written or oral) (including all amendments, extensions, renewals, guaranties and other agreements with respect thereto) pursuant to which a Company holds any Leased Real Property.

"***Lien***" means, with respect to any property, right or asset, any mortgage, pledge, deed of trust, security interest, charge, claim, community property interest, equitable interest, lien (statutory or otherwise), exclusive license, assignment, easement, encumbrance, hypothecation, option, purchase right, charge against or interest in property to secure payment of a debt or performance of an obligation or other similar encumbrance in respect of such property or asset.

"***Limited Guarantee***" has the meaning given to it in the Recitals.

"***Lookback Date***" means January 1, 2021.

"***Loss***" means any and all judgments, losses, liabilities, debts, amounts paid in settlement, damages, Taxes, fines, penalties, deficiencies, costs, charges, obligations, demands, fees, interest, losses and expenses (including court costs and reasonable fees of attorneys, accountants and other experts in connection with any Claim), commitments or obligations of whatever kind or nature, in each case, whether primary or secondary, direct or indirect, asserted or unasserted, absolute or contingent, known or unknown, liquidated or unliquidated, matured or unmatured, disputed or undisputed, whether or not accrued, including those arising under any applicable Law or Claim; provided that in no event shall Loss include Non-Reimbursable Damages.

"***Material Adverse Effect***" means any change, event, effect, circumstance, state of facts, development, condition or occurrence (each, an "***Effect***") that, individually or in the aggregate with any other Effects, is or would reasonably be expected to have a material adverse effect on the business, assets, liabilities, properties, operations, conditions (financial or otherwise) or results of

operations of the Companies, taken as a whole; provided, however, that any of the following Effects shall not be considered (except, with respect to subclauses (i), (ii), (iii), (iv), (v), (vi), (viii), (ix), (x), and (xv), to the extent such Effect has a material and disproportionate effect on the business, assets, liabilities, properties, operations, conditions (financial or otherwise) or results of operations of the Companies, taken as a whole, relative to other similarly situated Persons or businesses in the industries in which the Companies operate): (i) any change (including changes or proposed changes of applicable Law or the interpretation or enforcement thereof) or condition generally affecting any industry in which any Company operates or the industries in which customers or suppliers of any Company operates; (ii) any change generally affecting the international, national or regional wholesale or retail markets for natural gas; (iii) any change in markets for commodities or supplies, including natural gas, as applicable, used in connection with the Business; (iv) any change in general regulatory or political conditions, including any engagements of hostilities, acts of war, military actions, political instability or terrorist activities (including the current dispute between the Russian Federation and Ukraine and the current dispute between Israel and Hamas and, in each case, any evolutions thereof and any sanctions or other laws, directives, policies, guidelines or recommendations promulgated by any Governmental Authority in connection therewith or in response thereto), acts of sabotage, cyber-attacks, ransomware attacks or changes imposed by a Governmental Authority associated with additional security; (v) any change or development in the international, national or regional natural gas transmission or distribution systems or operations thereof; (vi) any adoption, implementation, promulgation, repeal, modification or change in interpretation of any Laws (including Environmental Laws); (vii) any change in the financial conditions or results of operations of Buyer or its Affiliates, including changes due to the credit rating of Buyer and its Affiliates; (viii) any change in GAAP (or authoritative interpretation thereof); (ix) any change in the financial, banking, credit, international trade, securities, capital, credit or currency markets; (x) any change in general national or regional economic or financial conditions or any failure or bankruptcy (or any similar event) of any financial services or banking institution or insurance company; (xi) any actions consented to by Buyer in writing; (xii) the announcement or pendency of the Transactions, including (A) any adverse change in supplier, employee, financing source, regulatory, customer or similar relationships resulting therefrom or (B) any change that arises out of or relates to the identity of Buyer or any of its Affiliates as the acquirer of the Companies; (xiii) any Effect arising from any requirements imposed by any Governmental Authorities as a condition to obtaining the Required Statutory Approvals; (xiv) any failure in and of itself by any Company to meet any internal or public projection, budget, forecast, estimate or prediction in respect of revenues, earnings or other financial or operating metrics for any period on or after the Effective Date (it being understood that this clause (xiv) shall not prevent a determination that any Effect underlying such failure to meet projections, business plans, estimates or forecasts has resulted in a Material Adverse Effect); or (xv) any hurricane, tornado, tsunami, flood, earthquake, snow storm, ice storm or other natural disaster or weather-related event, circumstance or development or epidemics or pandemics (including COVID-19 and any developments related thereto), including any escalation or worsening of any of the foregoing.

"***Material Contracts***" has the meaning given to it in Section 4.11(a).

"***Net Working Capital***" means (without duplication), as of any time of determination, an amount (expressed as a positive or negative number) equal to (a) the aggregate value of all current assets of the Companies, minus (b) the aggregate value of all current liabilities of the Companies,

in each case, calculated on a consolidated basis in accordance with the Accounting Principles and the illustrative example as of March 31, 2024 in Exhibit A; provided, consistent with the methodology set forth in Exhibit A, Net Working Capital shall exclude Cash, Income Tax assets, deferred Tax assets, Income Tax liabilities and deferred Tax liabilities, any operating lease liabilities recorded in accordance with ASC 842, Indebtedness, Seller Transaction Expenses and any prepaid or other assets that are not transferring with the Companies or the Business. Net Working Capital shall also exclude all receivables or payables exclusively between or among the Companies.

"***NMGC***" means New Mexico Gas Company, Inc., a corporation existing under the laws of the State of Delaware.

"***NMPRC***" means the New Mexico Public Regulation Commission.

"***NMPRC Approval***" has the meaning given to it in Section 6.1(b)(i).

"***Nonqualified Seller DB Plan***" has the meaning given to it in Section 6.7(i).

"***Non-Recourse Party***" has the meaning given to it in Section 11.13.

"***Non-Reimbursable Damages***" has the meaning given to it in Section 10.6(b).

"***OFAC***" has the meaning given to it in the definition of "Sanctioned Person."

"***Order***" means any order, judgment, writ, injunction, decree, determination, directive, settlement, stipulation, decision, ruling, subpoena, assessment, stipulation, verdict or award of any Governmental Authority (whether preliminary or final) with applicable jurisdiction over the subject matter.

"***ordinary course of business***" means, with respect to the Business, the ordinary course of business consistent with past practice.

"***Organizational Documents***" means, with respect to any Person, (a) the articles or certificate of incorporation, formation or organization and by-laws, or comparable governing documents, of a corporation, (b) the limited partnership agreement and the certificate of limited partnership of a limited partnership, (c) the partnership agreement and any statement of partnership of a general partnership, (d) the certificate of formation or articles of organization and the operating or limited liability company agreement of a limited liability company, (e) any charter, stockholder agreement or such other organizational or governance documents of such Person, filed in connection with the creation, formation or organization of such Person not addressed by the foregoing clauses (a) through (d), including those that are required to be registered or kept in the place of incorporation, organization or formation of such Person and which establish the legal personality of such Person, and (f) any amendment or supplement to or restatement or modification of any of the foregoing.

"***Outside Date***" has the meaning given to it in Section 9.1(e).

"***Parties***" means, collectively, Buyer and Sellers.

"***Payment Spreadsheet***" has the meaning given to it in Section 2.6(a).

"***PBGC***" has the meaning given to it in Section 4.18(b).

"***Pension Plan***" has the meaning given to it in Section 4.18(b)(i).

"***Permits***" means any licenses, franchises, permits, certificates, certificates of public convenience and necessity, authorizations, approvals, consents, exemptions, variances, waivers, registrations or other authorizations, in each case, issued or granted by a Governmental Authority, but excluding any Property.

"***Permitted Equity Lien***" means any Liens, restrictions on transfers or other encumbrances (a) arising under this Agreement, the Organizational Documents of the Companies or applicable securities Laws, (b) that may be created by or at the direction of Buyer or (c) identified in Section 1.1-PE of the Seller Disclosure Letter.

"***Permitted Lien***" means (a) any Lien for Taxes (i) not yet due or delinquent or (ii) being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP; (b) any Lien arising in the ordinary course of business by operation of Law with respect to a liability (i) that is not yet due or delinquent or (ii) that is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP; (c) any Lien reflected in the Financial Statements; (d) purchase money Liens arising in the ordinary course of business; (e) with respect to the Property, (i) all matters of record, including matters of record in any applicable county registry of deeds, or that are disclosed (whether or not subsequently deleted or endorsed over) on any survey of any part of the Property, in the title policies insuring any part of the Property or any commitments therefor, or which may be included in any title reports, and any imperfections or irregularities of title and other Liens of record which do not or would not, in the aggregate, reasonably be expected to materially interfere with the current use of or materially detract from the current use or value of the affected Property, (ii) all other covenants, conditions, restrictions, easements, rights of way, servitudes, encroachments, permits and oil, surface leases and other rights to use the surface or in respect of surface operations, gas, mineral and any mining reservations, rights, licenses and leases that would not, in the aggregate, reasonably be expected to materially interfere with the current use of or materially detract from the current use or value of the affected Property, (iii) zoning, entitlement, planning, building, land use and other similar regulations, limitations and restrictions, regulating the use or occupancy of such Property or the activities conducted thereon and all rights of any Governmental Authority having jurisdiction over such Property to regulate such Property which are not violated by the current use or occupancy of such Property or the operation of the Business thereon, (iv) rights of parties legally and validly in possession of any of the Property, excluding any options to purchase, rights of first refusal or rights of first offer, that do not materially impair the occupancy, use or value of such Property, (v) any encroachment, encumbrance, surface lease and other right to use the surface or in respect of surface operations, violation, variation or adverse circumstance affecting the title to any Property, including discrepancies, conflicts in boundary lines, shortages in area or any other facts that would be disclosed by an accurate and complete survey or physical inspection of the Property which do not or would not, in the aggregate, reasonably be expected to materially interfere with the current use of or materially detract from the current use or value of the affected Property, and (vi) with respect

to any leased Property, any right, interest, Lien or title of a lessor or sublessor under a lease, sublease or occupancy agreement or in the property being leased which do not or would not, in the aggregate, reasonably be expected to materially interfere with the current use of or materially detract from the current use or value of the affected Property; (f) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security Laws; (g) Permitted Equity Liens; (h) mechanics, materialmen's and similar Liens arising or incurred in the ordinary course of business or with respect to any amounts not yet due and payable or which are being contested in good faith by appropriate proceedings; (i) Liens securing rental payments under capital and financing lease agreements; (j) Liens constituting non-exclusive licenses or sublicenses of, or covenants not to sue with respect to, Intellectual Property granted in the ordinary course of business; (k) Liens arising in connection with Surviving Indebtedness; and (l) the matters identified in Section 1.1-PL of the Seller Disclosure Letter.

"***Person***" means any natural person, corporation, general partnership, limited partnership, joint venture, joint stock company, limited liability company, proprietorship, other business organization, trust, estate, union, association, unincorporated organization, Governmental Authority or any other separate legal entity.

"***Post-Closing Taxable Period***" means any Tax period beginning after the Closing Date and, with respect to a Straddle Taxable Period, the portion of such Tax period beginning on the day after the Closing Date.

"***Pre-Closing Taxable Period***" means any Tax period ending on or before the Closing Date and, with respect to a Straddle Taxable Period, the portion of such Tax period ending on the Closing Date.

"***Property***" means all real property owned or leased by the Companies, including easements and rights-of-way appertaining thereto.

"***Property Taxes***" has the meaning given to it in Section 6.11(b).

"***PSU***" has the meaning given to it in Section 6.7(j).

"***Purchase Price***" has the meaning given to it in Section 2.2(a).

"***Purchased Equity Interests***" has the meaning given to it in the Recitals.

"***R&W Insurance Policy***" has the meaning given to it in Section 6.18.

"***Reference Time***" means the time immediately prior to the Closing.

"***Regulatory Proceedings***" has the meaning given to it in Section 6.1(d).

"***Reimbursed Financing Expenses***" has the meaning given to it in Section 9.2(d).

"***Related Party***" has the meaning given to it in Section 9.2(c).

"***Release***" means any release, spill, emission, migration, leaking, pumping, pouring, emptying, leaching, dumping, injection, deposit, disposal or discharge of any Hazardous Materials into the environment.

"***Released Claims***" has the meaning given to it in Section 6.17.

"***Released Parties***" has the meaning given to it in Section 6.17.

"***Releasing Parties***" has the meaning given to it in Section 6.17.

"***Representatives***" means, as to any Person, its officers, directors, members, partners, employees, investment bankers, attorneys, accountants, consultants, agents, and other advisors or representatives.

"***Required Information***" means (a) financial, business and other pertinent information regarding the Companies as Buyer shall reasonably request from Sellers to the extent necessary to allow Buyer to prepare pro forma financial statements of Buyer that are necessary to satisfy the conditions set forth in the Debt Commitment Letter and (b) following an appropriate opportunity for review by the Companies, customary authorization letters (including customary representations with respect to accuracy of information pertaining to the Companies) for inclusion in any information materials that authorize the distribution of information provided under clause (a) above to prospective lenders.

"***Required Statutory Approvals***" means the approvals required to be obtained from, or expiration of waiting periods imposed by, a Governmental Authority set forth on Schedule 1.

"***Responding Party***" has the meaning given to it in Section 10.7(a).

"***Restricted Cash***" means cash deposits (including all cash deposits in respect of Leased Real Property or otherwise), cash in reserve accounts, escrow accounts, custodial cash and cash subject to a lockbox, dominion, control or similar agreement or otherwise subject to any legal or contractual restriction on the ability to freely transfer or use such cash for any lawful purposes (provided, that cash that constitutes Restricted Cash solely as a result of restrictions on dividends imposed by NMPRC shall not constitute Restricted Cash as a result of such restriction).

"***RSU***" has the meaning given to it in Section 6.7(j).

"***Sanctioned Country***" means any country or region or government thereof that is, or has been in the last five years, the subject or target of a comprehensive embargo under Trade Controls (including Cuba, Iran, North Korea, Syria, Venezuela, and the Crimea, the so-called "Donetsk People's Republic," and the so-called "Luhansk People's Republic" regions of Ukraine).

"***Sanctioned Person***" means any Person that is the subject or target of sanctions or restrictions under Trade Controls including: (a) any Person listed on any U.S. or non-U.S. sanctions- or export-related restricted party list, including the U.S. Department of the Treasury Office of Foreign Assets Control's ("***OFAC***") List of Specially Designated Nationals and Blocked Persons, or any other OFAC, U.S. Department of Commerce Bureau of Industry and Security, or U.S. Department of State sanctions- or export-related restricted party list; (b) any Person located,

organized, or resident in a Sanctioned Country; (c) any Person that is, in the aggregate, 50 percent (50%) or greater owned, directly or indirectly, or otherwise controlled by a Person or Persons described in clauses (a) through (b); or (d) any national of a Sanctioned Country with whom U.S. persons are prohibited from dealing.

"***Sanctions***" means all U.S. and non-U.S. Laws relating to economic or trade sanctions, including the Laws administered or enforced by the United States (including by OFAC or the U.S. Department of State) and the United Nations Security Council.

"***Seller***" or "***Sellers***" has the meaning given to it in the Preamble.

"***Seller 401(k) Plan***" means the TECO Energy Group Retirement Savings Plan.

"***Seller Benefit Plan***" means any Employee Benefit Plan that is sponsored or maintained by Sellers or any of their Affiliates, other than a Company Benefit Plan.

"***Seller Cure Period***" has the meaning given to it in Section 9.1(c).

"***Seller DB Plan***" means any Employee Benefit Plan that is a "defined benefit plan" (as such term is defined in Section 3(35) of ERISA, including any defined benefit plan that is an "excess benefit plan" as defined under Section 3(36) of ERISA), including the TECO Energy Group Retirement Plan and the TECO Energy Group Benefit Restoration Plan.

"***Seller Disclosure Letter***" means that certain disclosure letter prepared by Sellers and delivered to Buyer as of the date hereof.

"***Seller Fundamental Representations***" means the representations and warranties set forth in Section 3.1 (*Organization*), Section 3.2 (*Authority; Enforceability*), Section 3.3(a) (*No Conflicts, Consents and Approvals*), Section 4.1 (*Organization*), Section 4.2(a) (*No Conflicts, Consents and Approvals*), Section 4.3 (*Capitalization*), and Section 4.8 (*Absence of Certain Changes*).

"***Seller Group***" means any affiliated, consolidated, combined, unitary or similar group (including any affiliated group of corporations as defined in Section 1504(a) of the Code electing to file consolidated U.S. federal income Tax Returns) of which any Seller or any of their Affiliates is a member.

"***Seller Indemnified Parties***" has the meaning given to it in Section 10.2(b).

"***Seller Marks***" means any and all (a) Trademarks owned by Sellers or any of their Affiliates (other than the Companies), (b) translations, abbreviations, and adaptations thereof and stylized variations, logos and designs used in connection with any of the foregoing and (c) Trademarks derived from, confusingly similar to or including any of the foregoing (including, for the avoidance of doubt, any and all Trademarks that include "EMERA", "TECO", "TAMPA ELECTRIC" or "EUSHI", but excluding, for the avoidance of doubt, the Trademarks "NEW MEXICO GAS COMPANY" and "A NATURAL CHOICE").

"***Seller Transaction Expenses***" means, solely to the extent incurred or payable by or on behalf of the Companies prior to, on or as a result of the Closing and not paid in full prior to the Reference Time (i.e., such that one or more Companies is liable for paying such amounts after the Closing), and without duplication, the aggregate amount of: (a) all fees, expenses and costs incurred by or on behalf of the Companies in connection with the preparation, negotiation, execution and delivery of this Agreement and the other Transaction Agreements, or the consummation of the Transactions (including in respect of any alternative transaction) to financial advisors, accountants, legal advisors and other third-party advisors or Representatives; (b) all amounts payable pursuant to any management, monitoring, expense reimbursement, indemnification or similar agreements with Sellers or any of their respective direct or indirect Affiliates or other direct or indirect holders of Equity Interests therein, including any accelerated costs or expenses and any termination costs, expenses, or similar charges; and (c) all change of control, "success fee," transaction, sales, retention or stay bonuses, incentive, phantom equity (including all payments payable by the Companies in respect of RSUs and PSUs pursuant to Section 6.7(j) or in respect of DSUs pursuant to Section 6.7(k)) and other similar payments, in each case, that are obligations of the Companies in existence as of Closing, are not included in Indebtedness and are payable by the Companies on a "single-trigger" basis to any current or former employee, officer, director or other individual service provider of the Companies solely as a result of the consummation of the Transactions, together with the employer's portion of any applicable Employer Payroll Taxes due with respect to such payments; provided that, for the sake of clarity, "Seller Transaction Expenses" shall not include any amount included in the calculation of Indebtedness or Net Working Capital.

"***Seller Welfare Plan***" has the meaning given to it in Section 6.7(d).

"***Separate Entity Income Tax***" means any Income Tax of any Company other than a Combined Tax.

"***Solvent***" has the meaning given to it in Section 5.10.

"***Sponsors***" has the meaning given to it in the Recitals.

"***Straddle Taxable Period***" means a Tax period that begins on or before the Closing Date and ends after the Closing Date.

"***Subsidiary***" means, with respect to a Person, any other Person of which the first Person: (a) owns or controls, directly or indirectly, fifty percent (50%) or more of the outstanding voting securities or ownership interest; (b) has the right to elect or remove a majority of the board of directors or other persons performing similar functions; or (c) otherwise has the power, directly or indirectly, to direct or cause the direction of management or policies.

"***Surviving Claims***" has the meaning given to it in Section 9.2(c).

"***Surviving Indebtedness***" means the Indebtedness pursuant to the agreements that are set forth on Section 1.1-SI of the Seller Disclosure Letter; provided, that such Section 1.1-SI of the Seller Disclosure Letter may be amended from time to time with the prior written consent of Buyer.

"***Target Company***" means TECO Energy, LLC, a Florida limited liability company.

"***Target Net Working Capital***" means an amount equal to $17,000,000.

"***Target Subsidiaries***" means (a) New Mexico Gas Intermediate, Inc., a Delaware corporation, and (b) NMGC, and "***Target Subsidiary***" shall mean any such entity individually.

"***Tax***" or "***Taxes***" means any federal, state, local or non-U.S. taxes, levies, tariffs, obligations, assessments, customs, duties, imposts, charges, surcharges or fees, in each case, in the nature of a tax, including income, gross receipts, ad valorem, sales and use (including gross receipts and compensating tax), employment, social security, unemployment, disability, occupation, property, severance, value added, transfer, customs duties, alternative or add-on minimum, estimated, gross income, capital, business, occupancy, net worth, capital gains, documentary, recapture, margin, service, fuel, utility, utility users, carbon, Btu, transactional, corporation, recording, capital stock, excise, stamp, withholding, premium, windfall profits, inventory, payroll, environmental, franchise, license, production or other taxes, levies, tariffs, obligations, assessments, customs, duties, imposts, charges, surcharges or fees, in each case, in the nature of a tax, including any interest, penalty or addition thereto (and any interest in respect of such penalties and additions).

"***Tax Liability Amount***" means (without duplication) all accrued and unpaid Separate Entity Income Taxes attributable to any Pre-Closing Taxable Period (i) that are shown as due on a Tax Return filed on or before the Closing Date or (ii) for which the applicable Tax Return required to be filed is not yet due as of the Closing Date (which shall not be an amount less than zero in any jurisdiction or for any particular Tax), in each case described in clause (ii), which (a) take into account the Transactions, (b) are prepared in accordance with past practice (including reporting positions, elections, and accounting and valuation methods) of the Companies, (c) take into account any prepayments of Separate Entity Income Taxes (including estimated payments) and any overpayments of Separate Entity Income Taxes and any Tax attributes available to reduce (but not below zero) the applicable Separate Entity Income Taxes attributable to any Pre-Closing Taxable Period, (d) take into account Transaction Tax Deductions, to the extent deductible on a Tax Return for Separate Entity Income Taxes and (e) exclude any Taxes as result of any action taken by Buyer or any of its Affiliates (including the Company) on the Closing Date after Closing outside the ordinary course of business.

"***Tax Proceeding***" has the meaning given to it in Section 6.11(h).

"***Tax Return***" means any returns, statements, declarations, reports, bills, claims for refund, notices, information returns or other documents (including any amendments and related or supporting schedules, statements, appendices, supplements or information) filed or required to be filed in connection with the determination, assessment or collection of any Taxes or the administration of any Laws relating to Taxes.

"***Tax Sharing Agreement***" means any written agreement entered into prior to the Closing binding any Company that provides for the allocation, apportionment, sharing, indemnification, reimbursement or assignment of any Tax liability or benefit, or the transfer or assignment of income, revenues, receipts, or gains for the purpose of determining any Person's Tax liability; provided that such term shall not include contracts with customary Tax provisions entered into in the ordinary course of business that are not primarily related to Taxes.

"***Taxing Authority***" means, with respect to any Tax, any governmental entity or political subdivision thereof that imposes such Tax, and any agency charged with the assessment, determination, administration, imposition or collection of such Tax for any such entity or subdivision.

"***TECO Holdings***" has the meaning given to it in the Preamble.

"***Terminated Contracts***" has the meaning given to it in Section 6.6(a).

"***Termination Matters***" has the meaning given to it in Section 9.2(c).

"***Trade Controls***" has the meaning set forth in Section 4.24.

"***Trademarks***" means any and all trademarks, service marks, trade dress, trade names, logos, slogans, words, names, symbols, designs, corporate names, internet domain names, social media handles and accounts, doing business designations, and all other indicia of origin (whether or not registered), and all registrations, applications for registration and renewals of any of the foregoing anywhere in the world, and all goodwill associated with any of the foregoing.

"***Transaction Agreements***" means this Agreement, the Transition Services Agreement, the Assignment Agreement, the Equity Commitment Letter, the Limited Guarantee and the other documents, agreements, certificates and instruments to be executed and delivered pursuant hereto or thereto or in connection with the transactions contemplated hereby or thereby (the "***Transactions***").

"***Transaction Tax Deductions***" means all items of loss or deduction that are "more likely than not" deductible in a Pre-Closing Taxable Period and attributable to (a) all fees, expenses and costs incurred by the Companies in connection with the Transactions and payable to financial advisors, accountants, legal advisors and other third-party advisors included in clause (a) of the definition of "Seller Transaction Expenses" (including amounts that would have been Seller Transaction Expenses but were in fact paid prior to the Closing), in each case, calculated, with respect to any "success-based fees", in accordance with the 70% safe harbor set forth in Rev. Proc. 2011-29, (b) all change of control, transaction, option cash-out, sales or similar bonuses or payments or retention or stay bonuses, severance, incentive, phantom equity or deferred compensation payments that are payable by any Company to any Company Employee or Former Company Employee solely as a result of the consummation of the Transactions (including the employer's portion of any applicable Taxes payable by the Companies as a result of such bonuses or payments) included in clause (b) of the definition of "Seller Transaction Expenses" (including amounts that would have been Seller Transaction Expenses but were in fact paid prior to the Closing), (c) any item of loss, deduction or credit related to repayment of any Indebtedness or other debt or obligation, fees, costs and expenses of the Companies attributable to or arising out of the Transactions and (d) any Taxes payable by the Companies in connection with the items described in the foregoing clauses (a), (b) or (c), in each case, to the extent that the amounts giving rise to the item of loss or deduction were either (i) paid by the Companies before the Reference Time or (ii) otherwise economically borne by Sellers or any Affiliate of Sellers (other than the Companies).

"***Transactions***" has the meaning specified in the definition of "Transaction Agreements."

"***Transfer Taxes***" means all transfer, sales, use, goods and services, value added, documentary, stamp duty, excise, transfer and conveyance Taxes and other similar Taxes, duties, fees or charges, including the Taxes described in Section 6.16.

"***Transition Period***" has the meaning given to it in Section 6.4(b).

"***Transition Services Agreement***" means the Transition Services Agreement substantially in the form attached hereto as Exhibit B to be entered into between Sellers (or one or more Affiliates of Sellers (other than the Companies) that is party thereto) and Buyer at the Closing.

"***Unaudited Financials***" has the meaning given to it in Section 4.7(a)(ii).

"***WARN Act***" means the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar Laws.

SECTION 1.2 Rules of Construction.

(a) The headings and captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(b) All Article, Section, subsection, Schedule and Exhibit references used in this Agreement are to Articles, Sections, subsections, Schedules and Exhibits to this Agreement unless otherwise specified. The Schedules and Exhibits attached to this Agreement constitute a part of this Agreement, and the Exhibits and Schedules (including the Seller Disclosure Letter) are incorporated in this Agreement for all purposes. In the event of any conflict between the provisions of this Agreement and those of any Schedule or Exhibit, the provisions of this Agreement shall prevail. Any capitalized terms used in any Schedule (including the Seller Disclosure Letter) or Exhibit attached hereto but not otherwise defined therein shall have the meaning as defined in this Agreement.

(c) If a term is defined as one part of speech (such as a noun), it shall have a corresponding meaning when used as another part of speech (such as a verb). Unless the context of this Agreement clearly requires otherwise, (i) words importing the masculine gender shall include the feminine and neutral genders and vice versa and (ii) words used or defined in the singular include the plural and vice versa. The words "includes" or "including" shall mean "including without limitation," and the words "hereof," "hereby," "herein," "hereunder" and similar terms in this Agreement shall refer to this Agreement as a whole and not any particular section or article in which such words appear. The word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other theory extends and such phrase shall not mean "if." The word "will" shall be construed to have the same meaning and effect as the word "shall." The word "or" when used in this Agreement is not exclusive and shall instead mean "and/or". "Writing," "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. Any reference to a Law shall include any amendment thereof or any successor thereto and any rules and regulations promulgated thereunder. Any references to a particular Person shall include such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement. Any reference to any Contract (including this Agreement), document or instrument shall mean a reference to such Contract, document or instrument as the same may be amended, modified,

supplemented, waived or replaced from time to time. Currency amounts referenced in this Agreement are in U.S. dollars.

(d) For purposes of this Agreement, any document that is described as being "provided," "delivered," "furnished" or "made available," or other similar reference, shall be treated as such if a copy of such document has been made available for review by Buyer or any of its Affiliates or Representatives in the virtual data room (including in any "clean room" thereof) prepared by Sellers and their Affiliates at least one (1) Business Day prior to the Effective Date.

(e) Time is of the essence in this Agreement. Whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified. Whenever any action must be taken hereunder on or by a day that is not a Business Day, then such action may be validly taken on or by the next day that is a Business Day. Relative to the determination of any period of time, "from" means "including and after," "to" means "to but excluding" and "through" means "through and including."

(f) Each Party acknowledges that it and its attorneys have been given an equal opportunity to negotiate the terms and conditions of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party or any similar rule operating against the drafter of an agreement shall not be applicable to the construction or interpretation of this Agreement.

(g) Each representation and warranty in this Agreement is given independent effect so that if a particular representation and warranty proves to be incorrect or is breached, the fact that another representation and warranty concerning the same or similar subject matter is correct or is not breached, whether such other representation and warranty is more general or more specific, narrower or broader or otherwise, will not affect the incorrectness or breach of such particular representation and warranty.

ARTICLE II.

PURCHASE AND SALE AND CLOSING

SECTION 2.1 Purchase and Sale. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Buyer agrees to purchase and accept from Sellers, and Sellers agree to sell, transfer, assign, convey and deliver to Buyer, all of the Purchased Equity Interests free and clear of all Liens (other than Permitted Equity Liens).

SECTION 2.2 Purchase Price.

(a) The aggregate purchase price that Buyer shall pay to Sellers for the purchase and sale of the Purchased Equity Interests (the "***Purchase Price***") is equal to the sum of (i) the Closing Date Purchase Price and (ii) whether positive or negative, if applicable, the Final Adjustment Amount as agreed or determined pursuant to Section 2.6(d) or Section 2.6(e), as applicable. For the avoidance of doubt, the Closing Date Purchase Price shall be paid in accordance with Section 2.5 and shall be subject to adjustment as provided in Section 2.6.

(b) The Purchase Price to be paid on the Closing Date (the "***Closing Date Purchase Price***") shall be an aggregate amount equal to:

(i) $1,252,000,000 (the "***Base Purchase Price***"); plus

(ii) Estimated Closing Cash; minus

(iii) Estimated Closing Indebtedness; minus

(iv) Estimated Closing Seller Transaction Expenses; plus

(v) if the Closing Date Net Working Capital exceeds the Target Net Working Capital, the amount by which the Closing Date Net Working Capital exceeds the Target Net Working Capital; minus

(vi) if the Target Net Working Capital exceeds the Closing Date Net Working Capital, the amount by which the Target Net Working Capital exceeds the Closing Date Net Working Capital.

SECTION 2.3 Closing. Pursuant to the terms and subject to the conditions of this Agreement, the Closing shall take place remotely by the electronic exchange of the closing deliverables set forth in Section 2.4 and Section 2.5 on the last Business Day of the calendar month in which all conditions to Closing set forth in Article VII and Article VIII (other than those conditions which by their terms or nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) have been satisfied or expressly waived (unless such conditions are satisfied (or waived, as applicable) on a date less than three (3) Business Days prior to the end of the calendar month, in which case the last Business Day of the following calendar month) or such other date or at such other time and place as Buyer and Sellers mutually agree in writing. All actions listed in and deliveries contemplated by Section 2.4 or Section 2.5 that occur on the Closing Date shall be deemed to occur simultaneously at the Closing. Except to the extent expressly set forth in this Agreement to the contrary, and notwithstanding the actual occurrence of the Closing at any particular time on the Closing Date, the Closing shall be deemed to occur and be effective as of 12:01 A.M. (Atlantic Time) on the Closing Date.

SECTION 2.4 Deliveries by Sellers to Buyer.

(a) On the date hereof, Sellers shall deliver, or shall cause to be delivered, to Buyer, the Seller Disclosure Letter.

(b) At the Closing, Sellers shall deliver, or shall cause to be delivered, to Buyer:

(i) a counterpart to the Assignment Agreement, duly executed by an authorized representative of Sellers;

(ii) an IRS Form W-9 or other certification of non-foreign status meeting the requirements of Treasury Regulation Section 1.1445-2(b)(2) with respect to each Seller;

(iii) a duly executed certificate of an officer of each Seller as contemplated in Section 7.3 hereof;

(iv) a counterpart to the Transition Services Agreement duly executed by Sellers (or one or more Affiliates of Sellers that is party thereto (other than the Companies));

(v) resignation letters duly executed by each of the directors and officers of the Companies set forth on Section 2.4(b)(v) of the Seller Disclosure Letter; and

(vi) evidence of terminations of the bank authorizations of the Persons and for the accounts listed on Section 4.20 of the Seller Disclosure Letter.

SECTION 2.5 Deliveries by Buyer to Sellers. At the Closing, Buyer shall deliver to Sellers:

(a) a wire transfer of immediately available funds (to such account or accounts as Sellers shall have notified Buyer of at least two (2) Business Days prior to the Closing Date) in an amount equal to the Closing Date Purchase Price;

(b) an executed certificate of an officer of Buyer as contemplated in Section 8.3 hereof;

(c) a counterpart to the Transition Services Agreement duly executed by Buyer; and

(d) a counterpart to the Assignment Agreement, duly executed by an authorized representative of Buyer.

SECTION 2.6 Estimated Closing Statement; Post-Closing Adjustment.

(a) At least five (5) Business Days prior to the Closing Date, Sellers shall provide Buyer (i) a written statement setting forth Sellers' good faith estimate of (A) the Cash of the Companies on a consolidated basis, as of the Reference Time (the "***Estimated Closing Cash***"), (B) the Indebtedness of the Companies on a consolidated basis, as of the Reference Time (provided, that solely in respect of clause (j) of the definition of "Indebtedness" (i.e., the Tax Liability Amount), "Reference Time" means the end of the Closing Date) (the "***Estimated Closing Indebtedness***"), (C) the Seller Transaction Expenses, as of the Reference Time (the "***Estimated Closing Seller Transaction Expenses***") and (D) the Net Working Capital for the Companies on a consolidated basis, as of the Reference Time (such estimate, the "***Closing Date Net Working Capital***"), in each case, prepared in accordance with the Accounting Principles (only in the case of sub-clause (D)) and the definitions of the applicable defined terms used herein, together with Seller's supporting calculations and reasonable supporting documentation of the foregoing, and on the basis of the foregoing, the resulting calculation of the Closing Date Purchase Price (without giving effect to the Transactions) (such written statement, the "***Estimated Closing Statement***"); and (ii) a spreadsheet setting forth a true, correct and complete list of the names, contact information, dollar amounts and wire transfer instructions for the payees of all amounts payable by Buyer pursuant to this Agreement (such spreadsheet, the "***Payment Spreadsheet***"). After delivery of the Estimated Closing Statement, Buyer and its Representatives shall be permitted reasonable access to review the Companies' books and records and any other reasonably requested non-privileged documents (including work papers and schedules) related to the preparation of the

Estimated Closing Statement and the Parties will cooperate in good faith to resolve any disputes with respect to the items set forth in the Estimated Closing Statements prior to Closing; provided, that in the event the Parties are unable to reconcile their differences, Sellers' good faith estimate of the calculations set forth in the Estimated Closing Statement (including the calculation of the Closing Date Purchase Price as set forth in the Estimated Closing Statement) shall prevail for purposes of the Closing. Any access under this Section 2.6(a) shall be granted in such a manner as not to interfere unreasonably with the conduct of the business of the Sellers or the Companies.

(b) Within seventy-five (75) days after the Closing Date, Buyer shall prepare and deliver, or cause to be prepared and delivered, to Sellers a written statement setting forth Buyer's good faith calculations of (i) (A) the Cash of the Companies on a consolidated basis as of the Reference Time (the "***Final Cash***"), (B) the Indebtedness of the Companies on a consolidated basis as of immediately prior to the Closing (the "***Final Indebtedness***"), (C) the Seller Transaction Expenses as of immediately prior to the Closing (the "***Final Seller Transaction Expenses***") and (D) the Net Working Capital of the Companies on a consolidated basis, as of the Reference Time, as further determined in accordance with the Accounting Principles (the "***Final Net Working Capital***") and (ii) on the basis of the foregoing, a calculation of the Purchase Price (the "***Final Closing Statement***") and a statement of the difference between the Closing Date Purchase Price as reflected in the Estimated Closing Statement and the Purchase Price as reflected in the Final Closing Statement (such difference, the "***Final Adjustment Amount***"), along with reasonable supporting information and calculations (collectively, the "***Buyer's Determination***"). The costs for preparing Buyer's Determination shall be borne by Buyer. The calculations of Final Net Working Capital, Final Indebtedness, Final Cash and Final Seller Transaction Expenses shall be prepared in accordance with the Accounting Principles and the definitions of the applicable defined terms used herein; provided, however, that the Final Closing Statement (and any amounts included therein) shall not (i) give effect to the consummation of the Transactions, including any act or omission by Buyer or any of its Affiliates or the Companies taken at, after or in connection with the Closing or (ii) reflect any payments of cash in respect of the Purchase Price or reflect any expense or liability for which Buyer is responsible under this Agreement. Nothing in this Section 2.6 is intended to be used to adjust for errors or omission that may be found with respect to the Financial Statements or any inconsistencies between the Accounting Principles, on the one hand, and GAAP, on the other hand. No fact or event, including any market or business development, occurring after the Closing, and no change in GAAP or applicable Law after the date of the Unaudited Financials, shall be taken into consideration in the calculations to be made pursuant to this Section 2.6. If Buyer fails to timely deliver the Final Closing Statement in accordance with the first sentence of this Section 2.6(b) within such seventy-five (75)-day period, then, (1) Sellers shall provide Buyer with a written notice of its failure to deliver the Final Closing Statement and (2) if Buyer does not deliver the Final Closing Statement within five (5) Business Days after its receipt of such notice, Sellers shall have the right, at their sole discretion, to either (x) elect that the Estimated Closing Statement delivered by Sellers to Buyer pursuant to Section 2.6(a) be deemed to be the Final Closing Statement for all purposes hereunder or (y) retain (at the sole cost and expense of Buyer) an independent accounting firm of recognized national standing to provide an audit of the books of the Companies, determine the calculation of, and prepare, the Final Closing Statement consistent with the provisions of this Section 2.6, and the determination of such independent accounting firm shall be conclusive, final and binding on the parties hereto.

(c) Following the Closing, Buyer shall provide Sellers and their respective Representatives reasonable access during normal business hours to the books and records, properties, personnel, Representatives (including, subject to the execution of customary work paper access letters if requested, auditors and auditors' work papers) of the Companies relating to the preparation of the Final Closing Statement (and the resolution of any disputes with respect thereto) and shall cause the personnel and Representatives of Buyer and its Affiliates (including the Companies) to cooperate with Sellers in connection with their review of the Final Closing Statement.

(d) If Sellers object in good faith to the Final Closing Statement, then Sellers shall provide Buyer written notice thereof within thirty (30) days after receiving the Final Closing Statement containing Sellers' good faith proposed changes to the Final Closing Statement, an explanation of such changes and the reasons therefor, accompanied by reasonably detailed documentation showing Sellers' calculation of the disputed amounts (an "***Adjustment Dispute Notice***"); provided, that Sellers and Buyer shall be deemed to have agreed upon all items and amounts that are not disputed by Sellers in such Adjustment Dispute Notice. If Sellers do not provide an Adjustment Dispute Notice to Buyer within the time period and in the manner set forth in the first sentence of this Section 2.6(d) or if Sellers accept Buyer's Determination, the Final Adjustment Amount, as set forth in Buyer's Determination, shall be deemed to be agreed to by the Parties and shall become final and binding upon the Parties for all purposes hereunder.

(e)

(i) In the event Sellers timely deliver an Adjustment Dispute Notice to Buyer in accordance with clause (d), Buyer and Sellers shall use their respective commercially reasonable efforts for a period of thirty (30) days after the delivery of the Adjustment Dispute Notice (or such longer period as they may mutually agree) to resolve any disagreements with respect to any calculations contained in the Final Closing Statement.

(ii) If the Parties are unable to agree on the Final Adjustment Amount (or any component thereof) within thirty (30) days after Sellers' timely delivery of an Adjustment Dispute Notice to Buyer in accordance with clause (d), the Parties shall submit any items remaining in dispute to the Independent Accountant. Any disputed items resolved in writing between the Parties within such thirty (30) day period shall be final and binding with respect to such items. Buyer and each Seller shall (A) reasonably cooperate with the Independent Accountant, (B) have the opportunity to make presentations and provide supporting material to the Independent Accountant in defense of its positions in a manner established by the Independent Accountant in consultation with Buyer and Sellers, (C) subject to customary confidentiality and indemnity agreements (consent for which from the Parties shall not be unreasonably withheld, conditioned or delayed), provide the Independent Accountant with access to their respective books, records, and Representatives, and such other information as the Independent Accountant may reasonably require in order to render its determination, and (D) not engage in *ex parte* communications with the Independent Accountant. The Independent Accountant shall be requested to resolve any dispute in accordance with the terms of this Agreement and the Accounting Principles within thirty (30) days after its engagement. The fees, costs and expenses of such review and report of the Independent Accountant shall be borne pro rata as between Buyer, on the one hand, and Sellers, on the other hand, in proportion to the allocation of the dollar value

of the disputed items as between Buyer and Sellers (set forth in the written submissions to the Independent Accountant) made by the Independent Accountant such that the party prevailing on the greater dollar value of such disputes pays the lesser proportion of the fees and expenses. For example, if Sellers challenge items underlying the calculations of the Final Net Working Capital, Final Indebtedness, Final Cash, and/or Final Seller Transaction Expenses in the net amount of $1,000,000, and the Independent Accountant determines that Sellers have a valid claim for $600,000 of the $1,000,000, Sellers shall bear 40% of the fees, costs and expenses of the Independent Accountant and Buyer shall bear 60% of the fees, costs and expenses of the Independent Accountant.

(iii) The resolution of such dispute by the Independent Accountant (A) shall be set forth in writing, (B) may not assign a value greater than the greatest value or smaller than the smallest value for each disputed item claimed by either Buyer or Sellers, (C) shall be based solely on written submissions and presentations by Buyer and Sellers and the expertise of the Independent Accountant, and not on independent review, and (D) shall be conclusive and binding upon Buyer and Sellers absent manifest error or Fraud. The Independent Accountant shall act as an expert, and not as an arbitrator.

(f) Within five (5) Business Days after the Final Adjustment Amount is agreed or determined pursuant to Section 2.6(d) or Section 2.6(e), (i) if the Purchase Price exceeds the Closing Date Purchase Price, Buyer shall pay the difference to Sellers or (ii) if the Closing Date Purchase Price exceeds the Purchase Price, Sellers shall pay to Buyer the difference (such amount in clause (i) or clause (ii), as applicable, the "***Final Adjustment Accrual***"). Payment of the Final Adjustment Accrual shall be made by wire transfer of immediately available funds to the account designated in writing by Sellers or Buyer, as applicable, at least two (2) Business Days prior to the date of such payment.

SECTION 2.7 Withholding. Buyer, its Affiliates and any other applicable withholding agent each shall be entitled to deduct and withhold from any amount otherwise payable pursuant to this Agreement any amount required to be deducted and withheld with respect to the making of such payment under the Code or any other provision of applicable Law. If Buyer believes that it is required to deduct and withhold from the payment of any amounts payable hereunder under applicable Law (other than as a result of Sellers' failure to provide the form or certification described in Section 2.4(b)(ii)), Buyer shall (a) promptly notify Sellers of its intention to deduct and withhold, which notice shall include a description of the legal and factual basis for such withholding and the applicable rate thereof, and shall use commercially reasonable efforts to provide such notice no less than five (5) Business Days prior to making the applicable payment hereunder, and (b) use commercially reasonable efforts to cooperate with Sellers to minimize or eliminate the amount required to be deducted and withheld under applicable Law. If Buyer so withholds amounts, Buyer shall pay over such amounts to the appropriate Governmental Authority and such amounts shall be treated for all purposes of this Agreement as having been paid to Sellers to the extent such amounts are properly paid over to the appropriate Governmental Authority. The Parties agree that, as long as Sellers provide the form or certification described in Section 2.4(b)(ii), neither Buyer nor Sellers is aware of any obligation to withhold or deduct any amount in respect of Taxes from any payment required to be made by Buyer to Sellers pursuant to this Agreement.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES REGARDING SELLERS

Each Seller, severally and not jointly, hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date (unless such representation and warranty is expressly made as of a specific date, in which case such Seller represents and warrants to Buyer as of such date) that, except as set forth in the Seller Disclosure Letter:

SECTION 3.1 Organization. Such Seller is a corporation duly incorporated, validly existing and in good standing (or its equivalent) under the Laws of its jurisdiction of incorporation. Such Seller is duly qualified or licensed to do business in each other jurisdiction where the actions to be performed by it under this Agreement make such qualification or licensing necessary, except in those jurisdictions where the failure to be so qualified or licensed would not reasonably be expected to result in a material adverse effect on such Seller's ability to perform such actions under, or consummate the Transactions contemplated by, this Agreement or any other Transaction Agreement to which such Seller is a party.

SECTION 3.2 Authority; Enforceability. Such Seller has all requisite corporate power and authority to execute and deliver this Agreement and each other Transaction Agreement to which it is, or will be, a party, and, subject to obtaining the NMPRC Approval, to perform its obligations hereunder and thereunder and to consummate the Transactions contemplated hereby and thereby. The execution and delivery by such Seller of this Agreement and each other Transaction Agreement to which such Seller is, or will be, a party, and the performance by such Seller of its obligations hereunder and thereunder, have been (or will be at the time of execution) duly and validly authorized by all necessary corporate action. This Agreement has been duly and validly executed and delivered by such Seller and each other Transaction Agreement to which such Seller is a party has been (or will be upon execution) and, assuming its due and valid execution by Buyer, this Agreement and each other Transaction Agreement to which such Seller is, or will be, a party constitutes (or will, when executed, constitute) the legal, valid and binding obligation of such Seller enforceable against such Seller in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, moratorium or other similar Laws relating to or affecting the rights of creditors generally, or by general equitable principles. No other corporate action on the part of such Seller is necessary to authorize this Agreement, the other Transaction Agreements and the consummation of the Transactions.

SECTION 3.3 No Conflicts; Consents and Approvals. The execution and delivery by such Seller of this Agreement and the consummation of the Transactions do not and will not, and the performance by such Seller of its obligations under this Agreement and each other Transaction Agreement to which it is a party does not and will not, directly or indirectly, with or without notice or lapse of time or both:

(a) conflict with or result in a violation or breach of any of the terms, conditions or provisions of the Organizational Documents of such Seller (true, correct and complete copies of which have been made available to Buyer and its Representatives);

(b) assuming all of the Required Statutory Approvals and the Additional Notices/Consents have been obtained, made or given, be in violation of or result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under (with or without the giving of notice, the lapse of time, or both) any Material Contract or Permit to which such Seller is a party, except for any such violations or defaults (or rights of termination, cancellation or acceleration) which would not, individually or in the aggregate, reasonably be expected to materially impair or delay such Seller's ability to perform its obligations under, or consummate the Transactions contemplated by, this Agreement or any other Transaction Agreements to which such Seller is a party; and

(c) assuming all of the Required Statutory Approvals and the Additional Notices/Consents have been made, obtained or given, (i) conflict with, violate or breach any term or provision of any Law or Order applicable to such Seller, except as would not reasonably be expected to materially impair or delay such Seller's ability to perform its obligations under, or consummate the Transactions contemplated by, this Agreement or any other Transaction Agreement to which such Seller is a party or (ii) other than compliance with applicable securities laws and the filing of a Notification and Report Form pursuant to the HSR Act, require any consent or approval of any Governmental Authority, or notice to, or declaration, filing or registration with, any Governmental Authority, under any applicable Law, other than such consents, approvals, notices, declarations, filings or registrations which, if not made or obtained, would not reasonably be expected to materially impair or delay such Seller's ability to perform its obligations under, or consummate the Transactions contemplated by, this Agreement or any other Transaction Agreement to which such Seller is a party.

SECTION 3.4 Compliance with Laws and Orders. Such Seller is not in violation of, or in default under, any Law or Order, the effect of which would reasonably be expected to materially impair or delay such Seller from performing its obligations under, or consummating the transactions contemplated by, this Agreement or any other Transaction Agreement to which such Seller is a party. There is no Claim by or before any Governmental Authority pending against or affecting such Seller or any of its properties or rights with respect to the transactions contemplated by this Agreement or any other Transaction Agreement to which such Seller is a party.

SECTION 3.5 Brokers. Such Seller has no liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement or the other Transaction Agreements for which Buyer or any of the Companies would become liable or obligated.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES REGARDING THE COMPANIES

Each Seller, severally and not jointly, hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date (unless such representation and warranty is expressly made as of a specific date, in which case such Seller represents and warrants to Buyer as of such date) that, except as set forth in the Seller Disclosure Letter:

SECTION 4.1 Organization. Each of the Companies is duly organized, validly existing and in good standing (or its equivalent) under the Laws of the jurisdiction of its incorporation or organization, as applicable, and has all requisite power and authority to conduct its business as it is now being conducted and to own, lease and operate its Assets. Each of the Companies is duly qualified or licensed to do business in each other jurisdiction in which the ownership or operation of its Assets or business makes such qualification or licensing necessary, except in those jurisdictions where the failure to be so qualified or licensed would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect.

SECTION 4.2 No Conflicts; Consents and Approvals. The execution and delivery of this Agreement and the consummation of the Transactions do not and will not and the performance by Sellers of their obligations hereunder and under each other Transaction Agreement to which such Seller is a party does not and will not, directly or indirectly, with or without notice or lapse of time or both:

(a) conflict with or result in a violation or breach of any of the terms, conditions or provisions of the Organizational Documents of any Company (true, correct and complete copies of which have been made available to Buyer and its Representatives);

(b) assuming all of the Required Statutory Approvals and all of the filings, waivers, approvals, consents, authorizations and notices set forth in Section 4.2(b) of the Seller Disclosure Letter (the "***Additional Notices/Consents***") have been obtained, made or given, be in violation of or result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Material Contract, Lease or Permit; or

(c) assuming all of the Required Statutory Approvals and all of the Additional Notices/Consents have been made, obtained or given, (i) conflict with or result in a violation or breach of any term or provision of any Law or Order applicable to any Company or any of its Assets or (ii) other than compliance with applicable securities laws and the filing of a Notification and Report Form pursuant to the HSR Act, require the consent or approval of any Governmental Authority, or notice to, or declaration, filing or registration with, any Governmental Authority, under any material Law or Order;

except with respect to the foregoing clauses (b) and (c) as would not reasonably be expected to result in a Material Adverse Effect. Except for the Required Statutory Approvals and Additional Consents/Notices, no other proceedings on the part of the Companies are necessary on the part of the Companies to authorize this Agreement, the other Transaction Agreements to which any Company is party and the consummation of the Transactions to which the Companies are party.

SECTION 4.3 Capitalization.

(a) Section 4.3(a) of the Seller Disclosure Letter sets forth (i) the name and jurisdiction of formation or organization of each Company, (ii) the number of authorized, issued and outstanding Equity Interests of each Company (other than any Equity Interests issued in respect of capital contributions made by Sellers following the date hereof and prior to Closing), and (iii) the record owner thereof. Other than the Equity Interests set forth on Section 4.3(a), there are no issued or outstanding Equity Interests of the Companies. All of the issued and outstanding Equity

Interests of the Companies are duly authorized and validly issued, to the extent applicable, fully paid and non-assessable, and no Company has an obligation to repurchase, redeem or otherwise acquire any Equity Interests of the Companies.

(b) As of the Closing Date, the Purchased Equity Interests constitute all of the outstanding Equity Interests in the Target Company, and each Seller owns, holds of record and is the beneficial owner of the Purchased Equity Interests set forth opposite such Seller's name on Section 4.3(a) of the Seller Disclosure Letter free and clear of all Liens other than Permitted Equity Liens. Without limiting the generality of the foregoing, none of the Purchased Equity Interests is subject to any voting trust, member or partnership agreement or voting agreement or other agreement, right, warrant, call, commitment, instrument or understanding of any character whatsoever with respect to any purchase, sale, issuance, transfer, repurchase, redemption or voting of any Equity Interests of any Company, other than the Organizational Documents of the Target Company. No Company is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any of its Equity Interests.

(c) No Company has violated in any material respect any applicable securities Laws or any preemptive or similar rights created by statute, Organizational Document or agreement in connection with the offer, sale, issuance or allotment of any of its Equity Interests. As of the date hereof, no Company has any liability for, or outstanding obligation with respect to, the payment of dividends, distributions or similar participation interests, whether or not declared or accumulated.

SECTION 4.4 Subsidiaries. The Target Company has no subsidiaries and does not own Equity Interests in any Person other than the Target Subsidiaries.

SECTION 4.5 Legal Proceedings. As of the date hereof there is no, and since the Lookback Date there has been no, Claim pending against, and to Sellers' Knowledge none has been threatened against, any Company or its Affiliates, in each case, with respect to the Business, any Company or the Assets of the Companies, or any officer, director, manager or employee thereof in their capacity as such, and, to Sellers' Knowledge, there is no basis upon which any such Claim is reasonably expected to be initiated, except, in each case, as would not reasonably be expected, taking into account expected insurance proceeds, individually or in the aggregate, to be material to the Companies (taken as a whole). To Sellers' Knowledge, no material investigation by any Governmental Authority with respect to the Business or the Companies or the Assets of the Companies is pending or threatened.

SECTION 4.6 Compliance with Laws and Orders. Each Company is, and since the Lookback Date has been, in compliance in all material respects with all Laws and Orders applicable to it and its Business and Assets, except for such instances of non-compliance which, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

SECTION 4.7 Financial Statements; No Undisclosed Liabilities.

(a) Section 4.7 of the Seller Disclosure Letter sets forth true, correct and complete copies of the following: (i) the audited consolidated balance sheets of the Target Subsidiaries as

of the fiscal years ended December 31, 2022 and December 31, 2023, together with the related audited consolidated income statements, cash flow statements and statements of changes in shareholders' equity for the twelve (12)-month period ending December 31, 2022 and December 31, 2023 (the "***Audited Financials***"); (ii) the unaudited consolidated balance sheet of the Target Subsidiaries as of March 31, 2024, and the related unaudited consolidated income statement, cash flow statement and statement of changes in shareholders' equity for the three-month period ending March 31, 2024 (the "***Unaudited Financials***" and, together with the Audited Financials, the "***Financial Statements***"). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis (except as may be indicated in the notes thereto) throughout the periods covered thereby and fairly present, in all material respects, in conformity with GAAP applied on a consistent basis (except as may be indicated in the notes thereto), the financial position of the Target Subsidiaries as of the dates thereof and their results of operations for the periods then ended (subject to normal year-end adjustments and the absence of footnotes). None of the Financial Statements contain any material, non-recurring items, except as expressly set forth therein. There are no material off-balance sheet transactions, arrangements, obligations or relationships involving or attributable to the Business not reflected in the Financial Statements. Except as would not reasonably be expected to be material to the Companies, taken as a whole, since the date of the Unaudited Financials, Sellers, with respect to the Business, have (A) managed the accounts constituting Net Working Capital in good faith in the ordinary course of business, (B) not accelerated the recognition of revenue or collection of accounts, or deferred incurring costs or expenditures outside the ordinary course of business and (C) maintained billing and collection processes in the ordinary course of business consistent with past practice.

(b) Except for (i) current liabilities reflected in the Closing Date Net Working Capital, (ii) liabilities arising under any Contract to which a Company is party, (iii) liabilities disclosed on the Financial Statements or the notes thereto or in the most recent financial statements of Emera Incorporated or the notes thereto, (iv) liabilities of the Business incurred in connection with the Transactions or disclosed in the Seller Disclosure Letter, (v) liabilities incurred in the ordinary course of business since the date of the most recent Financial Statements (none of which arise from or relate to tort, breach of Contract, violation of Law, or infringement or misappropriation) and (vi) liabilities that would not reasonably be expected, individually or in the aggregate, to be material to the Companies (taken as a whole), to Sellers' Knowledge, as of the date hereof, the Companies do not have any liabilities that would be required to be reflected on the consolidated balance sheet of the Companies prepared in accordance with GAAP which are not reflected or reserved against in the balance sheet included in the Financial Statements.

(c) Except as would not reasonably be expected, individually or in the aggregate, to be material to the Companies (taken as a whole), the Unaudited Financials accurately reflect the accounts receivable of the Target Subsidiaries with respect to the Business as of the date thereof in accordance with the Accounting Principles, and none of such accounts receivable are subject to any set offs, counterclaims, credits or other offsets and, as of the date thereof, were current and collectible, subject to the reserve for bad debts set forth on the face of the Unaudited Financials. Since the date of the Unaudited Financials, the accounts receivable of Target Subsidiaries with respect to the Business have arisen in the ordinary course of business from bona fide transactions involving the sale of goods or products or the rendering of services. Except as would not reasonably be expected, individually or in the aggregate, to be material to the Companies (taken as a whole), no Person has any Liens (other than Permitted Liens) on any accounts receivable or

any part thereof and, except as set forth in Section 4.7(c) of the Seller Disclosure Letter, no agreement for deduction, free goods or services, discount or other deferred price or quantity adjustment has been made by the Target Subsidiaries with respect to any such accounts receivables. Except as would not, individually or in the aggregate, be material to the Companies (taken as a whole), (i) the Unaudited Financials accurately reflect the accounts payable of the Target Subsidiaries with respect to the Business as of the date thereof in accordance with the Accounting Principles and (ii) since the date of the Unaudited Financials, the accounts payable of Target Subsidiaries with respect to the Business have arisen in the ordinary course of business from bona fide transactions and represent valid obligations arising from purchases actually made by the Target Subsidiaries.

(d) The Target Subsidiaries have financial reporting systems and maintain internal control procedures over financial reporting which are designed to provide reasonable assurance that, in all material respects, transactions are recorded accurately, promptly and as reasonably necessary to permit preparation of the Financial Statements. Except as set forth in Section 4.7(d) of the Seller Disclosure Letter, since the Lookback Date, there have been no instances of (and no claims or allegations of) fraud or corporate misappropriation that involve (i) any employee or member of management of a Target Subsidiary where such individual has a material role in any system of internal control over financial reporting of the Target Subsidiaries or (ii) to Sellers' Knowledge, any other employee or member of management of Seller.

SECTION 4.8 Absence of Certain Changes. From the date of the Unaudited Financials, (a) there has not been any event, occurrence, development or state of circumstances or facts that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and (b) the Business and the Companies have been operated, in all material respects, in the ordinary course of business (except with respect to the activities of the Companies and the Business undertaken in connection with the Transactions and the Transaction Agreements).

SECTION 4.9 Taxes.

(a) Except as disclosed on Section 4.9 of the Seller Disclosure Letter: (i) all material Tax Returns that are required to be filed on or before the Closing Date by or with respect to the Companies have been or will be duly and timely filed, taking into account all permitted extensions, (ii) all such Tax Returns are true, correct and complete in all material respects, (iii) all material Taxes of or with respect to the Companies due before or on the Closing Date have been paid in full or will be paid prior to the due date for payment (whether or not shown on any Tax Return), (iv) all material withholding Tax requirements imposed on or with respect to the Companies have been satisfied in full in all respects, (v) no Company has in force or has been subject to a request in writing to grant any waiver of any statute of limitations in respect of Taxes or any extension of time with respect to a Tax assessment or deficiency, (vi) there are no pending or active audits or legal proceedings involving material Tax matters and no audits or proposed deficiencies or other Claims for unpaid material Taxes of or with respect to any Company that have been threatened in writing, (vii) all material deficiencies asserted or assessments made as a result of any examination of Tax Returns of any Company have been paid in full, (viii) there are no Liens for Taxes (other than Permitted Liens) on any of the Assets of the Companies, (ix) no Company is a party, or is otherwise bound by, to any Tax Sharing Agreement, (x) neither Seller nor any of the Companies have made any requests for rulings or determinations with respect to any amount of Taxes of or

related to any Company that are currently pending before a Taxing Authority or will be in effect after the Closing Date, (xi) other than with respect to a Tax Return for which the statute of limitations has expired, no Company (A) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a Seller Group with respect to Combined Taxes) or (B) has any liability for the Taxes of any Person (other than any of the Companies or members of a Seller Group with respect to Combined Taxes) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign Tax law), as a transferee or successor or by contract or otherwise, (xii) no Company has participated or engaged in any transaction that constitutes a "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(2) (or similar provision of state, local or foreign Tax law), (xiii) no Company will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (A) change in or improper use of a method of accounting prior to the close of business on the Closing Date, (B) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law) entered into prior to the close of business on the Closing Date, (C) installment sale or open transaction disposition made prior to the close of business on the Closing Date, (D) intercompany transaction occurring or any excess loss account existing on or prior to the Closing Date, in each case as described in Treasury Regulations under Section 1502 of the Code (or any similar provision of any state, local or non-U.S. Law), or (E) prepaid amount received or deferred revenue accrued on or prior to the Closing Date, (xiv) no claim has been made in writing by any Taxing Authority in any jurisdiction in which a Company does not file Tax Returns that such Company is or may be subject to taxation by, or required to file Tax Returns in, that jurisdiction, (xv) each Company is in material compliance with escheat and unclaimed property laws, (xvi) no Company has taken a position with respect to any Taxes or any Tax Return that could give rise to a penalty for a substantial understatement, (xvii) the unpaid Taxes of any Company: (A) did not, as of the date of the latest Financial Statements, exceed the reserve for liability for Taxes (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Financial Statements (rather than in any notes thereto) and (B) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Companies in filing its Tax Returns, (xviii) within the past two (2) years, no Company has distributed stock of another Person, and has not had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 or Section 361 of the Code and (xix) no Company has entered into a power of attorney with respect to Taxes that will be in effect following the Closing.

(b) The Target Company is treated as a disregarded entity for U.S. federal income and applicable state and local tax purposes and the Target Subsidiaries are treated as associations taxable as corporations, in each case, for U.S. federal income and applicable state and local tax purposes.

(c) Any accounting method change made by any of the Companies under the "Natural Gas Safe Harbor method" under IRS Rev. Proc. 2015-13 will not result in a favorable or unfavorable section 481(a) adjustment of more than $100,000.

SECTION 4.10 Regulatory Status.

(a) NMGC is regulated as a public utility under applicable Law of the State of New Mexico. The Companies are not subject to regulation by any state other than the State of New Mexico, except that (i) the Target Company is organized under, and subject to the Laws of, the State of Florida and each other Company is subject to the Laws of its jurisdiction of formation or organization and (ii) NMGC owns Assets located on Indian Lands in the State of New Mexico, which Assets may be subject to the Laws of the tribal jurisdiction of the Indian Lands on which such Assets are located.

(b) All filings (except for immaterial filings) required to be made by NMGC since the Lookback Date to or with a Governmental Authority have been made, including all forms, statements, reports, agreements, documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, with all applicable requirements of applicable Law, except for filings the failure of which to make, or the failure of which to make in compliance with all applicable Law, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

SECTION 4.11 Contracts.

(a) Section 4.11(a) of the Seller Disclosure Letter contains a complete and accurate list of the following Contracts to which any Company is a party as of the date hereof (such Contracts, the "***Material Contracts***"):

(i) Contracts for the future purchase, exchange, transmission, distribution or sale of natural gas or other fuel, other than in each case Contracts with an anticipated nominal annualized value of less than $500,000 individually or $1,500,000 in the aggregate;

(ii) Contracts for (A) the transportation of natural gas or other fuel or (B) the storage, parking, loaning, distribution, wheeling, facility or meter construction, unloading, delivery or balancing of natural gas or other fuel, other than in each case Contracts with an anticipated annualized nominal value of less than $500,000 individually or $1,500,000 in the aggregate;

(iii) other than Contracts of the nature addressed by Section 4.11(a)(i), Contracts (A) for the future purchase or sale of any Asset or that grant a right or option to purchase or sell any Asset, or services with a nominal value in excess of $2,000,000 individually or in the aggregate, (B) for the future provision or receipt of any services or that grant a right or option to provide or receive any future services, other than in each case Contracts relating to services with a nominal value of less than $2,000,000 individually or in the aggregate, or (C) that require future payments by or to any Company in excess of $2,000,000 individually or in the aggregate;

(iv) Contracts under which a Company has created, incurred, assumed or guaranteed any outstanding indebtedness for borrowed money in excess of $2,000,000 individually or in the aggregate, or under which a Company has imposed a security interest on any of its Assets, tangible or intangible, which security interest secures outstanding Indebtedness in excess of $2,000,000 individually or in the aggregate;

(v) Contracts of guaranty, indemnity or surety, by a Company, with outstanding obligations guaranteed or indemnified by such Company or for which such Company is a surety in excess of $2,000,000 individually or in the aggregate;

(vi) Contracts that are an Affiliate Arrangement;

(vii) Contracts that (A) limit a Company's freedom to compete in the future in any line of business or in any geographic area or (B) require a Company to deal exclusively with the counterparty with respect to marketing, sales, franchising, distribution or anything of the like;

(viii) Contracts that contain (A) a "most favored nation" provision with respect to any Person or (B) a provision providing for the sharing of any revenue or cost-savings with any third party;

(ix) partnership, joint venture, or limited liability company agreements (other than any Organizational Document of any Company);

(x) Contracts relating to the Purchased Equity Interests or any other Equity Interests of a Company or rights in connection therewith (other than any Organizational Document of any Company);

(xi) any Contract relating to the acquisition or disposition of any material business (whether by merger, consolidation, sale of stock, sale of assets or otherwise) pursuant to which a Company has material continuing obligations following the date of this Agreement;

(xii) Contracts that are for the settlement of any Claims or threatened Claims with any Governmental Authority or pursuant to which the Company will have any material outstanding obligation after the Effective Date;

(xiii) any Credit Support Arrangements;

(xiv) any employment, independent contractor or consulting, deferred compensation, severance or bonus Contract with any current or former employee, officer, director or other individual service provider of the Companies that (A) provides for (1) annual base salary that exceeds $200,000, (2) payment of any severance benefits or (3) any change in control, retention or other payments that would be triggered solely by the consummation of the Transactions or (B) cannot be terminated upon sixty (60) days' notice or less without further payment, liability or obligation;

(xv) collective bargaining agreements or other labor-related Contracts with a union, works council, labor organization, or other employee representative (each, a "***CBA***");

(xvi) any Government Contract with an expected value of $2,000,000 or more within its term of performance;

(xvii) Contract (i) pursuant to which a Company licenses or grants rights to any Person, or licenses or receives a grant of right from any Person, with respect to any

Intellectual Property material to the operations of a Company (other than non-exclusive licenses to a Company for commercially-available, off-the-shelf software and non-exclusive licenses granted to or by a Company in the ordinary course of business) or (ii) entered into to settle or resolve any Intellectual Property related dispute or otherwise affecting a Company's rights to use or enforce any material Intellectual Property owned by a Company, including settlement, coexistence, covenant not to sue, and consent to use agreements; and

(xviii) any other Contract that is material to the Business.

(b) As of the date hereof, each Material Contract is in full force and effect in all material respects with respect to each Company that is a party thereto, and constitutes a legal, valid and binding obligation of such Company, enforceable against such Company in accordance with its terms, and, to Sellers' Knowledge, is a legal, valid and binding obligation of each other party thereto, enforceable against such party in accordance with its terms, and none of the Companies or, to Sellers' Knowledge, any other party thereto, is in material default or material breach under the terms of such Material Contract, in each case, except as the same may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, moratorium or other similar Laws relating to or affecting the rights of creditors generally, or by general equitable principles. Sellers have made available to Buyer copies of all Material Contracts together with any amendments or waivers or other changes thereto, which are correct and complete in all material respects.

SECTION 4.12 Real Property.

(a) Section 4.12(a) of the Seller Disclosure Letter sets forth a list, that is accurate in all material respects, of the address or, where no address is available, the deed number, of each owned Property to which any of the Companies has fee simple title (excluding, for the avoidance of doubt, any owned Properties which are right-of-ways, easements or similar rights to shared access to real property). The Companies have good and marketable fee simple title to all Property owned or purported to be owned by the Companies as of the date of this Agreement free and clear of all Liens, other than Permitted Liens, except where the failure to have valid title would not reasonably be expected to be, individually or in the aggregate, material to the Companies (taken as a whole). With respect to each owned Property, except as set forth in Section 4.12(a) of the Seller Disclosure Letter: (i) the Companies have not leased or otherwise granted to any Person the right to use or occupy such owned Property or any portion thereof except in the ordinary course of business; and (ii) the Companies have not granted any options, rights of first offer or rights of first refusal to purchase such owned Property or any portion thereof or interest therein. None of the Companies are a party to any agreement or option to purchase any owned Property or interest therein. With respect to the owned Property, all buildings, structures, improvements, fixtures, building systems and equipment, and all components thereof, are in good condition and repair (ordinary wear and tear excepted) and sufficient for the operation of the Business (in the ordinary course) in all material respects.

(b) Section 4.12(b) of the Seller Disclosure Letter sets forth a list, that is accurate in all material respects, of the address of each Leased Real Property pursuant to which the Companies lease (as tenant), sublease (as subtenant) or license (as licensee) such Property thereunder (excluding, for the avoidance of doubt, any Leased Real Properties which are right-of-ways,

easements or similar rights to shared access to real property). The Companies have delivered to Buyer a true and complete copy of each Lease document for the Companies' Leased Real Property (other than the non-material Lease documents entered into for the purpose of granting right-of-ways, easements or similar rights with respect to shared access to real property). The Companies have a legal, valid, binding, enforceable and in full force and effect leasehold title in all real property leased, subleased or licensed, or purported to be leased, subleased or licensed, by the Companies, free and clear of all Liens and encumbrances other than Permitted Liens, except where the failure to have valid leasehold title would not reasonably be expected to be, individually or in the aggregate, material to the Companies (taken as a whole). With respect to each of the Leases, except (x) as would not, individually or in the aggregate, be material to the Companies (taken as a whole) or (y) as set forth in Section 4.12(b) of the Seller Disclosure Letter: (i) neither the Companies nor any other party to the Lease is in breach or default under such Lease, and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Lease; (ii) the Companies have not subleased, licensed or otherwise granted any Person the right to use or occupy such Leased Real Property or any portion thereof; and (iii) the Companies have not collaterally assigned or granted any other security interest in such Lease or any interest therein.

SECTION 4.13 Permits.

(a) Section 4.13 of the Seller Disclosure Letter sets forth a true, correct and complete list of all material Permits obtained or held by Sellers or the Companies with respect to the operation of the Companies and operation of the Business. The Companies possess all Permits that are required for the ownership, lease and operation of the Business as currently conducted as of the date hereof, except as would not reasonably be expected to be, individually or in the aggregate, material to the Companies (taken as a whole).

(b) All such Permits (other than Environmental Permits, which are addressed in Section 4.14) are valid and in full force and effect and each applicable Company is in compliance with each such Permit, except where any such failure to be in full force and effect or such non-compliance would not, individually or in the aggregate, reasonably be expected to be material to the Companies (taken as a whole). None of such Permits will be subject to termination, cancellation, suspension, modification, revocation or non-renewal as a result of the execution and delivery of this Agreement or the consummation of the Transactions, except for any such terminations, cancellations, suspensions, modifications, revocations or non-renewals that, individually or in the aggregate, would not reasonably be expected to be material to the Companies (taken as a whole).

(c) To Sellers' Knowledge (other than Environmental Permits, which are addressed in Section 4.14), and except as would not, individually or in the aggregate, be material to the Companies (taken as a whole), (i) as of the date hereof, there are no Claims pending or threatened which would reasonably be expected to result in the suspension, revocation, material adverse modification, cancellation, termination of, inability to renew when renewal is required, or any other material adverse change in, any Permit required for the ownership and operation of the Business as currently conducted as of the date hereof; and (ii) no event has occurred and is continuing that constitutes, or after notice or lapse of time or both would constitute, a material

violation of any such Permit by a Company, or could reasonably be expected to result in a material adverse modification, revocation, cancellation or termination of, inability to renew when renewal is required, or any other material adverse change in, any such Permit.

SECTION 4.14 Environmental Matters. Except as would not reasonably be expected to be, individually or in the aggregate, material:

(a) each Company is, and since the Lookback Date has been, in compliance with all applicable Environmental Laws;

(b) (i) the Companies hold, and since the Lookback Date have held, all Environmental Permits that are required for the conduct of the Business in the manner in which it is currently conducted, (ii) all such Environmental Permits are valid and in full force and effect, (iii) no appeal or any other Claim is pending, or to Sellers' Knowledge, threatened, to revoke, terminate, suspend, rescind or modify any such Environmental Permit and (iv) the Companies are, and since the Lookback Date have been, in compliance with all Environmental Permits;

(c) since the Lookback Date (or earlier if unresolved), no Company has received any written notice, report, Order, directive or other information of any Environmental Claims and no Environmental Claims are pending or, to Seller's Knowledge, threatened against any Company under any Environmental Laws;

(d) there has been no Release, treatment, storage, or transportation of, exposure to, or contamination by, including at any Property of, any Hazardous Materials, in each case that has given or would give rise to liability of any Company under Environmental Law;

(e) the Companies have not expressly provided an indemnity with respect to the liability of any other Person under Environmental Laws or relating to Hazardous Materials; and

(f) Seller and the Companies have made available to Buyer copies of all material environmental reports, audits, assessments and all other material environmental, health or safety documents related to the current or former properties, facilities or operations of the Companies.

SECTION 4.15 Intellectual Property.

(a) Section 4.15(a) of the Seller Disclosure Letter sets forth a complete and accurate list, as of the date hereof, of all patents, patent applications, registered trademarks and service marks, and registered copyrights, applications for trademarks, service marks, and copyright registrations, and internet domain names owned by or registered in the name of the Companies. Each item of Intellectual Property set forth on Section 4.15(a) of the Seller Disclosure Letter is subsisting and, excluding any applications for registration, is valid and enforceable, except as would not reasonably be expected to be, individually or in the aggregate, material, and no such Intellectual Property is or has been subject to any pending claim or action challenging the ownership, use, validity, or enforceability thereof. The Companies possess all right, title, and interest in and to all material Intellectual Property owned by the Companies, free and clear of any Lien other than Permitted Liens, and have a valid and enforceable right to use all other material Intellectual Property used in or necessary for the conduct of the Business. Except as provided in Section 6.5 or with respect to the Seller Marks and commercially available third-party software

licensed to Sellers or one of their Affiliates (excluding the Companies) and used to provide services under the Transition Services Agreement, neither Seller nor any of their Affiliates (other than the Companies) owns any material Intellectual Property used in the Business, and no owned material Intellectual Property of the Companies is used in the business of Sellers or their Affiliates (other than the Companies). Immediately after the Closing after giving effect to the Transactions, the Companies will exclusively possess all right, title, and interest in and to, or have a valid and enforceable right to use, all Intellectual Property used in or necessary for the conduct of the Business, free and clear of any Liens other than Permitted Liens.

(b) The Companies take commercially reasonable steps (i) to maintain the confidentiality of any material trade secrets and material confidential information of the Companies and of third parties to which the Companies owe a duty of confidentiality, and (ii) to secure ownership of material Intellectual Property developed on their behalf. Except as would not reasonably be expected to be, individually or in the aggregate, material, to Sellers' Knowledge, no Person is infringing, misappropriating, or violating any Intellectual Property owned by the Companies.

(c) Since the Lookback Date, neither Seller nor any Company has received from any third party a claim in writing that a Company is currently infringing on the Intellectual Property of such third party in any material respect. Neither the Companies nor the conduct of their business infringes, misappropriates, or otherwise violates, nor in the past six (6) years has infringed, misappropriated, or otherwise violated, any Intellectual Property of any Person, except for any infringement, misappropriation or other violation that would not reasonably be expected to be, individually or in the aggregate, material.

(d) Except as would not reasonably be expected to be, individually or in the aggregate, material, (i) all computer hardware, firmware, databases, software, systems, information technology infrastructure, networks, and other similar items of automated, computerized and/or software systems, infrastructure, and telecommunication assets and equipment owned or used by or for the Companies (A) are functional and operate and run in a reasonable business manner, and (B) are sufficient for the current needs of the Business of the Companies, (ii) there have been no material failures, breakdowns, outages, or unavailability of any of the foregoing since the Lookback Date, and (iii) the Companies maintain reasonable backup and disaster recovery plans and procedures with respect to the foregoing and the data stored or processed thereby.

(e) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Companies (taken as a whole), the Companies possess all source code and other documentation and materials necessary to compile and operate all proprietary software owned by the Companies, and the Companies have not disclosed, delivered, licensed or otherwise made available (including to any escrow agent), and the Companies do not have a duty or obligation (whether present, contingent or otherwise) to disclose, deliver, license or otherwise make available, any source code for any proprietary software owned by the Companies to any Person. The Companies do not use and have not used any open source software, "freeware", or other publicly available software or any modification or derivative thereof in a manner that would grant or purport to grant to any Person any rights or immunities under any of Intellectual Property of the Companies.

(f) The Companies maintain policies and procedures regarding data collection, security, privacy, storage, transfer and use that are reasonably designed to ensure that the operation of the Business is in compliance with all applicable Laws and industry and self-regulatory standards to which the Companies are bound or otherwise hold themselves out as compliant with. The conduct of the business of the Companies as currently conducted is and since the Lookback Date has been in compliance in all material respects with all policies and procedures, applicable Laws, industry or self-regulatory standards, and with all other legal and contractual requirements pertaining to data privacy and data security. Except as would not have, individually or in the aggregate, a Material Adverse Effect on the Companies (taken as a whole), neither the Companies (nor Sellers with respect to the Business) have been required to give notice to any customer, supplier, payment card issuer, financial institution, Governmental Authority or data subject of any actual or alleged data security breaches, incidents, or failures or any material non-compliance pursuant to any applicable Laws or applicable provisions of any contract with respect to data privacy or data security. Since the Lookback Date there has been no material unauthorized access to or use of, or material breach of the security of, any personal information, payment card information, confidential or proprietary data or any other such information collected, maintained or stored by or on behalf of the Companies in connection with their business (or any acquisition, use, loss, destruction, compromise or disclosure thereof).

SECTION 4.16 Brokers. No Company has any liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement or the other Transaction Agreements.

SECTION 4.17 Employees and Labor Matters.

(a) The Companies are, and since the Lookback Date have been, in compliance in all material respects with all applicable Laws relating to labor, employment and employment practices, including those relating to labor management relations, wages, hours, overtime, discrimination, sexual harassment, civil rights, affirmative action, work authorization, immigration, safety and health and continuation coverage under group health plans.

(b) Since the Lookback Date, (i) the Companies have not been a party to, bound by or subject to, or are negotiating in connection with entering into, any CBA, no Company Employees are represented by any labor union, labor organization, works council or employee representative with respect to their employment with the Companies, and, to Sellers' Knowledge, there has not been any organizational campaign, petition or other unionization activity seeking recognition of a collective bargaining unit relating to any Company Employee and (ii) there has been no labor grievance, labor dispute, labor strike, slowdown, stoppage, picketing, hand billing, interruption of work or lockout pending or, to Sellers' Knowledge, threatened against or affecting the Companies and there are no unfair labor practice complaints pending or, to Sellers' Knowledge, threatened against the Companies before any Governmental Authority or arbitrator or arbitral body (public or private).

(c) Since the Lookback Date, the Companies have reasonably investigated all sexual harassment, or other material harassment, discrimination or retaliation allegations against any officers, directors or executive-level employees of the Companies with respect to which the Companies are aware. With respect to each such allegation (except those the Companies

reasonably deemed to not have merit), the Companies do not anticipate any material liability and have taken corrective action reasonably calculated to prevent further improper action.

(d) To Sellers' Knowledge, no current or former Company Employee or current or former independent contractor of the Companies is in any material respect in violation of any term of any employment agreement, nondisclosure agreement, noncompetition agreement or restrictive covenant obligation owed to the Companies or which implicates such person's right to be employed or engaged by the Companies.

SECTION 4.18 Employee Benefits.

(a) Section 4.18(a) of the Seller Disclosure Letter lists each material Employee Benefit Plan and designates which such Employee Benefit Plans are Seller Benefit Plans and separately identifies all Company Benefit Plans. Sellers have made available to Buyer a summary of each material Seller Benefit Plan, and copies of the following documents with respect to each Company Benefit Plan, each material Seller Benefit Plan that is a tax-qualified defined contribution retirement plan and each material Seller Benefit Plan that is a group health or welfare benefit plan, as applicable: (i) the current plan document and any amendments thereto; (ii) the most recent summary plan description and any current summary of material modifications; (iii) the most recent determination or opinion from the Internal Revenue Service; (iv) the most recent annual report (Form 5500 Series); (v) the most recent actuarial report and related financial statements with respect thereto; (vi) related trust agreement or other funding instrument or insurance contract; and (vii) all non-routine correspondence received or sent from any Governmental Authority since the Lookback Date.

(b) No Seller Benefit Plan or Company Benefit Plan is, and none of the Companies otherwise has any current or contingent liability or obligation under or with respect to, any (i) "defined benefit plan" (as defined in Section 3(35) of ERISA) or any plan that is or was subject to Title IV of ERISA or Section 412 of the Code (a "***Pension Plan***"), (ii) "multiemployer plan" within the meaning of Section 3(37) or 4001(a)(3) of ERISA, (iii) "multiple employer welfare arrangement" within the meaning of Section 3(40) of ERISA or (iv) "multiple employer plan" within the meaning of Section 210 of ERISA or Section 413(c) of the Code. All amounts due to the Pension Benefit Guaranty Corporation ("***PBGC***") in respect of the Seller Benefit Plans and Company Benefit Plans and pursuant to Section 4007 of ERISA have been paid (or are not yet due), and neither Seller nor any Company has, or has received notice from the PBGC of, any outstanding liability under Sections 4062, 4063 or 4064 of ERISA to the PBGC or to a trustee appointed under Section 4042 of ERISA. No notice of intent to terminate any Pension Plan has been filed, no amendment to treat any Pension Plan as terminated has been adopted, no proceeding has been commenced by the PBGC to terminate any Pension Plan and no Pension Plan has been terminated, in each case, so as to subject, directly or indirectly, any of the Companies to any liability, contingent or otherwise, or the imposition of any Lien under Title IV of ERISA. No Pension Plan has incurred an "accumulated funding deficiency" (as defined in Section 302 of ERISA and Section 412 of the Code), the minimum funding standard under Section 430 of the Code has been satisfied, and no waiver of any minimum funding standard or any extension of any amortization period has been requested or granted. With respect to each Pension Plan, no reportable event (within the meaning of Section 4043 of ERISA) has occurred or is expected to occur, including in connection with the Transactions. None of the Companies have any current or

contingent liability or obligation as a consequence of at any time being considered a single employer under Section 414 of the Code with any other Person.

(c) Each Seller Benefit Plan and Company Benefit Plan intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service or is entitled to rely upon a favorable opinion issued by the Internal Revenue Service as to its qualification and no event has occurred that could reasonably be expected to result in disqualification or adversely affect the qualification of such Seller Benefit Plan and Company Benefit Plan. With respect to each Company Benefit Plan and, except as would not reasonably be expected to result in liability to the Companies, each other Employee Benefit Plan, all contributions, premiums or other payments that have become due have been timely paid, or to the extent not yet due, have been properly accrued in accordance with GAAP. None of the Companies have incurred (whether or not assessed) any material Tax or penalty under Sections 4980B, 4980D, 4980H, 6721 or 6722 of the Code and no circumstances or events have occurred that could result in the imposition of any such material Taxes or penalties. With respect to each Employee Benefit Plan, there have been no non-exempt "prohibited transactions" (as such term is defined under Section 406 of ERISA or Section 4975 of the Code) or breaches of fiduciary duty (as determined under ERISA), in each case, that could result in material liability to any of the Companies. There are no pending or, to Sellers' Knowledge, threatened Claims or other disputes on behalf or relating to any Employee Benefit Plan (other than routine claims for benefits) that could result in material liability to any of the Companies.

(d) Neither the execution and delivery of this Agreement, nor the consummation of the Transactions (either alone or upon the occurrence of any additional or subsequent event), could cause any (i) payments of compensation or benefits (whether in cash, property or the vesting of property) to become due or payable to any current or former employee, officer, director or other individual service provider of the Companies (or any dependent or beneficiary thereof), (ii) acceleration, vesting, funding or increase of compensation or benefits to any current or former employee, officer, director or other individual service provider of the Companies, (iii) require a contribution by the Companies to any Company Benefit Plan, (iv) restrict the ability of the Companies to merge, amend or terminate any Company Benefit Plan or (v) result in the forgiveness of any employee or individual service provider loan.

(e) Neither Seller nor any Company is a party to any plan, program, agreement or arrangement that could result, separately or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code by reason of the Transactions.

(f) The Companies have no current or contingent obligation to indemnify, gross-up, reimburse or otherwise make whole any Person for any Taxes, including those imposed under Section 4999 or Section 409A of the Code (or any corresponding provisions of state, local or foreign Tax law).

(g) Each Company Benefit Plan that constitutes in any part a "nonqualified deferred compensation plan" (as defined under Section 409A(d)(1) of the Code) subject to Section 409A of the Code has been operated and administered in all respects in operational compliance with, and is in all respects in documentary compliance with, Section 409A of the Code and all IRS guidance

promulgated thereunder, and no amount under any such plan, agreement or arrangement is, has been (since the Lookback Date) or could reasonably be expected to be subject to any additional Tax, interest or penalties under Section 409A of the Code.

(h) The Companies have no current or projected material liability in respect of post-employment or post-termination or retirement health or medical or life insurance benefits for any Company Employee or Former Company Employee or any other Person, except (i) as required to avoid excise tax under Section 4980B of the Code and for which the recipient pays the full premium cost or (ii) for those liabilities set forth on Section 4.18(h) of the Seller Disclosure Letter.

(i) Since the Lookback Date, each Employee Benefit Plan has been maintained, established, funded and administered in all material respects in compliance with its terms and in compliance with applicable Law, and no condition exists with respect to each such plan that has subjected, or would reasonably be expected to subject, any of the Companies to any material Tax, fine, Lien, penalty or other lability imposed by ERISA, the Code or other applicable Law.

SECTION 4.19 Affiliate Arrangements. Except as set forth in Section 4.19 of the Seller Disclosure Letter and for employment arrangements and participation in Seller Benefits Plans by employees in the ordinary course of business (including any such employment arrangements entered into after the Effective Date in accordance with the terms hereof), there is no, and since the Lookback Date there has not been any, Contract between either a Seller or any Affiliate (other than a Company), manager, officer, director, employee or equityholder thereof, on the one hand, and any Company or Affiliate (other than the Sellers and their direct and indirect parent companies) thereof, on the other hand, relating to the Business, the Assets of the Companies or the Companies (each, an "***Affiliate Arrangement***"). The Affiliate Arrangements are on terms which are, in all material respects, generally consistent with, and are not materially less favorable to Sellers or the Companies, as it relates to the Business or the Assets of the Companies, than those terms that could reasonably be expected to be obtained in an arms'-length transaction with a third party.

SECTION 4.20 Bank Accounts. Section 4.20 of the Seller Disclosure Letter sets forth an accurate and complete list of the names of the banks, trust companies and other financial institutions at which each of the Companies maintains deposit, checking, investment securities or similar accounts or safe deposit boxes.

SECTION 4.21 Sufficiency of Assets. Each of the Companies (as of the Effective Date and as of the Closing Date) has good, valid and marketable title to (or a valid leasehold interest in or enforceable license to use) and physical possession of all of the material assets and properties (whether tangible or intangible, and whether real, personal or mixed) used in the conduct of the Business, and the Companies will, subject to the Required Statutory Approvals, the provision of services pursuant to the Transition Services Agreement, the Company Employees and other matters contemplated by this Agreement and the Seller Disclosure Letter, be able to conduct the Business immediately after the Closing in substantially the same manner in all material respects as the Business is currently conducted by Sellers and the Companies. Except as would not, individually or in the aggregate, be or reasonably be expected to be, material to the Companies (taken as a whole), all of the tangible Assets of the Companies are in good operating condition and

repair (normal wear and tear excepted) and are in all material respects suitable for the purposes for which such assets are being used in the conduct of the Business.

SECTION 4.22 Bankruptcy. There are no bankruptcy, insolvency, reorganization or receivership Claims pending against, being contemplated by or, to Sellers' Knowledge, threatened against any of the Companies.

SECTION 4.23 Indebtedness.

(a) The Companies are, and since the Lookback Date have been, in compliance in all material respects with the material terms and conditions of the Surviving Indebtedness to the extent necessary to avoid an Event of Default (as defined in the applicable Surviving Indebtedness or, if such Surviving Indebtedness has been amended or modified since the Effective Date, any equivalent term) arising that would permit the holders of the relevant Surviving Indebtedness to declare such Surviving Indebtedness due and payable prior to its stated maturity.

(b) Since the Lookback Date, no Seller or Company has received written notice of a default, event of default or breach of any material representation or warranty by any Company under any Surviving Indebtedness.

SECTION 4.24 International Trade and Anti-Corruption. Except as would not, individually or in the aggregate, be material to the Companies (taken as a whole):

(a) None of the Companies nor any of their respective officers, directors or employees, nor to Sellers' Knowledge any agent or other third-party representative acting on behalf of any Company, is currently, or has in the last five (5) years: (i) been a Sanctioned Person; (ii) been engaging in any dealings or transactions with or for the benefit of any Sanctioned Person or in any Sanctioned Country; (iii) made or accepted any unlawful payment or given, received, offered, promised, or authorized or agreed to give or receive, any money, advantage or thing of value, directly or indirectly, to or from any employee or official of any Governmental Authority or any other Person in violation of Anti-Corruption Laws; or (iv) otherwise been in violation of Sanctions, Ex-Im Laws, or U.S. anti-boycott Laws (collectively, "***Trade Controls***") or any Anti-Corruption Laws.

(b) As of the date hereof, none of the Companies have (i) received from any Governmental Authority or any Person any written or, to Sellers' Knowledge, oral, notice, inquiry, or internal or external allegation; (ii) made any voluntary or involuntary written or, to Sellers' Knowledge, oral, disclosure to a Governmental Authority; or (iii) conducted any internal investigation or audit concerning any actual or potential violation or wrongdoing in each case, related to Trade Controls or Anti-Corruption Laws.

SECTION 4.25 Government Contracts. Since the Lookback Date, none of the Companies have (a) breached or violated any Law, material clause or other material requirement pertaining to any Government Contract; (b) been excluded from bidding by a Governmental Authority; (c) been audited or investigated by any Governmental Authority with respect to any Government Contract; (d) conducted or initiated any internal investigation or made any disclosure with regard to any irregularity in connection with a Government Contract; (e) been awarded any Government Contract on the basis of a small business set aside or other preferred bidder status; or (f) to the

Sellers' Knowledge, received any allegations of fraud, false claims or overpayments with respect to any of the Companies' or their Subsidiaries' Government Contracts.

SECTION 4.26 Insurance. Section 4.26 of the Seller Disclosure Letter sets forth a true, correct and complete list of Sellers' policies of insurance providing coverage for the Business and the Assets of the Companies (other than title insurance policies) as of the Effective Date (the "***Insurance Policies***"), including the amounts and type of coverage, the policy number, the carrier and the term. As of the date hereof, each such policy is in full force and effect and all premiums are currently paid in accordance with the terms of such policy. With respect to any Insurance Policies, (a) as of the Effective Date, Sellers and the Companies have not, since the Lookback Date, received any written or, to Sellers' Knowledge, oral notice from the insurer under any Insurance Policy disclaiming coverage or reserving rights with respect to a particular claim and (b) as of the Effective Date, there is no claim, suit or other matter currently pending with respect to the Business or any Assets of the Companies in respect of which Sellers or the Companies have received such a notice. Sellers and the Companies maintain, and since the Lookback Date have maintained, in all material respects, appropriate and adequate insurance policies covering all aspects of the Business and the Assets of the Companies, and such insurance policies (including the amounts of coverage thereunder) are sufficient to comply with all applicable Laws and the Material Contracts. To Sellers' Knowledge, Sellers and the Companies are not in breach of, or default in any material respect under, any Insurance Policies and no event has occurred which, with notice or the lapse of time, would constitute a material breach or material default, or permit termination of any such insurance policies. There are no open claims with any insolvent carriers. Since the Lookback Date, no policy limits of the Insurance Policies have been exhausted or materially eroded or reduced and policies providing substantially similar insurance coverage have been in effect continuously.

ARTICLE V.

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Sellers as of the date hereof and as of the Closing (unless such representation and warranty is expressly made as of a specific date, in which case Buyer represents and warrants to Sellers as of such date) that:

SECTION 5.1 Organization. Buyer is a limited liability company duly formed, validly existing and in good standing under the Laws of Delaware. Buyer is duly qualified or licensed to do business in each other jurisdiction where the actions to be performed by it under this Agreement make such qualification or licensing necessary, except in those jurisdictions where the failure to be so qualified or licensed would not reasonably be expected to result in a material adverse effect on Buyer's ability to perform such actions under, or consummate the Transactions contemplated by, this Agreement or any other Transaction Agreement to which Buyer is a party.

SECTION 5.2 Authority; Enforceability. Buyer has all requisite organizational power and authority to enter into this Agreement and each other Transaction Agreement to which Buyer is, or will be, a party, to perform its obligations hereunder and thereunder and to consummate the Transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and each other Transaction Agreement to which Buyer is, or will be, a party, and the

performance by Buyer of its obligations hereunder and thereunder have been, or upon execution will be, duly and validly authorized by all necessary organizational action on behalf of Buyer. This Agreement and each other Transaction Agreement to which Buyer is, or will be, a party, has been, or upon its execution will be, duly and validly executed and delivered by Buyer and constitutes, or will constitute, the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms except as the same may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, moratorium or other similar Laws relating to or affecting the rights of creditors generally or by general equitable principles. No other corporate action on the part of Buyer or any other Person are necessary to authorize this Agreement, the other Transaction Agreements and the consummation of the Transactions.

SECTION 5.3 No Conflicts. The execution and delivery by Buyer of this Agreement and each other Transaction Agreement to which Buyer is, or will be, a party do not and will not, and the performance by Buyer of its obligations hereunder or thereunder and the consummation of the Transactions contemplated hereby or thereby do not and will not, directly or indirectly, with or without notice or lapse of time or both:

(a) violate Buyer's Organizational Documents;

(b) be in conflict with or in violation of or result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under (with or without the giving of notice, lapse of time, or both) any material Contract to which Buyer is a party, except for any such violations or defaults (or rights of termination, cancellation or acceleration) which would not materially impair or delay Buyer's ability to perform its obligations under, or consummate the Transactions contemplated by, this Agreement; or

(c) assuming all of the Required Statutory Approvals have been made, obtained or given, (i) conflict with, violate or breach any term or provision of any Law or Order applicable to Buyer or any of its Assets which would reasonably be expected to be material to Buyer's ability to perform its obligations under, or consummate the transactions contemplated by, this Agreement or (ii) other than compliance with any applicable requirements of the HSR Act or securities laws, require any material consent or approval of any Governmental Authority or notice to, or declaration, filing or registration with, any Governmental Authority, under any Law, in each case, other than such consents, approvals, notices, declarations, filings or registrations which, if not made or obtained, would not materially impair or delay Buyer's ability to perform its obligations under, or consummate the transactions contemplated by, this Agreement or any other Transaction Agreement to which Buyer is a party.

SECTION 5.4 Legal Proceedings. Buyer has not been served with notice of any Claim, and to Buyer's Knowledge, none is threatened, against Buyer which seeks an Order restraining, enjoining or otherwise prohibiting or making illegal any of the transactions contemplated by this Agreement.

SECTION 5.5 Compliance with Laws and Orders. Buyer is not in violation of or in default under any Law or Order applicable to Buyer or its Assets the effect of which would reasonably be expected to materially impair or delay Buyer from performing its obligations under, or consummate the transactions contemplated by, this Agreement or any other Transaction

Agreement to which Buyer is a party. There is no Claim by or before any Governmental Authority pending, against or affecting Buyer or any of its properties or rights with respect to the Transactions or any other Transaction Agreement to which Buyer is a party.

SECTION 5.6 Brokers. Buyer does not have any liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement or the other Transaction Agreements for which Sellers or their Affiliates could become liable or obligated.

SECTION 5.7 Acquisition as Investment. Buyer is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Securities Act of 1933 (as amended from time to time, the "***1933 Act***"). Buyer is acquiring the Purchased Equity Interests for its own account as an investment without the present intent to sell, transfer or otherwise distribute the same to any other Person. Buyer (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Purchased Equity Interests and is capable of bearing the economic risks of such investment. Buyer has made, independently and without reliance on Sellers (except to the extent that Buyer has relied on the representation and warranties of Sellers in this Agreement), its own analysis of the Purchased Equity Interests, the Companies and the Business for the purpose of acquiring the Purchased Equity Interests, and Buyer has had reasonable and sufficient access to documents, other information and materials as it considers appropriate to make its evaluations. Buyer acknowledges that the Purchased Equity Interests are not registered pursuant to the 1933 Act or any state securities laws and agrees that none of the Purchased Equity Interests may be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the 1933 Act, except pursuant to an applicable exception under the 1933 Act and in compliance with state securities laws (to the extent applicable).

SECTION 5.8 Financing.

(a) Assuming (i) the financing contemplated by the Debt Commitment Letter and the Equity Commitment Letter is funded in accordance therewith and (ii) the conditions set forth in Article VII and Article VIII are satisfied at Closing, Buyer will have available at the Closing immediately available funds sufficient to pay (or cause the Company to pay) (A) the Purchase Price and (B) the fees and expenses of Buyer related to the transactions contemplated by this Agreement.

(b) As of the date hereof, Buyer has provided to Sellers (i) a true, correct, complete and fully executed copy of that certain Project Saturn – Saturn Utilities Holdco, LLC Debt Commitment Letter, dated as of the date hereof, by and between Saturn Utilities Holdco, LLC and each of the financial institutions party thereto (together with the term sheet and all exhibits, schedules and annexes thereto, in each case as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement, the "***Debt Commitment Letter***"), and all fee letters associated therewith (provided that provisions in the fee letters related solely to fees, economic terms (other than covenants) and "market flex" provisions agreed to by the parties may be redacted (none of which redacted provisions could adversely affect the amount of, the availability of, or impose additional conditions or contingencies on the availability of, the Debt Financing at the Closing)), to provide, subject to the terms and conditions therein, debt financing

in the aggregate amount set forth therein for the purpose of funding the transactions contemplated by this Agreement and (ii) a true, correct, complete and fully executed copy of the equity commitment letter from the Sponsors and to which the Sellers are third-party beneficiaries (the "***Equity Commitment Letter***" and, together with the Debt Commitment Letter, the "***Commitment Letters***"), dated as of the date hereof, from the Sponsors to provide equity financing in accordance with the terms of the Equity Commitment Letter. The Commitment Letters have not been amended or modified prior to the date hereof, no such amendment or modification by Buyer is contemplated or pending, and the respective commitments contained in the Commitment Letters have not been withdrawn, terminated or rescinded in any respect, and to Buyer's Knowledge, no such withdrawal, termination or rescission is contemplated. Assuming the satisfaction of the conditions set forth in Article VII, no event has occurred which, with or without notice or lapse of time or both, would or would reasonably be expected to constitute a default, breach or failure to satisfy a condition precedent on the part of (x) Buyer or any of its Affiliates under the Equity Commitment Letter or (y) Buyer or any of its Affiliates or, to Buyer's Knowledge, any other Person, under the Debt Commitment Letter, in each case under the terms and conditions of the Commitment Letters and Buyer has no reason to believe that any of the conditions to the financings contemplated by the Commitment Letters will not be satisfied on a timely basis. The commitments under the Commitment Letters are not subject to any conditions or other contingencies other than as set forth expressly therein and are in full force and effect and the Commitment Letters are a legal, valid, binding and enforceable obligation of Buyer and to Buyer's Knowledge, each of the other parties thereto, as the case may be, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles. There are no other contracts, arrangements or understandings entered into by Buyer or any of its Affiliates related to the funding or investing, as applicable, of the amounts committed pursuant to the Commitment Letters. All commitment and other fees required to be paid under the Debt Commitment Letter prior to the date hereof have been paid in full, and assuming the satisfaction of the conditions set forth in Article VII, Buyer is unaware of any fact or circumstance existing on the date hereof that would reasonably be expected to make any of the assumptions or any of the statements set forth in the Debt Commitment Letter inaccurate or that could reasonably be expected to cause the Debt Commitment Letter to be ineffective or that could reasonably be expected to indicate that the conditions precedent will not be satisfied. Buyer acknowledges and agrees that, notwithstanding anything to the contrary contained herein, its obligation to consummate the Transactions is not subject to any financing contingency or condition.

SECTION 5.9 Limited Guarantee. Concurrently with the execution of this Agreement, Buyer has delivered to the Sellers the Limited Guarantee, dated as of the date hereof. Each Sponsor is a limited partnership duly organized, validly existing and in good standing under the laws of Delaware and has all requisite organizational power required to carry on its business as now conducted. The Limited Guarantee is in full force and effect and is a legal, valid and binding obligation of the Sponsors, enforceable against the Sponsors in accordance with its terms, and no event has occurred which, with or without notice, lapse of time or both, could constitute a default on the part of the Sponsors under the Limited Guarantee.

SECTION 5.10 Solvency. Buyer is not entering into the Transactions with the intent to hinder, delay or defraud either present or future creditors of the Companies. Assuming the accuracy of the representations and warranties of Sellers set forth in this Agreement and

compliance in all material respects by Sellers with their covenants contained herein, at and immediately after the Closing, and after giving effect to the Transactions, Buyer and its Subsidiaries (on a consolidated basis) will be Solvent. For purposes of this Agreement, the term "***Solvent***", when used with respect to any Person, shall mean that, as of any date of determination, such Person shall (i) have property with fair value greater than the total amount of its debts and liabilities, subordinated, contingent or otherwise (it being understood that the amount of contingent liabilities at any time shall be computed as the amount that, in light of all the facts and circumstances existing at such time, can reasonably be expected to become an actual or matured liability), (ii) have assets with present fair salable value not less than the amount that will be required to pay its liability on its debts as they become absolute and matured, (iii) be able to pay its debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured and (iv) not be engaged in business or a transaction, and not be about to engage in a business or transaction, for which it has unreasonably small capital.

SECTION 5.11 Post-Closing Intent. As of the Effective Date, neither Buyer nor any of its Affiliates have any current intention to divest any material assets of the Companies or otherwise implement any material adverse changes to the operation of the Business following the Closing that would reasonably be expected to have a material adverse effect on the ability of the Companies (taken as a whole) to fully satisfy their creditors.

SECTION 5.12 CFIUS Foreign Person Status. Buyer is a United States person (as defined by Section 7701(a)(30) of the Code) and is not a "foreign person" or a "foreign entity," as defined in Section 721 of the Defense Production Act of 1950, as amended, including all implementing regulations thereof (the "***DPA***"). Buyer is not controlled by a "foreign person," as defined in the DPA.

SECTION 5.13 No Prior Operations; Capitalization.

(a) Buyer is a newly formed entity that was formed specifically in connection with the Transactions and, except as required in connection with the Transactions, has not conducted any operations, owned an interest in any assets (including an ownership interest in any other Person), incurred any liabilities of any nature or become party to any agreements.

(b) Sponsors are the direct or indirect beneficial owner of 100% of the outstanding ownership interests of Buyer (except for any ownership interests held by co-investors, to the extent such co-investment (or any portion thereof) is not prohibited by a Governmental Authority and does not otherwise require any approval of NMPRC that would reasonably be expected to materially delay or impair the consummation of the transactions contemplated by this Agreement).

SECTION 5.14 Opportunity for Independent Investigation; No Other Representations.

(a) Prior to its execution of this Agreement, Buyer has conducted to its satisfaction an independent investigation and verification of the current condition and affairs of the Companies and the Business. In making its decision to execute this Agreement and to purchase the Purchased Equity Interests, Buyer has relied and will rely solely upon the results of such independent investigation and verification and the terms and conditions of this Agreement (including the representation and warranties of Sellers herein). Buyer acknowledges that: (i) it has had the

opportunity to visit with Sellers and the Companies and meet with their Representatives to discuss the Companies and the Business, (ii) all materials and information requested by Buyer have been provided to Buyer to Buyer's reasonable satisfaction, and (iii) except as set forth in this Agreement or any other Transaction Agreement, none of Sellers or the Companies or any Affiliate thereof makes any representation or warranty, express or implied, as to the Companies or the Business.

(b) In connection with Buyer's investigation of the Companies, Buyer has received from Sellers, their Affiliates and their and their Affiliates' respective Representatives certain projections and other forecasts, including projected financial statements, cash flow items, certain business plan information and other data related to the Companies. Buyer acknowledges that (i) there are uncertainties inherent in attempting to make such projections, forecasts and plans, (ii) Buyer is familiar with such uncertainties and is taking full responsibility for making its own evaluation of the adequacy and accuracy of all projections, forecasts and plans so furnished to it and (iii) Buyer shall have no claim against anyone with respect to any of the foregoing; provided that nothing in this Section 5.14(b) shall in any way be deemed to limit or modify any rights of Buyer or its Affiliates under the R&W Insurance Policy or to the extent arising from or related to Fraud or inhibit Buyer from obtaining any remedies Buyer may have against any insurer under the R&W Insurance Policy or to the extent arising from or related to Fraud. Buyer agrees to accept the Purchased Equity Interests and the Business without reliance upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to the Sellers or any Company or any of its or their respective Released Parties or other Representatives, except as specifically and expressly set forth in **Article III** or **Article IV**, as qualified by the Seller Disclosure Letter, and the other Transaction Agreements, and Buyer acknowledges and agrees that no Seller, Company, nor any of their respective Released Parties or other Representatives has made, or makes, any express or implied representation or warranty of any nature whatsoever to Buyer or any of its Affiliates, except as specifically and expressly set forth in **Article III** and **Article IV**, as qualified by the Seller Disclosure Letter, and the other Transaction Agreements.

ARTICLE VI.

COVENANTS

The Parties hereby covenant and agree as follows:

SECTION 6.1 Regulatory and Other Approvals. From the date of this Agreement until the earlier of the Closing or the valid termination of this Agreement in accordance with its terms (the "***Interim Period***"):

(a) Each Party shall, and shall cause its Affiliates to, in order to consummate the Transactions, (i) proceed diligently and in good faith and use all reasonable best efforts to obtain as promptly as practicable all approvals required under applicable Law (including the Required Statutory Approvals) to consummate the Transactions and to make all filings required to be made by it with, and to give all required notices to, Governmental Authorities, and (ii) provide such other information and communications to such Governmental Authorities or other Persons as such Governmental Authorities or other Persons may reasonably request in connection therewith.

(b) In furtherance of the foregoing covenants, each Party shall:

(i) prepare (or assist the other Party in such other Party's preparation), as soon as is practical following the execution of this Agreement, all necessary filings in connection with the Transactions that may be required to be filed prior to Closing by such Party with NMPRC, Federal Communications Commission or under the HSR Act or any other foreign, federal, state or local Laws (it being understood that a single filing will be made jointly by NMGC, Sellers and Buyer, and such other Affiliates, that, after consultation with counsel, are determined to be necessary or advisable to be included co-applicants, in the case of the Required Statutory Approval from NMPRC (the "***NMPRC Approval***")). Each Party shall, in each case submit such filings as soon as practicable but in no event later than forty-five (45) Business Days (subject to extension by mutual agreement) after the execution hereof. Except with respect to the filings for the NMPRC Approval (for which confidential treatment will be requested to the extent deemed appropriate by the Parties after consultation with counsel and consideration of the commercial sensitivity of the documents and information to be included in the applications to NMPRC), the Parties shall request expedited and confidential treatment of any such filings to the extent feasible;

(ii) furnish to the other all assistance, cooperation and information reasonably required for any filings required by this Section 6.1 and in order to achieve the effects set forth in this Section 6.1;

(iii) unless prohibited by applicable Law or by a Governmental Authority, give the other reasonable prior notice of any filings required by this Section 6.1 (including when any such filing is made, given or denied, as applicable) and, to the extent reasonably practicable, of any material communication with any Governmental Authority or any material communications with any other Person relating to the matters covered by this Section 6.1 (including with respect to any of the actions referred to in this Section 6.1(b)) and, to the extent reasonably practicable, permit the other to review and discuss in advance, and consider in good faith the views of, and secure the participation of, the other in connection with any such filing or communication;

(iv) respond as promptly as practicable under the circumstances to any inquiries received from any Governmental Authority (or any other authority enforcing applicable Laws) for additional information or documentation in connection with antitrust, competition, utilities regulation or similar matters and not extend any waiting period under the HSR Act or enter into any agreement with any such Governmental Authority or other authorities not to consummate the transactions under this Agreement, except with the prior written consent of the other Party;

(v) unless prohibited by applicable Law or a Governmental Authority, to the extent commercially reasonably practicable, (A) not participate in or attend any formal meeting with any Governmental Authority (or in the case of NMPRC Approval, any intervenors) in respect of this Agreement or the transactions hereunder without the other Party, unless the other Party provides its prior written consent, (B) keep the other Party apprised with respect to any meeting or substantive conversation with any Governmental Authority (or in the case of NMPRC Approval, any intervenors) in respect of this Agreement or the transactions hereunder, (C) cooperate in the filing of any substantive memoranda, white papers, filings, correspondence or other written communications explaining or defending this Agreement or the transactions hereunder, articulating any regulatory or competitive argument or responding to requests or objections made by any Governmental Authority (or in the case of NMPRC Approval, any

intervenors) and (D) promptly furnish the other Party with copies of all substantive correspondence, filings and communications (and memoranda setting forth the substance thereof) between it and its Affiliates and its and their respective Representatives, on the one hand, and any Governmental Authority or members of any Governmental Authority's staff (or in the case of NMPRC Approval, any intervenors), on the other hand, with respect to this Agreement or the transactions hereunder; provided that the Parties shall be permitted to redact any correspondence, filing or communication to the extent such correspondence, filings or communication contains commercially sensitive information; and

(vi) promptly provide all interim and final drafts of any market power studies or similar reports or studies that are prepared or commissioned with respect to Required Statutory Approvals under the HSR Act or from the NMPRC.

(c) Buyer shall not, and shall cause its Affiliates not to, take any action, including acquiring any asset, property, business or Person (by way of merger, consolidation, share exchange, investment, other business combination, asset, stock or equity purchase, or otherwise), that could reasonably be expected to adversely affect or materially delay obtaining any Required Statutory Approvals or making any filing contemplated by this Section 6.1 or the timely receipt thereof. In furtherance of and without limiting any of Buyer's covenants and agreements under this Section 6.1, Buyer shall (i) cooperate in good faith with all Governmental Authorities (and in the case of NMPRC Approval, any intervenors) and (ii) take any and all actions to avoid or eliminate each and every impediment that may be asserted by a Governmental Authority pursuant to any applicable Law with respect to the transactions under this Agreement or in connection with granting any Required Statutory Approval so as to enable the Closing to occur as soon as reasonably possible, including the following:

(i) defending or pursuing through litigation on the merits, including appeals, any Claim or Order asserted in any court or other proceeding by any Person, including any Governmental Authority, that seeks to or could prevent or prohibit or impede, interfere with or delay the consummation of the Closing (including pursuing appeals following the failure to obtain any Required Statutory Approval, or the failure to obtain any Required Statutory Approval without the imposition of a Burdensome Condition);

(ii) seeking to have lifted, vacated or reversed any stay, injunction, temporary restraining order or other restraint entered by any Governmental Authority with respect to this Agreement or the other Transaction Agreements or the Transactions contemplated hereby or thereby;

(iii) proposing, negotiating, committing to and effecting, by consent decree, hold separate order or otherwise, the sale, divestiture, licensing or disposition of all or a portion of any assets, operations or businesses of Buyer or its Affiliates (including, after the Closing, the Companies), including entering into customary ancillary agreements relating to any such sale, divestiture, licensing or disposition;

(iv) agreeing to any limitation on the conduct of Buyer or its Affiliates (including, after the Closing, the Companies);

(v) agreeing to take any other action as may be required by a Governmental Authority in order to effect each of the following: (A) obtaining all Required Statutory Approvals or any other consents required from any Governmental Authorities in connection with the Transactions as soon as reasonably possible and in any event before the Outside Date, (B) avoiding the entry of, or having vacated, lifted, dissolved, reversed or overturned any Order, whether temporary, preliminary or permanent, that is in effect that prohibits, prevents or restricts consummation of, or impedes, interferes with or delays, the Closing and (C) effecting the expiration or termination of any waiting period, which would otherwise have the effect of preventing, prohibiting or restricting consummation of the Closing or impeding, interfering with or delaying the Closing; and

(vi) refraining from filing, and committing to prevent its Affiliates from filing, any other application with the NMPRC involving the acquisition (by way of merger, consolidation, share exchange, investment, other business combination, asset, stock or equity purchase, or otherwise) by Buyer or any of its Affiliates of natural gas production facilities, natural gas transmission facilities or natural gas distribution facilities or related assets in the State of New Mexico prior to obtaining the Required Statutory Approvals from the NMPRC.

(d) Buyer hereby recognizes and acknowledges that NMGC is subject to the jurisdiction and regulatory authority of the NMPRC and that NMGC's business operations that are subject to the jurisdictions of the NMPRC are ongoing and are contemplated to continue to be ongoing before and after the date hereof and regardless of whether or not the Closing occurs. Notwithstanding anything to the contrary in this Section 6.1, nothing in this Section 6.1 is intended to, or has the meaning and purpose of, preventing in any way or degree NMGC's normal and ordinary practices and abilities to meet with or have conversations with the NMPRC concerning NMGC's ongoing operations that are subject to the NMPRC's jurisdiction. Without limiting the generality of the foregoing, nothing in this Agreement shall prohibit NMGC from initiating, appealing, settling or entering into any stipulation with respect to any rate case or other material proceeding (all such rate cases, filings and proceedings, the "***Regulatory Proceedings***"); provided, that with respect to any Regulatory Proceedings initiated or to be initiated with the NMPRC prior to the Closing Date, subject to any limitations based on advice of legal counsel, Sellers shall cause the Companies to, to the extent reasonably practicable and permitted by applicable Law: (i) consult with Buyer and, if such Regulatory Proceeding is initiated after the Effective Date, consider in good faith reasonable input with respect to the preparation and filing of such Regulatory Proceeding, (ii) keep Buyer informed as promptly as reasonably practicable of any material communications or meetings with the NMPRC or any other Governmental Authority, including meetings with regulatory staff, (iii) provide copies of any material written communication or materials with respect thereto to Buyer, (iv) convene and hold periodic status meetings as reasonably requested in writing by Buyer and (v) consult with Buyer and give Buyer a reasonable opportunity, within the applicable time constraints, to comment on any related material communications or materials submitted to a Governmental Authority and consider in good faith reasonable comments from Buyer. Buyer hereby recognizes and acknowledges that NMGC, in the normal and ordinary course and scope of its meetings and conversations with the NMPRC concerning NMGC's ongoing operations, may find it also appropriate to discuss the transactions contemplated by this Agreement (including responding to inquiries as to the potential effects of such transactions on the ongoing operations under discussion in such ordinary course meetings), without Buyer being present or participating in such ordinary course meeting discussions, and

without any breach resulting therefrom by Sellers of their obligation under this Section 6.1. In the event of such discussions by NMGC with the NMPRC without Buyer's participation in such discussions, Sellers promptly thereafter shall reasonably apprise Buyer of such discussions concerning the transactions under this Agreement.

(e) Sellers and Buyer agree to, and Sellers (prior to the Closing) and Buyer (after the Closing) agree to cause the Companies to, execute and deliver such other documents, certificates, agreements, conveyances and other writings and to take such other actions consistent with the terms of this Agreement as may be necessary or desirable in order to consummate or implement expeditiously the Transactions.

(f) Notwithstanding anything in this Agreement to the contrary, nothing in this Section 6.1 shall require (i) Buyer or its Affiliates to agree to take, or refrain from taking any actions or make any undertaking, in each case, in order to obtain the Required Statutory Approvals, to the extent that such action or undertaking would constitute or result in a Burdensome Condition or (ii) any Party to agree to any amendment or waiver of the terms of the Equity Commitment Letter, the Limited Guarantee or the Debt Commitment Letter; provided, that the Parties acknowledge that the terms of any Order related to the Required Statutory Approvals shall not be deemed to be an amendment or waiver of the terms of such agreements solely by reason of such Order addressing subject matter that is also addressed by such agreements. Notwithstanding anything herein to the contrary, (A) in no event shall Buyer or its Affiliates be required to become subject, consent or agree to, or otherwise take any action with respect to, the sale, divestiture, or disposition of any portfolio companies (as such term is commonly understood among investment professionals) Affiliated with Buyer (other than the Companies), and (B) Buyer shall have sole discretion in deciding whether to litigate, defend against or otherwise contest any lawsuit relating to the Transactions pursuant to or under the HSR Act (but not, for the avoidance of doubt, the decision of whether to litigate, defend against or otherwise contest any challenge, claim, lawsuit or other cause of action relating to the NMPRC Approval).

(g) At Sellers' reasonable request from time to time, Buyer and Sellers shall hold status meetings regarding the NMPRC Approval process, attended by senior representatives of Buyer and Sellers.

SECTION 6.2 Access of Buyer and Sellers; No Contact.

(a) During the Interim Period, Sellers will, and will cause their Affiliates and their and their respective Representatives to, (i) provide Buyer, its Affiliates and its and their respective Representatives (for so long as such Representatives are subject to the Confidentiality Agreement) with reasonable access, upon reasonable prior written notice and during normal business hours, to the offices, personnel, physical sites, facilities and properties of the Companies and the books and records of the Companies in order for Buyer to have the opportunity to make such investigation as it reasonably desires to make of the affairs of the Companies (except that Buyer will conduct no physically invasive sampling or testing, including soil or groundwater sampling, without the prior written consent of Sellers), (ii) furnish to Buyer, its Affiliates and its and their respective Representatives (for so long as such Representatives are subject to the Confidentiality Agreement) such financial and operating data and any other information relating to the Business as such Persons may reasonably request (including, subject to the execution of customary work paper

access letters if requested, auditors and auditors' work papers) and (iii) instruct the employees of the Companies to cooperate with Buyer, its Affiliates and its and their respective Representatives in their investigation of the Business; provided, that such access (A) does not unreasonably interfere with the business of Sellers, the Companies or the Business, (B) is subject to compliance with Laws, Permits and Contracts by which Sellers, the Companies or any of their Affiliates is bound and with any other applicable Law (including the HSR Act or any other applicable antitrust or competition Law), and (C) does not jeopardize any privilege available to Sellers, the Companies or any of their respective Affiliates; provided, further, that Sellers shall have the right to (I) have Representatives present for any communication with employees or officers of Sellers or their Affiliates and (II) impose reasonable restrictions and requirements for health and safety purposes. In the event that any restrictions in the foregoing sub-clause (C) apply, Sellers shall promptly provide Buyer with a reasonably detailed description of the information not provided, and Sellers shall use commercially reasonable efforts to cooperate with Buyer in good faith to design and implement alternative disclosure arrangements to enable Buyer, its Affiliates and their respective Representatives to evaluate such information without forfeiture or violation of the restrictions in the foregoing sub-clause (C). Buyer shall provide Sellers with not less than three (3) Business Days' prior notice of the date and time on which any entry upon any Property shall occur.

(b) Except in the case of Sellers', their Affiliates' or their or their Affiliates' respective Representatives' willful misconduct, bad faith, Fraud or gross negligence, Buyer agrees to indemnify and hold harmless Sellers, their Affiliates and their and their Affiliates' respective Representatives for any and all Losses incurred by Sellers, their Affiliates or their or their Affiliates' Representatives to the extent arising out of any Claim for property damage, personal injury, bodily injury or death to the extent arising from the access rights of Buyer under this Section 6.2, including any Claims by any of Buyer's Representatives for any injuries or property damage while present on any Property.

(c) From and after Closing (other than with respect to Taxes, which shall be governed exclusively by Section 6.11(d)), to the extent permitted by applicable Law, each Party and their respective Affiliates agrees (i) to preserve and keep the books and records of the Companies as of the Closing Date (including all accounting records) for a period of seven (7) years from the Closing and (ii) upon reasonable prior written notice from a Party, to provide to the other Party or Parties, as applicable, its or their, as applicable, Affiliates and its or their, as applicable, and its or their, as applicable, Affiliates' Representatives reasonable access during normal business hours to (A) properties, (B) copies of books and records for the period prior to Closing and (C) employees, in each case, of the Business to the extent reasonably necessary to permit such Party or Parties, as applicable, to perform or satisfy any legal, accounting or regulatory obligation relating to any period on or before the Closing Date; provided, that any such access shall be conducted in such a manner that does not unreasonably interfere with the operations of the business of any Party or its respective Affiliates, including the Business after the Closing in the case of Buyer; provided, further, that such access for any Party or its Affiliates and Representatives will not include any records (1) that involve information pertinent to any Claim in which either Party or its Affiliates, on the one hand, has levied against the other Party and its Affiliates, on the other hand, are then currently engaged in, or (2) that are privileged under the attorney-client privilege, attorney work product privilege, or any other applicable privilege of a Party or that would otherwise result in an action that would constitute or result in a waiver of such privileges; provided, further, that in the case of clause (2), each Party shall use respective commercially reasonable efforts to disclose such

applicable information in a manner that would not reasonably be expected to constitute a waiver of the applicable privilege. The Party exercising the right of access under this Section 6.2(c) will be solely responsible for any out-of-pocket costs or expenses incurred by such Party in connection therewith.

(d) During the Interim Period, without the Sellers' prior written consent (which shall not be unreasonably withheld, conditioned or delayed), Buyer shall not, and shall cause its Affiliates not to, contact any known customers, known suppliers, employees of and other service providers of the Companies and the Business, other than in the ordinary course of Buyer's or its Affiliates' businesses where such contact does not relate to the Business, this Agreement or any other Transaction Agreement or the Transactions contemplated hereby or thereby and is in any event conducted in compliance with the terms of the Confidentiality Agreement.

SECTION 6.3 Certain Restrictions.

(a) Except (w) for matters set forth in Section 6.3(a) of the Seller Disclosure Letter or otherwise required or permitted by this Agreement, (x) as required by a Governmental Authority (including pursuant to an Order issued by NMPRC) or by applicable Law or Order, Permit or Contract, (y) as contemplated in the Regulatory Proceedings or (z) with the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed and Buyer's response shall be received within five (5) Business Days following receipt of such request for consent), during the Interim Period, Sellers will, and will cause their Affiliates (including the Companies) to use commercially reasonable efforts to:

(i) (A) conduct the Business in the ordinary course of business and (B) to the extent consistent with the foregoing clause (A), preserve substantially intact and maintain the operations, organization, assets (other than non-cash impairments), facilities, books and records, accounts, goodwill and reputation of the Business, including relationships with the material customers and suppliers, employees, lessors and licensors of the Business and others having material business relationships, including with Governmental Authorities;

(ii) comply in all material respects with applicable Law with respect to the conduct of the Business and the Companies;

(iii) maintain all material Permits and make all material filings that any Seller or any Company is required to make under applicable Law with respect to the Business; and

(iv) maintain or cause to be maintained in full force and effect the Insurance Policies (or comparable replacement coverage).

(b) In addition, and without limiting the generality of the foregoing, except (w) as set forth in Section 6.3(b) of the Seller Disclosure Letter or otherwise required or permitted by this Agreement, (x) as required by a Governmental Authority (including pursuant to an Order issued by NMPRC) or by applicable Law or Order or Permit, (y) as required by the Regulatory Proceedings or (z) with the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed, and Buyer's response shall be received within five (5) Business Days following receipt of such request for consent), during the Interim Period, Sellers shall not, and shall cause their Affiliates not to, permit any Company to do any of the following

with respect to any Company (for the avoidance of doubt, the following restrictions shall not apply to any Affiliate of Sellers other than the Companies):

(i) amend or modify any of its Organizational Documents (except for immaterial or ministerial amendments);

(ii) split, combine, consolidate, subdivide or reclassify any of its Equity Interests or other voting securities, or issue or authorize the issuance of any Equity Interests of such Company or other voting securities of such Company in respect of, in lieu of or in substitution for its Equity Interests or other voting securities;

(iii) repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any Equity Interests of such Company or other voting securities of such Company;

(iv) except (A) pursuant to an employment arrangement or a Seller Benefit Plan and (B) for Equity Interests of such Company issued to any Seller in consideration of a capital contribution, issue, deliver, sell, transfer, dispose of, grant, pledge or otherwise encumber or make subject to any Lien any Equity Interests of such Company (other than Permitted Equity Liens);

(v) other than as required by the terms of any Employee Benefit Plan or CBA as in effect as of the date hereof and set forth on Section 4.18(a) of the Seller Disclosure Letter, (A) increase or accelerate or commit to accelerate the funding, payment or vesting of the compensation or benefits of any current or former employee of such Company with a title of Vice President or above, other than in the ordinary course of business, (B) establish, adopt, materially amend or terminate any Company Benefit Plan or any other benefit or compensation plan, policy, program, contract, agreement or arrangement that would be a Company Benefit Plan if in effect on the date hereof, (C) establish, adopt, materially amend, extend or terminate any CBA, (D) grant or announce any cash or equity or equity-based incentive awards or bonuses to any of the current employees, officers, directors or other individual service providers of the Companies (or any of their respective dependents or beneficiaries), other than in the ordinary course of business, (E) grant or announce any retention, change in control, transaction, severance or similar compensation to any of the current or former employees, officers, directors or other individual service providers of the Companies (or any of their respective dependents or beneficiaries), (F) increase the salaries, bonuses or other compensation and benefits payable to any of the current or former employees, officers, directors or other individual service providers of the Companies (or any of their respective dependents or beneficiaries) other than increases to compensation and benefits in the ordinary course of business, (G) hire, promote, engage or terminate (other than for cause) any current or former employee, officer, director or other individual service provider of such Company whose annualized compensation opportunities would exceed $175,000, other than in the ordinary course of business, or (H) otherwise enter into any employment or consulting agreement or arrangement with any current or former employee, officer, director or other individual service provider of such Company (I) whose annualized compensation opportunities would exceed $175,000 or (II) with compensation and benefits terms that deviate materially from the compensation and benefits provided to current employees, officers, directors or other individual service providers of the Companies in similar roles;

(vi) make any material change in financial accounting methods, principles, procedures or practices or (A) fail to maintain cash levels consistent with past practice such that the Business would not be operated in the ordinary course, (B) accelerate the collection of accounts receivable of the Business outside of the ordinary course of business or (C) take any other action to artificially increase the current assets or lower the current liabilities of the Business compared to the level that the Business' current assets or current liabilities would have been had the Business been operated in the ordinary course of business, except, in each case, to the extent as may have been required by a change in applicable Law or GAAP or by any Governmental Authority;

(vii) make any acquisition or disposition of a Person, material asset (excluding any capital expenditure) or business (including by merger, consolidation or acquisition or disposition of Equity Interests or assets, in a single or a series of related transactions), except for (A) any acquisition or disposition (other than of Equity Interests of the Companies) for consideration that is individually not in excess of $1,000,000 and in the aggregate not in excess of $5,000,000 or (B) any disposition of obsolete or worn-out equipment in the ordinary course of business;

(viii) make, or agree or commit to make, any capital expenditure, except for capital expenditures in accordance with the capital plan set forth in Section 6.3(b)(viii) of the Seller Disclosure Letter plus a 10% aggregate variance;

(ix) enter into, renew, supplement, modify or amend (including by failure to enforce the terms thereof), or cancel, terminate or waive (including by failure to enforce the terms thereof) any material right under, any Material Contract (or Contract that, if entered into, renewed, supplemented, modified or amended prior to the date hereof would be required to be included as a Material Contract), except for any entry into, renewal, supplement, modification, amendment, termination or waiver in the ordinary course of business (provided that this exception shall not apply with respect to entering into, renewing, supplementing, modifying or amending any Material Contracts or Contracts that would have been Material Contracts if entered into prior to the date hereof to the extent they include provisions of the type described in Section 4.11(a)(vi) and Section 4.11(a)(vii));

(x) other than, in each case, with respect to a Seller Group or a Combined Tax, make, change, or revoke any material Tax election, change any material method of Tax accounting or period of Tax accounting, settle or compromise any material Tax liability or refund, amend any Tax Return, file any ruling or request for a ruling related to any material Taxes with any Taxing Authority, agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of material Taxes (other than any extension in the ordinary course of business for no greater than six months of time), or enter into any power of attorney with respect to material Taxes, enter into any closing or similar agreement related to any material Taxes with any Taxing Authority;

(xi) waive, release, assign, settle or compromise any Claim against such Company, except for waivers, releases, assignments, settlements or compromises that (A) with respect to the payment of monetary damages, the amount of monetary damages to be paid by such Company does not exceed (after deduction for amounts covered by Insurance Policies and

excluding any deductible thereunder) (I) the amount with respect thereto reflected on the Financial Statements (including the notes thereto) or (II) $3,000,000, in the aggregate or (B) with respect to any nonmonetary terms and conditions thereof, would not have or would not reasonably be expected to be, individually or in the aggregate, material to the Companies (taken as a whole);

(xii) (A) create, incur, assume, guarantee, endorse or otherwise become liable or responsible (whether directly or indirectly) for any Indebtedness (other than (1) the Surviving Indebtedness or (2) revolving borrowings on an existing revolving line of credit or make any loans, advances or capital contributions to, or investments in, any Person) or (B) take or omit to take any action that would cause the Surviving Indebtedness to cease to continue to remain in full force and effect or (with or without notice or the passage of time) be accelerated, terminated or otherwise modified, by virtue of the consummation of the Transactions; provided that, Seller shall provide Buyer five (5) Business Days' prior written notice before the payment in full or maturity of any Surviving Indebtedness whether in connection with the consummation of the Transactions or otherwise;

(xiii) recognize or certify any labor union, labor organization, works council or group of employees as the bargaining representative for any employees of such Company;

(xiv) implement or announce any employee layoffs, plant closings, reductions in compensation or other similar actions that trigger notice obligations under the WARN Act;

(xv) waive or release any noncompetition, nonsolicitation, nondisclosure, noninterference, nondisparagement, or other restrictive covenant obligation of any Company Employee or independent contractor who is a natural Person;

(xvi) enter into any joint venture or partnership arrangement; or

(xvii) agree, commit or enter into any Contract to do any of the foregoing;

provided that, for the sake of clarity, prior to Closing, (A) in no event shall Sellers' or any of their Subsidiaries' failure to take any of the actions set forth in this Section 6.3(b)(i) – (xvii) be deemed to breach Sellers' obligations under the first sentence of Section 6.3(a) and (B) nothing in this Section 6.3 shall restrict Sellers or any of their Affiliates from taking any action to (1) settle or otherwise terminate or eliminate intercompany balances between Sellers and any of their Affiliates, on the one hand, and the Business, on the other hand, and make capital increases or decreases in connection therewith or (2) otherwise comply with or give effect to the provisions of this Agreement. Notwithstanding anything to the contrary herein, the parties acknowledge and agree that an email from one or more of the following individuals (or such other persons as Buyer may specify by notice to the Company) specifically referencing this Section and expressly granting consent shall constitute a valid form of consent of Buyer for all purposes under this Section 6.3(b): Lucie Kantrow (lucie@bernhardcapital.com), with a copy to William J. Benitez, P.C. and Robert Goodin (wbenitez@kirkland.com; robert.goodin@kirkland.com).

(c) Notwithstanding anything to the contrary herein, each Company may take reasonable actions in compliance with applicable Law with respect to, and consistent with the

historical practices of the Companies, any exigent emergencies that present or are reasonably expected to present an immediate and material threat to the Business or the environment or the health or safety of natural Persons if not addressed by immediate action, in each case, that is promptly disclosed in writing to Buyer following the taking of any such action.

(d) Buyer acknowledges and agrees that (i) nothing contained herein is intended to give Buyer, directly or indirectly, the right to control or direct the operations of the Companies prior to the Closing and (ii) prior to the Closing, each Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations.

SECTION 6.4 Use of Certain Names.

(a) Except as expressly provided in this Section 6.4, Buyer and the Companies shall have no right, title or interest in or to the Seller Marks. Buyer hereby acknowledges and agrees that neither it nor any of its Affiliates shall acquire any goodwill, rights or benefits arising from the Seller Marks (or their use thereof during the Transition Period) and that all such goodwill, rights and benefits shall inure solely to Sellers.

(b) Within sixty (60) days after the Closing Date (the "***Transition Period***"), (i) Buyer shall, and shall cause its Affiliates to, cease any and all use of the Seller Marks, including eliminating the Seller Marks from the Property and Assets (including any and all inventories, advertisements, communications, website content, other internet or electronic communication vehicles and other documents and materials) of the Companies and the Business and disposing of any unused stationery and literature of the Companies bearing the Seller Marks, and thereafter, Buyer shall not, and shall cause the Companies and their Affiliates not to, use the Seller Marks or any other Intellectual Property belonging to Sellers or any of their Affiliates and (ii) Buyer shall (A) cause the Companies to take all necessary actions to cause their names to be changed to such other names that do not include the Seller Marks (including by making all necessary filings and using commercially reasonable efforts to cause all applicable Governmental Authorities to change all applications, registrations and filings, including corporate names, seals and certificates of the Companies such that they will not include any Seller Marks) and (B) provide evidence to Sellers that Buyer has made all filings with each Governmental Authority as required pursuant to clause (A) above. Subject to the foregoing, Sellers and their Affiliates hereby grant to the Companies, on an "as is" basis, a non-exclusive, non-transferable, non-sublicensable, royalty-free, worldwide right and license to use the Seller Marks, solely during the Transition Period and solely in a manner consistent with past practice and customary "phase out" use, and in accordance with all quality control guidelines and procedures provided by Sellers that are consistent with historical practice of the Business with respect to the Seller Marks.

(c) Notwithstanding anything to the contrary, prior to the end of the Transition Period, Buyer shall, and shall cause its Affiliates to, take all necessary actions to surrender and abandon in their entirety the registrations for the following Trademarks: U.S. Reg. No. 6904162 (NEW MEXICO GAS COMPANY AN EMERA COMPANY A NATURAL CHOICE) and U.S. Reg. No. 6892131 (NEW MEXICO GAS COMPANY AN EMERA COMPANY).

(d) From and after the Closing Date, neither Buyer nor any of its Affiliates, including the Companies, shall (i) challenge or assist any third party to challenge the validity, enforceability

or ownership of any of the Seller Marks or (ii) register or seek register any Trademark that includes any Seller Mark.

SECTION 6.5 Intellectual Property Licenses.

(a) With respect to any Intellectual Property (other than any Trademarks) owned by Sellers or their Affiliates as of the Closing which have been used in the Business on or prior to the Closing, effective from and after the Closing, Sellers (on behalf of themselves and their Affiliates) hereby grant to Target Company and its Subsidiaries a non-exclusive, worldwide, perpetual, irrevocable, fully paid-up, royalty-free, non-transferable (except as provided in Section 6.5(c)), non-sublicensable (except as provided in Section 6.5(d)) license under such Intellectual Property to use, reproduce, create derivative works of, modify, distribute, make, have made, sell, offer for sale, import or otherwise commercially exploit products and services solely in connection with the operation of the Business as conducted as of the Closing and the reasonable and natural evolutions thereof.

(b) With respect to any Intellectual Property owned by the Companies (other than any Trademarks) that have been used by Sellers or their Affiliates in the operation of any business of Sellers or their Affiliates (other than the Business) on or prior to the Closing, effective from and after the Closing, Buyer (on behalf of itself and its Affiliates, including the Companies) hereby grants to each Seller and its Affiliates a non-exclusive, worldwide, perpetual, irrevocable, fully paid-up, royalty-free, non-transferable (except as provided in Section 6.5(c)), non-sublicensable (except as provided in Section 6.5(d)) license under such Intellectual Property to use, reproduce, create derivative works of, modify, distribute, make, have made, sell, offer for sale, import or otherwise commercially exploit products and services solely in connection with the operation of the businesses of Sellers or their Affiliates existing as of the Closing and the reasonable and natural evolutions thereof.

(c) Notwithstanding the assignment provision in Section 11.8, Sellers and Target Company may assign their respective licenses set forth in this Section 6.5 in whole or in part in connection with a merger, consolidation or sale of all or substantially all of, or any portion of the assets of, their respective businesses (other than the Business) to which the licenses relate.

(d) Sellers and Target Company may sublicense their respective licenses set forth in this Section 6.5 to (i) their vendors, consultants, contractors and suppliers, in connection with the provision of services to their respective businesses to which the licenses relate and (ii) their distributors, customers and end-users, in connection with the distribution, licensing, offering and sale of the current and future products and services of their respective businesses to which the licenses relate.

(e) Each license granted in this Section 6.5 is, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, a license of rights to "intellectual property" (as defined under Section 101 of the United States Bankruptcy Code), and Sellers and Target Company will retain and may fully exercise all of their respective rights and elections under the United States Bankruptcy Code (or any similar foreign applicable Law) with respect thereto.

(f) For the avoidance of doubt, this Section 6.5 shall survive in perpetuity.

SECTION 6.6 Termination of Certain Services and Contracts.

(a) Notwithstanding anything in this Agreement to the contrary, but except (x) as set forth in Section 6.6(b), (y) for Contracts described in Section 6.6(a) of the Seller Disclosure Letter or (z) as provided under the Transition Service Agreement, at or prior to the Closing, Sellers shall cause each Company to (i) terminate, sever or assign to Sellers or an Affiliate thereof (other than another Company) effective upon or before the Closing any services provided to a Company by Sellers or an Affiliate thereof (other than another Company), including the termination or severance of insurance policies (including those policies referred to in Section 6.7(a)), Tax services, legal services and banking services (to include the severance of any centralized clearance accounts), (ii) terminate or assign to Sellers or an Affiliate thereof (other than another Company) each Affiliate Arrangement or amend such Contracts such that no Company continues to be a party to such Contracts, and (iii) cause all Claims or obligations (contingent or otherwise) between a Company, on the one hand, and Sellers or an Affiliate thereof (other than another Company), on the other hand, to be released in full effective immediately prior to Closing (collectively, such services, Contracts, claims or obligations, the "***Terminated Contracts***").

(b) Notwithstanding anything in this Agreement (including the Seller Disclosure Letter) to the contrary, the Parties acknowledge and agree that certain Shared Services Agreement, dated as of November 16, 2016 (the "***Brunswick Agreement***"), by and between NMGC and Emera Brunswick Pipeline Company Ltd. ("***EBPC***") shall not be terminated in connection with the consummation of the transactions contemplated by this Agreement (and, for the avoidance of doubt, shall not be a Terminated Contract) and shall continue in full force and effect from and after the Closing in accordance with its terms; provided that (i) unless terminated earlier by EBPC in accordance with Section 9.2 of the Brunswick Agreement, Sellers, on behalf of EBPC, hereby provides notice in accordance with Section 9.2 of the Brunswick Agreement that the Brunswick Agreement shall terminate in its entirety on the date that is nine (9) months from the Closing Date (and, for the avoidance of doubt, this Section 6.6(b) shall constitute a Termination Notice (as defined in the Brunswick Agreement)) and (ii) notwithstanding anything in the Brunswick Agreement to the contrary, Buyer acknowledges and agrees that, from and after the Closing until the date that is nine (9) months from the Closing Date, it shall not cause or permit NMGC to exercise its right pursuant to Section 9.2 of the Brunswick Agreement to terminate the Brunswick Agreement at any time.

SECTION 6.7 Employee and Benefit Matters.

(a) *Continued Employment of Company Employees*. Each Company Employee who is employed by any of the Companies as of the Closing Date (or is an Employee on Leave as of the Closing Date) will be referred to as a "***Continuing Employee***," and collectively as the "***Continuing Employees***." Each Continuing Employee shall continue employment with any Company immediately following the Closing or, in the case of any Employee on Leave, Buyer shall (or shall cause its Affiliates to) permit such Employee on Leave to return to active employment following the Closing to the extent provided under applicable Law or pursuant to any applicable personnel policy of the Companies as in effect as of the Closing.

(b) *Maintenance of Compensation and Benefits*. During the period commencing on the Closing Date and ending on the date that is eighteen (18) months following the Closing Date (or, if earlier, the date of termination of an applicable Continuing Employee) (the "***Continuation Period***"), Buyer shall (or shall cause its Affiliates to) provide each Continuing Employee (i) an annual base salary or hourly wage rate, as applicable, that, in each case, is at least equal to the annual base salary or hourly wage rate, as applicable, provided to such Continuing Employee as of immediately prior to the Closing Date, (ii) target short-term incentive compensation opportunities that are no less favorable than the target short-term incentive compensation opportunities provided to such Continuing Employee immediately prior to the Closing Date, (iii) target short- and long-term incentive compensation opportunities that are no less favorable in the aggregate than the target short- and long-term incentive compensation opportunities provided to such Continuing Employee immediately prior to the Closing Date (provided that any long-term incentive compensation opportunities may be in the form of cash or private company incentive awards), (iv) employee benefits that are substantially no less favorable (including with respect to the proportion of employee cost) than those provided to such Continuing Employee immediately prior to the Closing Date under the Employee Benefit Plans listed on Section 4.18(a) of the Seller Disclosure Letter; provided that, Buyer and its Affiliates (including, following the Closing Date, the Companies) will not be required to replicate any Seller DB Plan or provide defined benefit pension benefits to Continuing Employees and with respect to any tax-qualified Seller DB Plan, benefits under such plan may be replaced with contributions to the Buyer 401(k) Plan (as defined below), and with respect to any Nonqualified Seller DB Plan, the benefits under such plan may be replaced through any other method, and (v) if the employment of any Continuing Employee is terminated by Buyer or an Affiliate of Buyer for a reason other than cause within twelve (12) months following the Closing Date, severance benefits no less favorable than the following severance benefits: (A) a lump sum equal to the base salary or other regular hourly compensation and annual incentive payment that the Continuing Employee would have collected had he or she remained employed from the date of terminating employment through the date twelve (12) months after the Closing Date (with performance for purposes of that annual incentive payment deemed achieved at the target level), plus (B) a lump-sum payment in cash equal to Buyer's or its applicable Affiliate's portion of the premium for medical coverage charged with respect to active employees under the medical plan such Continuing Employee is actually enrolled in at the time of his or her termination of employment for the period beginning when employment terminates and ending on the date twelve (12) months after the Closing Date; provided that, in the case of any Continuing Employee who, at any time on or following the Closing Date, has a title of Vice President or above, the amounts set forth above shall be determined as if such Continuing Employee remained employed from the date of terminating employment through the date twelve (12) months after terminating employment, rather than twelve (12) months after the Closing Date. The severance benefits payable pursuant to Section 6.7(b)(v) shall be paid within sixty (60) days following termination of employment, and in no event later than sixty (60) days following the calendar year in which the termination occurs. Except to the extent required by applicable Law, effective as of Closing, each Company Employee and Former Company Employee shall cease all active participation in, and accrual of benefits under, any Seller Benefit Plan. Other than with respect to the Company Benefit Plans listed on Section 6.7(b) of the Seller Disclosure Letter or as expressly provided in this Section 6.7 (the "***Assumed Company Benefit Plans***") or any employee benefit plan first established by the Companies prior to or following the Closing in which eligible Continuing Employee may participate following the Closing, effective as of no later than the

Closing, Sellers and their Affiliates (other than the Companies) shall assume and/or retain the sponsorship of and all obligations or liabilities at any time arising under or pursuant to or in connection with any Employee Benefit Plan or any other benefit or compensation plan, program, policy, agreement or arrangement of any kind at any time maintained, sponsored, contributed to or required to be contributed to by any Seller or any of its Affiliates (including the Companies) or under or with respect to which any Seller or any of its Affiliates (including the Companies) has any current or contingent liability or obligation, including the responsibility for complying with the requirements of Section 4980B of the Code with respect to any "M&A qualified beneficiary" as that term is defined in Treasury Regulation Section 54.4980B-9 with respect to any current or former employee of Seller or any of its Affiliates (including the Companies) who is not a Continuing Employee.

(c) *Service Credit*. Buyer shall (or shall cause its Subsidiaries to) grant each Continuing Employee full credit for all prior service with Sellers or any of their respective Affiliates (including the Companies) or predecessors of any such entity for all purposes, including for purposes of determining terms of employment, compensation and eligibility, eligibility to participate, waiting periods, level of benefits, vesting (other than vesting of future equity awards), early retirement eligibility, benefit/coverage eligibility (including eligibility for retiree benefits/coverage) and benefit plan accruals under all employee benefit and compensation plans and programs maintained after the Closing by Buyer, the Companies and their respective Subsidiaries in which such Continuing Employee is permitted to participate, including paid vacation and sick time benefits, each Continuing Employee's service to the extent it was recognized for such respective purpose by Sellers or their Affiliates (including the Companies) immediately prior to the Closing Date to the same extent such service would be recognized by any of Sellers or their applicable Affiliate (including the Companies) under any analogous Employee Benefit Plan immediately prior to the Closing; provided, however, that such credit shall not result in a duplication of benefits. For the avoidance of doubt, Buyer shall (or shall cause its Affiliates to) credit each Continuing Employee with all paid time off accrued and unused by such Continuing Employee through the Closing Date.

(d) *Welfare Plans*. As of the Closing Date, each Continuing Employee shall cease participation in the Seller Benefit Plans that are health and welfare benefit plans (each, a "***Seller Welfare Plan***") and commence or continue participation in the health and welfare benefit plans maintained by Buyer and its Subsidiaries (which, for the avoidance of doubt, after the Closing shall include any Assumed Company Benefit Plans). Sellers and their Affiliates (other than the Companies) shall be responsible for providing benefits in respect of claims incurred under a Seller Welfare Plan for Continuing Employees and their beneficiaries and dependents prior to the Closing Date. Benefits in respect of all welfare plan claims incurred by Continuing Employees on or after the Closing Date shall be provided by Buyer and its Affiliates. For purposes of this Section 6.7(d), the following claims shall be deemed to be incurred as follows: (i) life, accidental death and dismemberment and business travel accident insurance benefits, upon the death or accident giving rise to such benefits and (ii) health or medical, dental, vision care and/or prescription drug benefits, upon provision of the applicable services, materials or supplies. The Seller Welfare Plans shall be responsible for providing long-term disability benefits to Continuing Employees who are Employees on Leave and either (A) commenced receiving long-term disability benefits prior to the Closing or (B) commenced receiving short-term disability benefits prior to the Closing but, as

of the Closing, were reasonably expected to become eligible for long-term disability benefits following the Closing.

(e) *Preexisting Conditions and Co-Payments*. Buyer shall (or shall cause its Subsidiaries to), for the plan year in which the Closing Date occurs, use commercially reasonable efforts to:

(i) waive all limitations as to preexisting conditions, exclusions, restrictions, active employment requirements, waiting periods and requirements to show evidence of good health with respect to participation and coverage requirements applicable to the Continuing Employees (and their eligible dependents) under any health and welfare plans in which the Continuing Employees are eligible to participate on or after the Closing Date to the extent that such limitations were waived or met under the applicable Seller Welfare Plan or health and welfare Company Benefit Plans; and

(ii) provide each Continuing Employee with credit for the dollar amount of all co-payments, deductibles and similar expenses incurred by such Continuing Employee prior to the Closing Date in satisfying any applicable deductible or out-of-pocket requirements under any health and welfare plans in which such Continuing Employees are eligible to participate on or after the Closing Date.

(f) *WARN Act*. Buyer shall be solely responsible for and assume all liabilities for the provision of notice or payment in lieu of notice and any applicable penalties under the WARN Act arising as a result of the Transactions. Buyer hereby indemnifies Sellers and their Affiliates against and agrees to hold each of them harmless from any and all damages, liabilities, costs and expenses of any kind, character or description incurred or suffered by Sellers or any of their Affiliates with respect to WARN Act arising as a result of the Transactions. Notwithstanding the foregoing, Buyer's obligations under this Section 6.7(f) are conditioned upon Sellers providing to Buyer on or as soon as reasonably practicable following the Closing Date, by termination date and work location, the name or employee identification number of each employee or former employee of the Companies who suffered an "employment loss" under the WARN Act within the ninety (90) days immediately preceding the Closing Date.

(g) *Workers Compensation*. Buyer shall be responsible for providing benefits in respect of all claims for benefits in respect of workers compensation and any comparable liabilities that are based upon Continuing Employees' injuries or illnesses that arise on or after the Closing Date. Sellers shall be responsible for providing benefits in respect of all claims for benefits in respect of workers compensation and any comparable liabilities that are based upon the Continuing Employees' injuries or illnesses that arise prior to the Closing Date.

(h) *Seller 401(k) Plan Account Balances*. Buyer shall (i) permit each Continuing Employee who was a participant in or eligible to participate in the Seller 401(k) Plan prior to the Closing Date to be, immediately following the Closing, eligible to participate in a tax-qualified defined contribution retirement plan established or designated by Buyer or its Affiliates (the "***Buyer 401(k) Plan***"); provided, that such Continuing Employee meets the eligibility criteria of the Buyer 401(k) Plan (provided that for this purpose Buyer shall credit or cause to be credited for eligibility to participate and vesting purposes in the Buyer 401(k) Plan all service with the

Companies credited under the Seller 401(k) Plan), and (ii) take any and all actions as may be required to permit each Continuing Employee who was a participant in the Seller 401(k) Plan immediately prior to the Closing Date to make rollover contributions of "eligible rollover distributions" (within the meaning of Section 401(a)(31) of the Code, in cash, but including plan loans) to the Buyer 401(k) Plan in an amount equal to the eligible rollover distribution portion of the account balance distributed to such Continuing Employee from the Seller 401(k) Plan in cash (including plan loans).

(i) *Seller DB Plans*. Effective as of the Closing Date, Sellers shall, or shall cause their Affiliates (other than any of the Companies) to, retain the sponsorship and maintenance of, and all assets and liabilities with respect to, any Seller DB Plan. To the extent that, prior to the Closing, any Continuing Employee participated in or was otherwise eligible to receive benefits under a Seller DB Plan that is a tax-qualified plan, from and after the Closing, such Continuing Employee will remain eligible to receive the benefits accrued under such Seller DB Plan prior to the Closing in accordance with its terms. If, following the Closing Date, such Continuing Employee elects to receive a lump-sum distribution of any amounts owed under a Seller DB Plan that is a tax-qualified plan, Buyer shall, or shall cause its Subsidiaries (including the Companies) to, permit such lump sum distribution to be treated as an "eligible rollover distribution" consistent with Section 6.7(h) herein to the extent permitted by applicable Law. In the case of any Seller DB Plan that is a "nonqualified deferred compensation plan" (within the meaning of Section 409A of the Code) (a "***Nonqualified Seller DB Plan***"), Buyer shall cause the Companies to make payments thereunder, net of applicable withholding Taxes, in accordance with the terms of such Seller DB Plan, including in the event of a plan termination in respect of the Company Employees pursuant to Treasury Regulation Section 1.409A-3(j)(4)(ix)(B), and in accordance with the information provided by Sellers to Buyer regarding the amount payable to each Company Employee who shall be a recipient of payments pursuant to this Section 6.7(i).

(j) *PSUs and RSUs*. Each grant of performance share units granted under the Emera Incorporated Senior Executives' Performance Share Unit Plan (each, a "***PSU***") and restricted share units granted under the Restricted Share Unit Plan (each, an "***RSU***") that is held by any Company Employee or Former Company Employee immediately prior to the Closing Date shall be cancelled effective as of the Closing Date. No later than five (5) Business Days following the Closing Date, Buyer shall cause the Companies to pay to each such Company Employee or Former Company Employee an amount in cash, net of any applicable withholding Taxes, equal to: (i) in the case of Former Company Employees and Company Employees who are retirement eligible under the terms of the Performance Share Unit Plan and Restricted Share Unit Plan (excluding, for the avoidance of doubt, those that are "early retirement" eligible), (A) the number of PSUs and RSUs outstanding and cancelled as of the Closing Date (in the case of PSUs, based on target performance), multiplied by (B) the average closing price of Emera Inc. common shares for the fifty (50) trading days immediately preceding the Closing Date and (ii) in the case of all other Company Employees (A) the number of PSUs and RSUs outstanding and cancelled as of the Closing Date (in the case of PSUs, based on target performance), multiplied by (B) the lesser of 1 (one) and a fraction, where the numerator is the number of whole months elapsed from the date such PSUs or RSUs were awarded to the Company Employee until the Closing Date, and the denominator of which is the number of whole months from the date such PSUs or RSUs were awarded to the Company Employee to December 31 of the second calendar year after the year in which the grant date occurred, multiplied by (C) the average closing price of Emera Inc. common

shares for the fifty (50) trading days immediately preceding the Closing Date. Notwithstanding anything herein to the contrary, with respect to any PSU or RSU that constitutes a "nonqualified deferred compensation" (within the meaning of Section 409A of the Code), such payment will be made at the earliest time permitted under the applicable PSU or RSU that will not trigger a Tax or penalty under Section 409A of the Code, including in the event of a plan termination in respect of the Company Employees and Former Company Employees pursuant to Treasury Regulation Section 1.409A-3(j)(4)(ix)(B). Payments by the Companies pursuant to this Section 6.7(j) shall be subject to and conditioned upon receipt of, and made in accordance with, information provided by Sellers to Buyer regarding the amount payable to each Company Employee or Former Company Employee who shall be a recipient of payments hereunder.

(k) *DSUs*. Each grant of deferred share units (each, a "***DSU***") granted under either the Emera Inc. Amended & Restated Deferred Share Unit and Share Purchase Plan for Non-Employee Directors or the Emera Inc. Senior Executives' Deferred Share Unit Plan (the "Deferred Share Plans") that is held by a Company Employee or a non-employee director of any of the Companies immediately prior to the Closing Date shall be cancelled effective as of the Closing Date. No later than five (5) Business Days following the Closing Date, Buyer shall cause the Companies to pay to each such Company Employee or non-employee director an amount in cash, net of any applicable withholding Taxes if applicable, equal to: (i) the number of DSUs outstanding and cancelled as of the Closing Date, multiplied by (ii) the Fair Market Value (as defined in the applicable Deferred Share Plan) of Emera Inc. common shares as of the Closing Date. Notwithstanding anything herein to the contrary, with respect to any DSU that constitutes a "nonqualified deferred compensation" (within the meaning of Section 409A of the Code), such payment will be made at the earliest time permitted under the applicable DSU that will not trigger a Tax or penalty under Section 409A of the Code, including in the event of a plan termination in respect of the Company Employees, Former Company Employees and or non-employee directors pursuant to Treasury Regulation Section 1.409A-3(j)(4)(ix)(B). Payments by the Companies pursuant to this **Section 6.7(**k) shall be subject to and conditioned upon receipt of, and made in accordance with, information provided by Sellers to Buyer regarding the amount payable to each Company Employee and non-employee director who shall be a recipient of payments hereunder.

(l) *Retiree Health and Welfare Benefit Plans*. To the extent any Company Employee or Former Company Employee receives or is eligible to receive post-termination or post-retirement health or welfare benefits pursuant to the New Mexico Gas Company, Inc. Comprehensive Retiree Health Plan prior to the Closing, from the Closing Date through the second (2nd) anniversary of the Closing Date, Buyer shall, or shall cause its Affiliates (including the Companies) to continue to sponsor such plan and to provide such Company Employee or Former Company Employee post-termination or post-retirement health and welfare benefits pursuant to the terms of the New Mexico Gas Company, Inc. Comprehensive Retiree Health Plan that are substantially comparable to those provided under such plan immediately prior to the Closing.

(m) *Annual Bonuses for Year of Closing*. As soon as practicable (and in any event within sixty (60) days following the Closing Date), Buyer shall cause the Companies to provide pro-rated annual cash incentive bonuses, net of applicable withholding Taxes, to Continuing Employees for the year in which the Closing Date occurs based on the number of days elapsed during the portion of the performance year through the Closing Date that each such Continuing Employee was employed by the Companies and with payment based on the actual level of

achievement of the applicable performance criteria for such portion of the performance year, as determined by Sellers in accordance with Sellers' past practice. In accordance with Buyer's obligation to provide annual cash target incentive compensation opportunities during the Continuation Period pursuant to Section 6.7(b)(ii), Buyer shall, or shall cause the Companies to, provide each eligible Continuing Employee who participates in an annual cash incentive plan or program of the Companies as of the Closing Date and who remains employed through the last day of the performance year during which the Closing Date occurs with an annual cash incentive bonus pursuant to an annual cash incentive program of Buyer (or the Companies) that provides each Continuing Employee with a target annual cash incentive opportunity for the full performance year in which the Closing occurs that is no less favorable than the target annual cash incentive opportunity established by the applicable Company with respect to such Continuing Employee for such performance year, pro-rated to reflect the portion of the plan year occurring following the Closing Date, with the amount of any pro-rated annual cash incentive award actually paid to be determined in Buyer's sole discretion; provided, that, in no event shall payment of any amounts pursuant to this **Section 6.7(**m) result in the duplication of payments to any Continuing Employee under any other incentive, severance or similar arrangement. Further, Buyer's obligations to pay the pro-rated amounts pursuant to the first sentence of this **Section 6.7(**m) shall be subject to and conditioned upon receipt of, and made in accordance with, information provided by Sellers to Buyer regarding the amount payable to each Company Employee who shall be a recipient of payments hereunder.

(n) *Work Visas*. Sellers shall, or shall cause their Affiliates to, use commercially reasonable efforts to ensure that any Continuing Employee who is a foreign national who requires a visa (or equivalent) in order to work for any of the Companies (to the extent a Seller or any of its Affiliates (other than the Companies) actively sponsors such Continuing Employee) may legally work as an employee of any of the Companies as of the Closing Date.

(o) *No Third-Party Beneficiaries*. Without limiting the generality of Section 11.7, (i) nothing in this Section 6.7 or this Agreement shall be treated as an amendment of, establishment of, termination or modification of, or an undertaking to amend, establish, terminate or modify, any Employee Benefit Plan or any other benefit or compensation plan, program, policy, agreement or arrangement, (ii) nothing in this Section 6.7 or this Agreement shall prevent Buyer or any of its Affiliates from amending, modifying or terminating any Company Benefit Plan or any other benefit or compensation, plan, program, policy, agreement or arrangement and (iii) the provisions of this Section 6.7 are solely for the benefit of the Parties, and nothing in this Section 6.7, express or implied, shall confer upon any Company Employee, Former Company Employee or legal representative or beneficiary thereof, or any other Person, any rights or remedies, including any right to employment or continued employment for any specified period, or compensation or benefits of any nature or kind whatsoever, under this Agreement or any rights or remedies under any Employee Benefit Plan that such employee, representative, beneficiary or other Person would not otherwise have under the terms of that Employee Benefit Plan.

SECTION 6.8 Insurance. Sellers shall maintain or cause to be maintained in full force and effect until the Closing the Insurance Policies (or reasonably comparable replacement policies entered into in accordance with the terms of this Agreement) which provide coverage to the Companies; provided, that notwithstanding anything to the contrary in this Agreement, if an Asset of the Business suffers a Loss prior to the Closing Date or any claims related to the Business are

commenced arising from an event or occurrence prior to the Closing Date that is covered by the Insurance Policies held by a Seller (and not the Companies), Sellers shall, and shall cause each of their Affiliates to, (a) use commercially reasonable efforts following the Closing to assist Buyer and the Companies in asserting any such claims, and (b) transfer any insurance proceeds in respect of such Loss received by Sellers or their Affiliates (the "***Insurance Proceeds***"), to the extent not applied to restore or replace such asset of the Business, to the Companies; provided that (x) Buyer shall be liable for all uninsured or self-insured amounts in respect of any such Seller Insurance Policy claims and (y) Buyer shall reimburse Seller promptly upon receipt of a written request for all reasonable and documented out-of-pocket costs and expenses incurred by Seller or any of its Affiliates in connection with the exercise of its right pursuant to this Section 6.8, including any deductibles, premium increases, Taxes or other amounts. Any Insurance Proceeds in respect of a Loss that occurs after the date hereof and prior to the Closing Date shall not result in an increase in the Estimated Closing Cash or Final Cash or any calculation of Cash or Closing Date Net Working Capital or Final Net Working Capital. Except for the Insurance Policies set forth on Section 6.8 of the Seller Disclosure Letter, all such insurance coverage shall be terminated as of the Closing with respect to the Companies, and Sellers shall retain all rights to control their and their Affiliates' insurance policies and programs, including the right to exhaust, settle, release, commute, buy back, or otherwise resolve disputes with respect to any of its insurance policies and programs, regardless of whether any such policies or programs apply to any liability of the Companies or the Business. Buyer shall be solely responsible for providing insurance to the Companies for any event or occurrence that occurs on or after the Closing.

SECTION 6.9 Transfer Taxes. Notwithstanding anything in this Agreement to the contrary, Buyer shall pay any and all Transfer Taxes imposed on Buyer, Sellers or any Company by Law as a result of or occasioned by the sale of the Purchased Equity Interests pursuant to this Agreement. Accordingly, if Sellers are required by Law to pay any such Transfer Taxes, Buyer shall promptly reimburse Sellers for such amounts. Sellers and Buyer shall timely file their own Tax Returns for any Transfer Tax as required by Law. Sellers and Buyer shall cooperate and consult with each other prior to filing such Tax Returns for any Transfer Tax to ensure that all such Tax Returns are filed in a consistent manner.

SECTION 6.10 Books and Records. Except with respect to Taxes, which shall be governed exclusively by Section 6.11(c), each Seller shall use commercially reasonable efforts to deliver, or cause to be delivered, the books and records of the Companies in such Seller's possession or control to Buyer as promptly as practicable following the Closing Date and in any event no later than three (3) months following the Closing Date; provided that, any books and records at any property of the Companies as of the Closing (and not removed from such property by such Seller) shall be deemed to have been delivered as of the Closing (it being agreed that such Seller may retain a copy thereof, subject to its confidentiality obligations in accordance with Section 6.12).

SECTION 6.11 Tax Matters. Except as provided in Section 6.9 relating to Transfer Taxes:

(a) Sellers shall or shall cause their Affiliates to prepare, or cause to be prepared and file, or cause to be filed (i) any Tax Return required to be filed by the parent of the Seller Group that relates to Combined Taxes ("***Combined Returns***") and (ii) all Tax Returns (other than

Combined Returns) of the Companies required to be filed on or prior to the Closing Date (taking into account extensions), and, in each case, shall pay all Taxes shown as due and payable on such Tax Returns. Sellers shall cause such Tax Returns to be prepared in a manner reasonably consistent with practices followed in prior taxable periods and in compliance with Law except as required by a change in Law or fact. To the extent permitted under applicable Law, Sellers shall reflect any Transaction Tax Deductions on the applicable Combined Returns and all Transaction Tax Deductions shall be with respect to a Pre-Closing Taxable Period.

(b) With respect to a Straddle Taxable Period, Sellers and Buyer shall determine the Tax attributable to the portion of the Straddle Taxable Period that ends on and includes the Closing Date by an interim closing of the books of the Companies (and the taxable year of any other partnership, pass-through entity or "controlled foreign corporation" within the meaning of Section 957 of the Code that any Company owns, directly or indirectly, shall be deemed to end at the end of the Closing Date for such purposes), except for ad valorem or property Taxes ("***Property Taxes***") and franchise Taxes of the Companies which shall be prorated on a daily basis to the Closing Date and exemptions, allowances or deductions that are calculated on an annual basis (including depreciation and amortization deductions) shall be allocated between the period ending on the Closing Date and the period beginning after the Closing Date in proportion to the number of days in each period. For this purpose, any franchise Tax paid or payable by any Company shall be allocated to the taxable period during which the income, operations, assets or capital comprising the base of such Tax is measured. In determining whether a Property Tax is attributable to a Pre-Closing Taxable Period or a Straddle Taxable Period (or portion thereof), any Property Tax shall be deemed a Property Tax attributable to the twelve (12)-month period beginning on the first day of the taxable period (or assessment date, where applicable) specific to the relevant Property Tax bill.

(c) Each Seller shall cause to be granted to Buyer (or its designees) access at all reasonable times to all of the information, books and records relating to the Companies within the possession of or otherwise accessible to such Seller (including workpapers and correspondence with Taxing Authorities), and shall afford Buyer (or its Affiliates or designees) the right (at Buyer's expense) to take extracts therefrom and to make copies thereof, in each case to the extent reasonably necessary to permit Buyer (or its designees) to prepare Tax Returns, respond to Tax audits and investigations, prosecute Tax protests, appeals and refund claims and conduct negotiations with Taxing Authorities. Buyer shall grant or cause the Companies (or relevant Affiliates) to grant to Sellers (or their designees) access at all reasonable times to all of the information, books and records relating to the Companies for Pre-Closing Taxable Periods or Straddle Taxable Periods within the possession of or otherwise accessible to Buyer or the Companies (or relevant Affiliate) (including workpapers and correspondence with Taxing Authorities), and shall afford Sellers (or their designees) the right (at Sellers' expense) to take extracts therefrom and to make copies thereof, in each case to the extent reasonably necessary to permit Sellers (or their Affiliates or designees) to prepare Tax Returns, respond to Tax audits and investigations, prosecute Tax protests, appeals and refund claims and conduct negotiations with Taxing Authorities. After the Closing Date, Sellers and Buyer will preserve all information, records or documents in their (or their relevant Affiliates') respective possessions relating to liabilities for Taxes of any of the Companies for Pre-Closing Taxable Periods or Straddle Taxable Periods until two (2) months after the expiration of any applicable statute of limitations (including extensions thereof) with respect to the assessment of such Taxes. Notwithstanding the foregoing

or anything to the contrary herein, Sellers shall not be required to provide Buyer any right to access or review any Tax Return or Tax work papers of Sellers, any Seller Group or any Affiliate of Sellers, or transfer to Buyer any books, records or information to the extent they relate to Combined Taxes; provided that, at the request of Buyer, Sellers shall provide pro forma standalone Tax Returns of the Companies that are filed on a consolidated basis with Sellers.

(d) If, after the Closing, Buyer or any Company receives (i) a refund that is not included in Indebtedness or Net Working Capital or utilizes an offset or other reduction of any Tax of any Company, in each case, which refund, offset or reduction is described on Section 6.11(d) of the Seller Disclosure Letter or (ii) any refund attributable to any Tax that is indemnifiable by Sellers under this Agreement, Buyer shall pay to Sellers within ten (10) Business Days after such receipt or utilization an amount equal to such refund received or credit utilized, as applicable, together with any interest received or credited by a Taxing Authority thereon net of any reasonable costs and expenses (including Taxes) associated therewith. Unless Sellers otherwise consent in writing or as required by Law, neither Buyer nor any Company shall permit the carryback to any Tax Return for a Pre-Closing Taxable Period of any net operating loss, net capital loss, excess tax credit, or other similar Tax item of any Company arising in a Post-Closing Taxable Period to the extent such carryback would have an impact on a member of the Seller Group.

(e) Notwithstanding anything herein to the contrary, any action taken outside of the ordinary course of business by any of the Companies on the Closing Date after the Closing will be allocated to the portion of the Closing Date after the Closing and, accordingly, will be treated as occurring on the following day in accordance with Treasury Regulation Section 1.1502-76(b)(1)(ii)(B) and any corresponding provision of state or local Law.

(f) Without the prior written consent of Sellers, neither Buyer nor any of its Affiliates shall, or shall permit any Company to, (i) make or file any election under Section 338 or Section 336(e) of the Code (or any similar provision of the Law of any state or other Taxing Authority) in connection with the Transactions, (ii) make or change any Tax election with respect to a Pre-Closing Taxable Period or Straddle Period, (iii) amend, re-file or otherwise modify any Tax Return of any Company for a Pre-Closing Taxable Period or Straddle Period, (iv) initiate any voluntary contact (including through any voluntary disclosure program) with any Governmental Authority in respect of Taxes or Tax Returns of a Company for any Pre-Closing Taxable Period or Straddle Period, in each case, with respect to clauses (ii) through (iv) until the Closing Date Purchase Price has been finally determined pursuant to Section 2.6 or (v) take any action on the Closing Date after the Closing other than in the ordinary course of business.

(g) Sellers shall terminate (i) all Tax Sharing Agreements in effect between any Company or Companies, on the one hand, and Seller or any of Seller's Affiliates (other than the Companies), on the other hand, and following the Closing, no Company shall have any liability or obligation thereunder and (ii) all powers of attorney with respect to Taxes of a Company.

(h) From and after the Closing, Buyer shall notify Sellers upon receipt by Buyer or any of its Affiliates (including the Companies) of notice of any pending or threatened U.S. federal, state, local or non-U.S. Tax audits, investigations, claims or assessments of the Companies in respect of any Pre-Closing Taxable Period that would reasonably be expected to give rise to any Tax that is indemnifiable by Sellers under this Agreement or affect the determination of the

Closing Date Purchase Price (a "***Tax Proceeding***"). Seller shall control any Tax Proceeding to the extent Seller is reasonably expected to bear more than fifty percent (50%) of any resulting liability. Buyer shall control any other Tax Proceeding. The controlling Party shall (I) keep the other Party reasonably informed with respect to the conduct of such Tax Proceeding and (II) not settle, compromise or abandon any such Tax Proceeding without such other Party's prior written consent (not to be unreasonably withheld, conditioned or delayed).

(i) To the extent that the provisions of Section 6.2 or Article XI are inconsistent with or conflict with the provisions of this Section 6.11, the provisions of this Section 6.11 shall control.

(j) If and to the extent necessary to avoid a reduction to the Tax "attributes" (as described in Treasury Regulation Section 1.1502-36(d)(4)) of any Company pursuant to Treasury Regulation Section 1.1502-36(d)(2) with respect to the sale of the Purchased Equity Interests pursuant to this Agreement, each relevant entity shall make, or shall cause to be made, a valid and timely election pursuant to Treasury Regulations Sections 1.1502-36(d)(6)(i)(A) and 1.1502-36(e)(5) to reduce the basis in the Purchased Equity Interests by the "attribute reduction amount," as defined in Treasury Regulation Section 1.1502-36(d)(3), so as to avoid a reduction to any Company's Tax "attributes" (as described in Treasury Regulation Section 1.1502-36(d)(4)) and shall not make any other election under Treasury Regulation Section 1.1502-36.

(k) Prior to Closing, Sellers and their Affiliates shall make commercially reasonable efforts to ensure that all interests and penalties owed by NMGC to the IRS (as described in Section 4.9(a)(6) of the Seller Disclosure Letter) (such Taxes, "***IRS Penalty Taxes***") are finally settled, paid or otherwise waived in writing by the IRS. Sellers shall, prior to Closing, deliver to Buyer any reasonably available evidence with respect to the resolution, if any, of such IRS Penalty Taxes.

SECTION 6.12 Confidentiality.

(a) Any information or materials furnished by or on behalf of Sellers to Buyer on or after the date of this Agreement shall be deemed to be "Confidential Information" under and subject to the Confidentiality Agreement; provided that Buyer shall not have any obligation to maintain the confidentiality of information with respect to the Companies from and after the Closing.

(b) The Parties agree that, notwithstanding anything to the contrary in the Confidentiality Agreement, the Confidentiality Agreement shall terminate and be of no further force or effect from and after the Closing.

(c) If the Closing occurs, from and after the Closing Date until the second (2nd) anniversary of this Agreement, each Party will hold, and shall cause its Affiliates and use commercially reasonable efforts to cause its and its Affiliates' Representatives to hold, in strict confidence from any other Person all information and documents relating to this Agreement, the other Transaction Agreements and the Transactions and, solely with respect to Sellers and their Affiliates and their and their Affiliates' Representatives, the Companies and the Business; provided, that nothing in this sentence shall limit the disclosure by any Party or its Affiliates or its or its Affiliates' Representatives of any such information or documents (i) to the extent required

by Law, judicial process or the rules or policies of any applicable stock exchange (provided, that if permitted by Law, the Party required to so disclose such information or documents agrees to promptly give the non-disclosing Parties prior notice of such disclosure in sufficient time to permit the non-disclosing Parties to obtain a protective order should they so determine, reasonably cooperate with the non-disclosing Parties in obtaining a protective order or other protection in respect of such required or requested disclosure (at the sole expense of the non-disclosing Party or Parties seeking such protective order) and limit such disclosure to the extent reasonably practicable while still complying with such requirements), (ii) in connection with any litigation to which a Party or any of its Affiliates or it or its Affiliates' Representatives is a party (provided, that such Party has taken all reasonable actions to limit the scope and degree of disclosure in any such litigation), (iii) in any Claim brought by a Party in pursuit of its rights or in the exercise of its remedies under this Agreement, (iv) to the extent that such documents or information can be shown to have come within the public domain other than as a result of a disclosure by the disclosing Party or its Affiliates or its or its Affiliates' Representatives in violation of this Agreement, (v) to the extent that such documents or information can be shown to have become available to the disclosing Party from a source other than another Party, its Affiliates or its or their Representatives (provided, that such documents or information was not in the possession of the disclosing Party, its Affiliates or its or its Affiliates' Representatives on a non-confidential basis prior to the Closing), or (vi) developed or derived without the aid, application or use of such information or documents. Sellers acknowledge and agree that such information and materials concerning the Companies and the Business (including any Confidential Information) will, from and after Closing be owned solely by Buyer, and Sellers shall, and shall cause their Affiliates and Representatives to, use commercially reasonable care to safeguard such information and materials (including any Confidential Information) and to protect them against disclosure, misuse, espionage, loss and theft.

SECTION 6.13 Public Announcements. None of Buyer, Sellers, or any of their respective Affiliates or their or their respective Affiliates' Representatives shall make any public announcement regarding this Agreement, the Closing or the Transactions without the prior written consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed), provided, however, that (a) an initial press release with respect to the execution of this Agreement shall be reasonably agreed to by the Parties and issued following execution of this Agreement and (b) no such consent shall be required for any public announcement by any Party or its Affiliates which is not inconsistent with the initial press release to be issued following the execution of this Agreement pursuant to the foregoing clause (a). Notwithstanding the foregoing, this Section 6.13 shall not (i) prevent any such announcement being made to the extent required by Law, any Order, or the rules of The Toronto Stock Exchange or any national securities exchange, (ii) subject to the terms of the Confidentiality Agreement, prevent Buyer from disclosing the details of the Transactions to ratings agencies, insurance brokers and other third-party service providers of Buyer to the extent necessary for Buyer to arrange for an efficient transition of the Companies as subsidiaries of Buyer or (iii) prevent a Party from disclosing the details of the Transactions and the Transaction Agreements to (A) its Affiliates or its or their Representatives and (B) (1) its and their respective directors, officers and employees and (2) its actual or potential direct or indirect equityholders, members, limited partners and investors in connection with such Party's bona fide fundraising activities, in each case of clauses (1) and (2), without the consent of the other Parties so long as such Persons are bound by customary and reasonable obligations of confidentiality in respect of any such information disclosed to them; provided, however, that if a Party is required to make any such announcement pursuant to clauses (a) or (b) above, the disclosing Party shall

promptly before the announcement is made notify the other Party thereof where practicable and lawful to do so, and the disclosing Party shall use its reasonable best efforts to agree upon the text of any such announcement with the other Party prior to release of the announcement.

SECTION 6.14 Distributions. Notwithstanding anything herein to the contrary, the Parties agree that Sellers shall have the right, at or prior to the Reference Time, to cause any Company to distribute any or all of the Cash held by such Company to Sellers in accordance with the Organizational Documents of such Company, subject to any limitations on distributions of Cash contained in the definitive agreements documenting the Indebtedness of the Companies. No adjustment shall be made to the Base Purchase Price as a result of any such distributions; provided that, in accordance with Section 2.2 and Section 2.6, the Closing Date Purchase Price will be subject to adjustment based on the Estimated Closing Cash and the Final Adjustment Accrual will be subject to adjustment based on the Final Cash; provided, further, that Sellers and the Companies shall not cause or permit the Companies to distribute any Cash held by the Companies after the Reference Time.

SECTION 6.15 Intercompany Matters. Effective as of immediately prior to Closing, except (a) for the Transaction Agreements, (b) as contemplated by this Agreement and (c) for those arrangements set forth on Section 6.15 of the Seller Disclosure Letter, (i) all intercompany accounts between Sellers or any of their Affiliates (other than any Company), on the one hand, and any Company, on the other hand, shall be settled and paid in full (regardless of the terms of payment of such intercompany accounts) and (ii) all agreements between Sellers or any of their Affiliates (other than any Company), on the one hand, and any Company, on the other hand, shall be terminated, in each case without further liability or obligation (contingent or otherwise) of any party thereunder.

SECTION 6.16 Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the Closing, at any Party's request and without further consideration, the other Party shall (and in the case of Buyer, Buyer shall cause the Companies to) use commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper, or advisable under applicable Law to execute and deliver to such Party such other instruments of sale, transfer, conveyance, assignment and confirmation, provide such materials and information and take such other actions as such Party may reasonably request in order to consummate and make effective the Transactions and the Transaction Agreements.

SECTION 6.17 Release. Effective as of the Closing (but only if the Closing actually occurs), except for any rights or obligations under this Agreement and the other Transaction Agreements, each Party, on behalf of itself and each of its Affiliates (including, in the case of Buyer following the Closing, the Companies) and each of its and their respective past, present and/or future officers, directors, employees, agents, general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing (collectively, the "***Releasing Parties***"), hereby irrevocably and unconditionally releases and forever discharges, in the case of Buyer, each Seller, and, in the case of each Seller, Buyer, and, in either case, its or their, as applicable, Affiliates (including, in the case of Buyer following the Closing, the Companies), and each of the foregoing's respective past, present or

future officers, directors, employees, agents, general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing (collectively, the "***Released Parties***") of and from any and all Claims, actions, causes of action, suits, proceedings, executions, judgments, duties, debts, dues, accounts, bonds, Contracts and covenants (whether express or implied), and claims and demands whatsoever whether in law or in equity (whether based upon contract, tort or otherwise) which the Releasing Parties may have against each of the Released Parties, now or in the future, in each case in respect of (a) the preparation, negotiation, execution or consummation of the Transactions and the other Transaction Agreements and (b) any cause, matter or thing relating to the Companies or the Business or any actions taken or failed to be taken by any of the Released Parties in any capacity related to the Companies or the Business occurring or arising on or prior to the Closing Date (collectively, the "***Released Claims***"); provided that notwithstanding the foregoing, in no event shall the Released Claims include any Claims (i) for indemnification or advancement or reimbursement of expenses under any Organizational Documents of any Company or applicable Law, (ii) for coverage under any directors' and officers' (or similar) insurance policy or (iii) arising under or related to any commercial agreement between Sellers or any of their Affiliates, on the one hand, and Buyer or any of its Affiliates (including, following the Closing, the Companies) on the other hand (including, for the avoidance of doubt, any Claim arising under or related to the Brunswick Agreement). Each Party, on behalf of itself and each other Releasing Parties, covenants and agrees that it shall not bring, initiate or support, or permit any other Person to bring, initiate or support, in each case, directly or indirectly, any Released Claim or otherwise seek to recover any amounts in connection therewith against any Released Parties. Without limitation of the foregoing, each Party (on behalf of itself and each of its Releasing Parties) hereby expressly waives any and all rights conferred upon such Person by any applicable Law that purports to limit the scope of a general release, including any applicable Law which provides that a release does not extend to claims which the claimant does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him, her or it must have materially affected his, her or its settlement with the Released Parties. Each Party hereby represents and warrants to the other Parties that it has access to adequate information regarding the terms of this release, the scope and effect of the releases set forth herein, and all other matters encompassed by this release to make an informed and knowledgeable decision with regard to entering into this release and has not relied on the other Parties or any Released Parties in deciding to enter into this release and has instead made his, her or its own independent analysis and decision to enter into this release. Without limitation of the foregoing, each Party (on behalf of itself and each of its respective Releasing Parties) hereby waives the application of any provision of Law, including under California Civil Code Section 1542 or any similar provision of applicable Law, that purports to limit the scope of a general release. California Civil Code Section 1542 provides: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

SECTION 6.18 R&W Insurance Policy. In connection with the execution of this Agreement, Buyer will obtain and conditionally bind a buy-side representations and warranties insurance policy with respect to any of the representations or warranties set forth in this Agreement (a "***R&W Insurance Policy***"). Such R&W Insurance Policy shall provide that (a) the insurer shall

have no, and shall waive and not pursue, any and all subrogation rights in connection with this Agreement or the transactions contemplated hereby against Sellers or any of their Affiliates except in the case of Fraud (and, for the avoidance of doubt, Buyer shall not permit the subrogation provisions of the R&W Insurance Policy benefitting Sellers or any of their Affiliates to be amended or modified in a manner that adversely affects such Persons without Sellers' prior written consent), and (b) each Seller is a third-party beneficiary of such waiver.

SECTION 6.19 Wrong Pockets.

(a) If, on or after the Closing Date, (i) Sellers or any of their Affiliates receive, or become aware that Sellers or any of their Affiliates own or possess, any assets, rights, properties, notices, monies or amounts that are properly due, deliverable or owing to Buyer or the Companies or attributable to the Business or (ii) Buyer, the Companies or any of their respective Affiliates receive, or become aware that Buyer or any of its Affiliates own or possess, any assets, rights, properties, notices, monies or amounts that are properly due, deliverable or owing to Sellers or their Affiliates or not attributable to the Business, then such Party or such Affiliate shall promptly notify the intended party and, if applicable, do all things necessary to promptly remit, or shall cause to be remitted, for no consideration, such assets, rights, properties, notices, monies or amounts to the intended party and/or any Person that such party designates in writing, as applicable, for no consideration than as set forth in this Agreement.

(b) The Parties shall cooperate with each other in connection with their obligations under Section 6.19(a) and to facilitate the transition of collections as promptly as practicable after the Closing. The Parties acknowledge and agree there is no right of offset for any payments to be made pursuant to Section 6.19(a) and a party may not withhold funds received from third parties which it is required to remit to the other Party pursuant to Section 6.19(a) in the event there is a dispute regarding any other issue under any Transaction Agreement to which they are a party.

SECTION 6.20 Replacement of Guarantees. At or prior to Closing, each of Buyer and Sellers shall use its reasonable best efforts to (a) arrange for substitute letters of credit, Buyer guarantees and other obligations to replace (i) any letters of credit, guarantees, financial assurances, surety bonds, performance bonds and other contractual obligations entered into by or on behalf of Sellers or any of their Affiliates (other than solely by the Companies) in connection with the Business and set forth on Section 6.20 of the Seller Disclosure Letter (collectively, "***Credit Support Arrangements***") outstanding as of the date hereof and (ii) Credit Support Arrangements entered into in the ordinary course of business on or after the date of this Agreement and prior to the date that is ten (10) Business Days prior to the Closing (with respect to which, on or prior to the tenth (10th) Business Day prior to the Closing, Sellers shall have delivered a supplement to Section 6.20 of the Seller Disclosure Letter to Buyer describing such additional Credit Support Arrangements in reasonable detail) or (b) assume all obligations under Credit Support Arrangements, obtaining from the creditors or other counterparties thereto full releases (in a form reasonably satisfactory to Sellers) of all parties liable, directly or indirectly, for reimbursement to the creditor or fulfillment of other obligations to a counterparty in connection with amounts drawn under Credit Support Arrangements; provided, that Buyer may elect (but shall have no obligation) to terminate (and, if Buyer does so elect, Sellers shall use reasonable best efforts to cause such termination at or prior to Closing) any of the underlying Contracts, obligations or arrangements to which such Credit Support Arrangements relate. Notwithstanding anything to the contrary in this

Section 6.20, (A) in obtaining the release of Sellers or their Affiliates from any liability pursuant to any of the outstanding Credit Support Arrangements, Buyer and its Affiliates shall not be required to (1) pay any fees, costs or expenses in connection therewith (other than immaterial administrative or legal costs and expenses), (2) agree to any amendment of or modification to any Contract of the Companies, Buyer or any of their Affiliates (other than immaterial non-substantive amendments) or (3) otherwise agree to enter into any Contract on terms that are materially less favorable, in the aggregate, than the terms applicable to the outstanding Credit Support Arrangements, and (B) in replacing any of the Credit Support Arrangements, Buyer shall be required only to furnish, obtain or post substantially equivalent credit support to the Credit Support Arrangements being replaced. To the extent that Buyer has not elected to terminate the underlying Contracts, obligations or arrangements to which any outstanding Credit Support Arrangements relate or the beneficiary or counterparty under any such Credit Support Arrangements does not accept or Buyer is unable (after use of its commercially reasonable efforts) to implement any such substitute letter of credit, guarantee or other obligation proffered by Buyer or a Credit Support Arrangement otherwise remains in effect following the Closing (each such Credit Support Arrangement, a "***Continuing Credit Support Arrangement***"), Buyer shall (I) indemnify Sellers and their Affiliates against, and reimburse Sellers and their Affiliates for, all amounts actually paid in respect of which such Continuing Credit Support Arrangements, including if any Continuing Credit Support Arrangements is called upon and Sellers or their Affiliates makes any payment or is obligated to reimburse the party issuing the Continuing Credit Support Arrangement and (II) with respect to any outstanding Continuing Credit Support Arrangement, continue to use commercially reasonable efforts to replace such Continuing Credit Support Arrangement as contemplated by the first sentence of this Section 6.20. Notwithstanding anything in this Agreement to the contrary, (x) after the Effective Date and prior to the Closing, Buyer, on a coordinated basis with Sellers, shall have the right to contact and have discussions with each beneficiary of a Credit Support Arrangement in order to satisfy its obligations under this Section 6.20 and Sellers shall facilitate such communications with the counterparties to the Credit Support Arrangement and (y) from and after the Closing, for so long as Buyer is not in breach of its obligations with respect to Continuing Credit Support Arrangement, Sellers and their Affiliates shall keep in place any Continuing Credit Support Arrangement until such Continuing Credit Support Arrangement terminates or expires by its terms (and Buyer shall not permit any renewal thereof) or by consent of the applicable beneficiary or are replaced pursuant to this Section 6.20.

SECTION 6.21 Financing.

(a) Prior to the Closing, Sellers shall use, and shall cause each Company to use, and shall use commercially reasonable efforts to cause the appropriate officers, employees and advisors of each Seller and each Company to use, in each case, their respective commercially reasonable efforts to provide such assistance and cooperation as is customary and reasonably requested by Buyer upon reasonable prior notice in connection with the Debt Financing, including the use of commercially reasonable efforts with respect to each of the following: (i) upon reasonable notice, and at reasonable times and locations to be mutually agreed, participating in a reasonable number of meetings and due diligence sessions with providers or potential providers of the Debt Financing (which may be telephonic), (ii) assisting Buyer in the preparation of (but not entering into or executing) definitive financing documents, and other materials reasonably requested to be used in connection with obtaining the Debt Financing, (iii) providing Buyer promptly with the Required Information and such financial and other customarily required information regarding the

Companies that is readily available or within the Sellers' or the Companies' possession, as is reasonably requested in connection with the Debt Financing, (iv) providing (A) information required to complete a customary perfection certificate and disclosure schedules, organizational documents and information necessary to obtain good standing certificates for each Company and (B) documentation and other information reasonably requested by Buyer and required by the Debt Financing Sources in order to comply with the USA PATRIOT Act, antiterrorism legislation, "know-your-customer" and anti-money laundering rules and regulations, OFAC, the Foreign Corrupt Practices Act and the Investment Company Act, (v) using commercially reasonable efforts to cooperate in satisfying the conditions precedent set forth in any definitive documentation relating to the Debt Financing, and (vi) facilitating the taking, with respect to any Company and by persons who will continue in their capacity as directors, managers or officers thereof after the Closing Date, of all reasonably requested formal company actions, such actions not to be effective until the occurrence of the Closing. Nothing in this Section 6.21 shall require such cooperation to the extent it would (1) cause any condition to Closing set forth in Article VII or Article VIII to fail to be satisfied or otherwise cause any breach of this Agreement, (2) require any Seller, Company or Affiliate thereof to take any action that will conflict with or violate such person's Organizational Documents, any applicable Laws or any Material Contract, (3) result in any director, officer or manager of any Seller, Company or Affiliate incurring any personal liability with respect to any matters relating to the Debt Financing, (4) require any person to give any certification that such person does not reasonably believe in good faith to be true, (5) require the payment of any amount that is not simultaneously reimbursed by Buyer, or require any Seller, Company or Affiliate to incur any liability (other than liabilities of a Company pursuant to the Debt Financing, effective after the Closing), (6) unreasonably and materially interfere with the business or operations of any Seller, Company or Affiliate, (7) require the execution of any document or instrument on behalf of any Seller or Affiliate (other than a Company), or on behalf of any Company if such document or instrument would be effective prior to the Closing, (8) require any Seller, Company or Affiliate to issue any information memoranda, lender presentations or similar marketing documents (it being understood that any such documents will be issued by Buyer) or (9) require any Seller, Company or Affiliate to furnish any financial or other information that is not reasonably available without undue burden or expense. Notwithstanding anything to the contrary herein, it is understood and agreed that (A) the condition precedent set forth in Section 7.2 as applied to the obligations of the Sellers under this Section 6.21 shall be deemed to be satisfied and (B) a Seller shall be entitled to exercise each of the termination rights applicable to it in Section 9.1, in each case notwithstanding any breach of this Section 6.21 unless the Debt Financing has not been obtained as a direct and primary result of a Seller's willful and material breach of its obligations under this Section 6.21.

(b) Buyer shall indemnify and hold harmless each Seller, each Company, their Affiliates and their respective representatives from and against any and all Losses suffered or incurred in connection with the Debt Financing or this Section 6.21, except in the event such Loss arose out of or resulted from the bad faith, gross negligence, material breach of this Agreement or willful misconduct of such person, as determined by a final judgment of a court of competent jurisdiction. Buyer shall reimburse each Seller, each Company and their Affiliates promptly upon demand for all reasonable and documented out-of-pocket costs (including reasonable and documented attorneys' fees) incurred by them (without duplication) in connection with this Section 6.21.

(c) Buyer shall not permit any assignment of the Commitment Letters, or any amendment or modification to be made to, or any waiver of any provision or remedy under, or any termination or replacement of, any Commitment Letter, in each case, without obtaining each Sellers' prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) if such assignment, amendment, modification, waiver, termination or replacement (i) reduces the aggregate amount of the Debt Financing to an amount such that the aggregate of (x) the amount of the Debt Financing, (y) the amount of the Equity Financing and (z) funds that are immediately and unconditionally available to Buyer is less than the amount necessary for Buyer to make all payments required by this Agreement, (ii) imposes any additional (or adversely modifies any existing) condition precedent to the availability of the Debt Financing that could reasonably be expected to adversely affect the ability or likelihood of Buyer to timely obtain the proceeds therefor, or (iii) could otherwise reasonably be expected to prevent, impede or delay the funding of the Debt Financing on the Closing Date or the consummation of the Closing. Prior to the Closing, Buyer shall provide prompt written notice to the Sellers in the event of becoming aware of (w) any material breach or default by any party to the Debt Commitment Letter or the definitive agreements relating to the Debt Financing or (x) the receipt of any communication from a Debt Financing Related Party with respect to any actual or alleged material breach, default, termination or repudiation of the Debt Commitment Letter or definitive agreement relating to the Debt Financing.

(d) Buyer shall use reasonable best efforts to take, or shall cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to arrange, consummate and obtain the Equity Financing and the Debt Financing as promptly as practicable after the date hereof and in any event on or prior to Closing, including using its reasonable best efforts to (i) maintain in effect the Equity Commitment Letter and the Debt Commitment Letter, (ii) comply with its obligations under the Equity Commitment Letter and the Debt Commitment Letter, (iii) satisfy on a timely basis (or obtain the waiver of) all conditions applicable to Buyer in the Equity Commitment Letter and Debt Commitment Letter and the definitive agreements for the Debt Financing, (iv) negotiate and enter into definitive documents with respect to the Debt Financing, and (v) consummate the Equity Financing and Debt Financing in a timely fashion; provided that Buyer shall not be required to commence litigation against any Debt Financing Source. Any breach of the Commitment Letters by Buyer shall be deemed a breach by Buyer of this Section 6.21.

(e) After the date of this Agreement:

(i) Buyer may obtain an Alternative Debt Financing from the Debt Financing Sources or alternative financing sources in lieu of the Debt Financing, but shall provide each Seller with a copy of any proposed Alternative Debt Financing Letter reasonably in advance of its proposed execution (it being understood that any related fee letters may be redacted in the same manner as the fee letters relating to the Debt Commitment Letter as of the date of this Agreement are permitted to be redacted); provided that (A) such alternative debt financing is consistent with clause (c) above, and (B) any alternative financing sources are of comparable or superior creditworthiness to the Debt Financing Sources as of the date of this Agreement.

(ii) If any portion of the Debt Financing necessary for Buyer to effect the Closing becomes unavailable on the terms and conditions contemplated by the Debt

Commitment Letter, Buyer shall use its reasonable best efforts to arrange and obtain an Alternative Debt Financing from alternative financing sources on terms that (A) taken as a whole, are no more adverse to Buyer than the existing Debt Commitment Letter and (B) are consistent with clause (c) above. Buyer shall furnish to the Sellers, reasonably in advance of its execution, a copy of any proposed Alternative Debt Financing Letter in connection therewith (it being understood that any related fee letters may be redacted in the same manner as the fee letters relating to the Debt Commitment Letter as of the date of this Agreement are permitted to be redacted).

(f) For purposes of this Agreement (other than with respect to representations in this Agreement made by Buyer that speaks to the date of this Agreement) references to (i) the "***Debt Commitment Letter***" shall include the Debt Commitment Letter to the extent not superseded by the Alternative Debt Financing Letters and any such Alternative Debt Financing Letter to the extent then in effect, (ii) the "***Debt Financing***" shall include the debt financing contemplated by the Debt Commitment Letter as modified pursuant to the foregoing, and (iii) the "***Debt Financing Sources***" and "***Debt Financing Related Parties***" shall be construed in a corresponding manner.

(g) Any Confidential Information (as defined in the Confidentiality Agreement) furnished by any Seller, any Company, any Affiliate thereof or any Representative of the foregoing pursuant to this Section 6.21 shall be kept confidential in accordance with the Confidentiality Agreement.

SECTION 6.22 Scope and Nature of Transition Services. Prior to the Closing, Buyer and Sellers shall, in good faith, consider modifications to the Transitional Services (as defined in the Transition Services Agreement), including the scope, duration and pricing of such Transitional Services, to be reflected in Schedule A of the Transition Services Agreement based on the reasonable needs of the Recipients (as defined in the Transition Services Agreement). If, prior to the Closing, Buyer believes that one or more of the Transitional Services identified in Schedule A is or are not reasonably required by the Recipients, Buyer shall, in its sole discretion, have the right to remove or reduce the scope of any Transitional Services by providing reasonable written notice during the Interim Period.

ARTICLE VII.

BUYER'S CONDITIONS TO CLOSING

The obligation of Buyer to consummate the Closing is subject to the fulfillment of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable Law):

SECTION 7.1 Representations and Warranties.

(a) The (i) representations and warranties (other than the Seller Fundamental Representations and the representation and warranty set forth in Section 4.8(a)) made by Sellers in Articles III and IV (without giving effect to any materiality, Material Adverse Effect or similar qualifiers contained therein) shall be (A) true and accurate on and as of the Closing Date as though made on and as of the Closing Date (other than representations and warranties which, by their express terms, are as of a specific date other than the Closing Date) and (B) in the case of

representations and warranties which, by their express terms, are as of a specific date other than the Closing Date, true and accurate as of such specific date, except in the case of clauses (A) and (B) where the failure to be true and accurate would not, individually or in the aggregate, have a Material Adverse Effect on the Companies (taken as a whole) or a material adverse effect on the ability of Sellers to consummate the Transactions, and (ii) representation and warranty set forth in Section 4.8(a) shall be true and correct in all respects as of the Closing Date.

(b) (i) The Seller Fundamental Representations (other than **Section 4.3** (*Capitalization*)) (without giving effect to any materiality, Material Adverse Effect or similar qualifiers contained therein) shall be true and accurate in all material respects on and as of the Closing Date as though made on and as of the Closing Date, except for any such Seller Fundamental Representations which, by their express terms, are as of a specific date other than the Closing Date, which shall be true and accurate in all material respects as of such specific date, and (ii) the representations and warranties in **Section 4.3** (*Capitalization*) shall be true and accurate in all but *de minimis* respects on and as of the Closing Date as though made on and as of the Closing Date, except for any such representations and warranties which, by their express terms, are as of a specific date other than the Closing Date, which shall be true and accurate in all but *de minimis* respects as of such specific date.

SECTION 7.2 Performance. Sellers shall have performed and complied with, in all material respects, all agreements, covenants and obligations required by this Agreement to be performed by Sellers at or before the Closing.

SECTION 7.3 Officer's Certificate. Sellers shall have delivered to Buyer at the Closing a certificate of an officer of each Seller, dated as of the Closing Date, as to the matters set forth in Sections 7.1, 7.2 and 7.6.

SECTION 7.4 Orders and Laws. There shall be no effective adverse Order (whether temporary, preliminary or permanent) of a court of competent jurisdiction or applicable Law (whether promulgated, enacted or enforced by any Governmental Authority), in each case in the United States, to the effect that the Transactions may not be consummated as provided in this Agreement.

SECTION 7.5 Consents and Approvals. The Required Statutory Approvals shall have been duly obtained, made or given without being conditioned on, or including, a Burdensome Condition and shall be in full force and effect, and all terminations or expirations of waiting periods imposed by any Governmental Authority shall have occurred and no Burdensome Condition shall exist (provided, that, solely for purposes of this Section 7.5, any term, condition, requirement, sanction or similar measure directed but not ultimately directly or indirectly required, mandated, Ordered or otherwise imposed in connection with the Required Statutory Approvals shall be disregarded in determining whether a Burdensome Condition exists).

SECTION 7.6 No Material Adverse Effect. Since the Effective Date no Material Adverse Effect shall have occurred.

SECTION 7.7 Surviving Indebtedness. (a) Immediately prior to and immediately after the Closing, no Event of Default (as defined in the applicable Surviving Indebtedness or, if such

Surviving Indebtedness has been amended or modified since the Effective Date, any equivalent term) (an "***Event of Default***") shall have occurred and be continuing that permits (or will permit, with the passage of time) the holders of the relevant Surviving Indebtedness to declare such Surviving Indebtedness due and payable prior to its stated maturity and each instrument listed on Section 1.1-SI of the Seller Disclosure Letter shall be in effect without amendment or modification from the date hereof (except as permitted pursuant to Section 6.3(b)) subject to the terms and conditions thereof and (b) the consummation of the Closing (as contemplated by this Agreement and without taking into account any actions by Buyer or the Companies at any time from and after the Closing) shall not result in an Event of Default under the Surviving Indebtedness or creation of the obligation of any Company to repurchase the notes issued thereunder.

ARTICLE VIII.

SELLERS' CONDITIONS TO CLOSING

The obligation of Sellers to consummate the Closing is subject to the fulfillment of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable Law):

SECTION 8.1 Representations and Warranties.

(a) The representations and warranties (other than the Buyer Fundamental Representations) made by Buyer in Article V (without giving effect to any materiality, material adverse effect or similar qualifiers contained therein) shall be (i) true and accurate on and as of the Closing Date as though made on and as of the Closing Date (other than representations and warranties which, by their express terms, are as of a specific date other than the Closing Date) and (ii) in the case of representations and warranties which, by their express terms, are as of a specific date other than the Closing Date, true and accurate as of such specific date, except in the case of clauses (i) and (ii) where the failure to be true and accurate would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of Buyer to consummate the Transactions.

(b) The Buyer Fundamental Representations (without giving effect to any materiality, Material Adverse Effect or similar qualifiers contained therein) shall be true and accurate in all but *de minimis* respects on and as of the Closing Date as though made on and as of the Closing Date, except for any such representations and warranties which, by their express terms, are as of a specific date other than the Closing Date, which shall be true and accurate in all but *de minimis* respects as of such specific date.

SECTION 8.2 Performance. Buyer shall have performed and complied with, in all material respects, all of its agreements, covenants and obligations required by this Agreement to be performed at or before the Closing.

SECTION 8.3 Officer's Certificate. Buyer shall have delivered to Sellers at the Closing a certificate of an officer of Buyer, dated as of the Closing Date, as to the matters set forth in Sections 8.1 and 8.2.

SECTION 8.4 Orders and Laws. There shall be no effective adverse Order (whether temporary, preliminary or permanent) of a court of competent jurisdiction or applicable Law (whether promulgated, enacted or enforced by any Governmental Authority), in each case in the United States, to the effect that the Transactions may not be consummated as provided in this Agreement.

SECTION 8.5 Consents and Approvals. The Required Statutory Approvals shall have been duly obtained, made or given and shall be in full force and effect, and all terminations or expirations of waiting periods imposed by any Governmental Authority shall have occurred.

ARTICLE IX.

TERMINATION; SPECIFIC PERFORMANCE

SECTION 9.1 Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time before the Closing as follows:

(a) (i) by Sellers or Buyer, by written notice to the other, if any Law is issued, enacted, entered into or promulgated after the date hereof or final, non-appealable Order is in effect, in each case, permanently (or for a period longer than the Outside Date, as may be extended pursuant to Section 9.1) denying approval of or restraining, enjoining or otherwise prohibiting or making illegal the Transactions, or (ii) by Sellers or Buyer, by written notice to the other, if any final, non-appealable Order issued in connection with the Required Statutory Approvals is in effect that imposes a Burdensome Condition; provided that the right to terminate this Agreement pursuant to this Section 9.1(a) shall not be available to any Party whose breach of or failure to comply with any covenant, agreement, obligation or provision of this Agreement has caused or resulted in such Law or final, non-appealable Order being enacted or becoming applicable to the Transactions (including due to a failure to use the required efforts in connection with the actions specified in Section 6.1 to the extent required thereunder);

(b) by Sellers, by written notice to Buyer, if Buyer has breached any of its representations or warranties, or failed to perform any covenant or agreement, in each case, set forth in this Agreement that would cause any of the conditions set forth in Section 8.1, Section 8.2, Section 8.4 or Section 8.5 not to be satisfied and such condition is incapable of being satisfied by the Outside Date; provided that, if such breach or failure to perform is curable by Buyer, then, for a period of up to sixty (60) days after receipt by Buyer of notice from Sellers of such breach (the "***Buyer Cure Period***") such termination shall not be effective and the Outside Date (if earlier than the expiration of the Buyer Cure Period) shall be automatically extended until the first (1st) Business Day following the end of the Buyer Cure Period, and such termination shall become effective only if the breach is not cured within the Buyer Cure Period; provided, further, that the right to terminate this Agreement under this Section 9.1(b) shall not be available to Sellers if either Seller is then in breach of any of its representations, warranties, covenants, agreements or obligation in this Agreement and such breach would reasonably be expected to result in the failure of any of the conditions set forth in Article VII;

(c) by Buyer, by written notice to Sellers, if Sellers have breached any of their representations or warranties, or failed to perform any covenant or agreement, in each case, set

forth in this Agreement that would cause the condition set forth in Section 7.1, Section 7.2, Section 7.4 or Section 7.5 not to be satisfied and such condition is incapable of being satisfied by the Outside Date; provided that, if such breach or failure to perform is curable by Sellers, then, for a period of up to sixty (60) days after receipt by Sellers of notice from Buyer of such breach (the "***Seller Cure Period***") such termination shall not be effective and the Outside Date (if earlier than the expiration of the Seller Cure Period) shall be automatically extended until the first (1st) Business Day following the end of the Seller Cure Period, and such termination shall become effective only if the breach is not cured within the Seller Cure Period; provided, further, that the right to terminate this Agreement under this Section 9.1(c) shall not be available to Buyer if Buyer is then in breach of any of its representations, warranties, covenants, agreements or obligations in this Agreement and such breach would reasonably be expected to result in the failure of any of the conditions set forth in Article VIII;

(d) by Sellers if (i) all of the conditions set forth in Article VII have been satisfied or waived (other than (A) those conditions which by their terms or nature are to be satisfied at the Closing (assuming the satisfaction of those conditions at such time if Closing were to occur at such time) and (B) those conditions the failure of which to be satisfied is caused by or results from a breach by Buyer of this Agreement), (ii) Sellers have irrevocably certified in a written notice to Buyer that all of the conditions set forth in Article VII have been satisfied or waived (other than (A) those conditions which by their terms or nature are to be satisfied at the Closing (assuming the satisfaction of those conditions at such time if Closing were to occur at such time) and (B) those conditions the failure of which to be satisfied is caused by or results from a breach by Buyer of this Agreement) and that Sellers are ready, willing and able to, if the Equity Financing and the Debt Financing is funded, proceed with and immediately consummate the Closing when required pursuant to Section 2.3 (such notice, a "***Buyer Closing Failure Notice***"), and (iii) Buyer has failed to consummate the transactions contemplated by this Agreement by the later of (A) three (3) Business Days after the delivery of the Buyer Closing Failure Notice and (B) the date on which the Closing should have occurred pursuant to Section 2.3 (and Sellers did not, in fact, prevent Buyer from consummating the Closing on a subsequent date prior to Sellers' termination of this Agreement pursuant to this Section 9.1(d)).

(e) by Buyer or Sellers, by written notice to the other, on or after the date that occurs fifteen (15) months after the date hereof (the "***Outside Date***"); provided, that Buyer cannot terminate under this provision if the failure of the Closing to occur is the result of the failure on the part of Buyer to perform any of its obligations hereunder and Sellers cannot terminate this Agreement under this provision if the failure of the Closing to occur is the result of the failure on the part of Sellers to perform any of their obligations hereunder; provided, further, that the Parties covenant and agree that any Party may extend the Outside Date for up to three (3) months if, as of the then-applicable Outside Date, all conditions set forth in Article VII and Article VIII have been satisfied or waived (excluding, for these purposes, those conditions that by their nature are to be satisfied only on the Closing Date, provided that such conditions are capable of being satisfied on the Closing Date) other than conditions set forth in Section 7.4, Section 7.5, Section 8.4 and Section 8.5, by giving written notice to the other Party to such effect no later than 5:00 p.m. (Atlantic Time) on the date that is not less than five (5) Business Days prior to the Outside Date. If any Party exercises its rights pursuant to this Section 9.1(e), the "Outside Date" for the purposes of this Agreement shall be read as the date that is the original Outside Date plus the amount of time that the Outside Date has been extended pursuant to the prior sentence, but in any event the

Outside Date (as so modified pursuant to this Section 9.1(e)) shall not be later than eighteen (18) months after the date hereof; or

(f) by mutual written consent of Buyer and Sellers.

SECTION 9.2 Effect of Termination.

(a) If this Agreement is validly terminated pursuant to **Section 9.1**, there will be no liability or obligation on the part of Sellers or Buyer (or any of their respective Representatives or Affiliates), except as provided in this **Section 9.2**; provided that the provisions of **Section 1.1**, **Section 1.2**, **Section 6.13**, this **Section 9.2**, **Article XI** (other than **Section 11.4**), the Limited Guarantee and the Confidentiality Agreement shall survive any such termination and remain in full force and effect; provided, further, that nothing in this **Section 9.2**(a) shall restrict the availability of any remedies (i) in connection with Fraud or (ii) if such termination results from the intentional and willful breach by a Party of this Agreement prior to such termination.

(b) If, and only if, (i) Sellers terminate this Agreement pursuant to Section 9.1(b) or Section 9.1(d) or (ii) Sellers or Buyer terminate this Agreement pursuant to Section 9.1Section 9.1(e) at a time when Sellers are otherwise entitled to terminate this Agreement pursuant to Section 9.1(b) or Section 9.1(d), then Buyer shall pay to Sellers, as liquidated damages (and not a penalty), an amount in immediately available funds equal to 7.25% of the Base Purchase Price (the "***Buyer Termination Fee***"). The provisions for payment of liquidated damages in this Section 9.2(b) have been included because, in the event of termination of this Agreement for any of the reasons set forth in this Section 9.2(b), the actual damages to be incurred by Sellers are reasonably expected to approximate the amount of liquidated damages set forth in this Section 9.2(b) and because the actual amount of such damages would be difficult if not impossible to measure precisely. Each Party acknowledges that the agreements contained in this Section 9.2(b) are an integral part of the transactions contemplated by this Agreement and that, without these agreements, the Parties would not enter into this Agreement. In the event that this Agreement is validly terminated and the Buyer Termination Fee is due in accordance with this Section 9.2(b), Buyer shall pay the Buyer Termination Fee to Sellers (to an account designated in writing by Sellers) no later than three (3) Business Days after the date of the applicable termination.

(c) Sellers agree that in the event the Buyer Termination Fee is payable pursuant to Section 9.2(b), Sellers' receipt of the Buyer Termination Fee in full shall be the sole and exclusive remedy (whether at law, in equity, in contract, tort, through piercing of the corporate veil or otherwise) of Sellers, and any of their respective Affiliates against Buyer, Sponsors, the Debt Financing Related Parties or any of their respective former, current or future Affiliates, equityholders, general or limited partners, managed funds, Representatives, assignees and successors of any of the foregoing (each of the foregoing other than Buyer, a "***Related Party***"), with respect to (i) any liabilities (including any Losses of any such Person for the benefit of the bargain, opportunity cost, loss of premium, time value of money or otherwise, or for any consequential, special, expectancy, indirect or punitive damages) suffered as a result of, arising from or in connection with the failure of the Transactions, (ii) the termination of this Agreement or the Debt Commitment Letter, (iii) any liabilities arising under or relating to this Agreement, the Debt Commitment Letter or the Transactions or (iv) any breach (including any willful or intentional breach), termination or any failure under this Agreement, including any breach of any

agreement or covenant of Buyer, the Debt Commitment Letter or any inaccuracy of any representation or warranty contained in this Agreement or the Debt Commitment Letter (collectively, the "***Termination Matters***"), except for (A) the obligations of Bernhard Capital Partners Management, LP under the Confidentiality Agreement, (B) the right of Sellers to recover reimbursement for costs and expenses or indemnification under Section 6.21(b) (the "***Reimbursed Financing Expenses***") (and the guarantee thereof pursuant to the Limited Guarantee) and (C) the right of Sellers to recover the Collection Expenses (and the guarantee thereof pursuant to the Limited Guarantee) (the foregoing sub-clauses (A) through (C), collectively, the "***Surviving Claims***"). Without limiting the foregoing, in no event shall Sellers or any of their respective Affiliates seek to recover or be entitled to recover (including through Claim), and each hereby covenants not to seek and shall cause its Affiliates not to seek, any other money damages or seek any other remedy or damages based on a claim at law or equity whether in contract, tort or otherwise from and against Buyer or any Related Party related to the Termination Matters other than the Buyer Termination Fee (which shall only be payable pursuant to the terms of Section 9.2(b)) and the Surviving Claims.

(d) Upon payment of the Buyer Termination Fee in full, by or on behalf of Buyer, and receipt thereof by Sellers, neither Buyer nor any Related Party will have any further liability relating to or arising from this Agreement, the Debt Commitment Letter or the Transactions in law or equity whether in contract, tort or otherwise, except for the Surviving Claims. For the avoidance of doubt, in no event will Buyer (or Sponsors pursuant to the Limited Guarantee) be obligated to pay, or cause to be paid, the Buyer Termination Fee on more than one occasion or, except for the Surviving Claims, any amounts in excess of the Buyer Termination Fee. In the event that the Closing does not occur, in no event shall Sellers or any of their respective Affiliates be entitled to recover (nor shall Sellers or any of their respective Affiliates seek to recover) monetary damages of any kind, including consequential, indirect, or punitive damages, from Buyer or any Related Party, taken in the aggregate, in excess of the Buyer Termination Fee (but without limiting the Surviving Claims). In no event shall Sellers or any of their respective Affiliates seek to recover monetary damages from any Related Party (other than from Sponsors as provided in the Limited Guarantee and subject to the limitations herein and therein).

(e) Each of the Parties acknowledges that the agreements contained in this Section 9.2 are an integral part of the Transactions and that, without these agreements, the Parties would not enter into this Agreement. Accordingly, if Buyer fails promptly to pay the Buyer Termination Fee where it is payable hereunder (together with the Reimbursed Financing Expenses), it shall also pay any reasonable and documented out-of-pocket costs and expenses incurred by Sellers in connection with enforcing this Agreement, together with interest on the amount of such unpaid Buyer Termination Fee and Reimbursed Financing Expenses (at a fixed rate per annum equal to 7%) from the date such payment was required to be made to (but excluding) the payment date (the amounts contemplated by this **Section 9.2**(e), collectively, the "***Collection Expenses***"); provided, however, that, for the avoidance of doubt, the Collection Expenses shall not include any contingency, success or similar fees.

(f) Upon termination of this Agreement by either Party for any reason, all documents and other materials of any other Party relating to the Companies, the Business, or this Agreement and the transactions contemplated by this Agreement, including any information relating to the Parties to this Agreement, whether obtained before or after the execution of this Agreement, and

all information received by Buyer with respect to the Companies, the Business or Sellers, in each case, that is "Confidential Information" under the Confidentiality Agreement shall remain "Confidential Information" under and subject to the Confidentiality Agreement.

SECTION 9.3 Specific Performance and Other Remedies. Each Party hereby acknowledges that the rights of each Party to consummate the Transactions are special, unique and of extraordinary character and that, if any Party violates or fails or refuses to perform any covenant or agreement made by it herein (including failing to comply with its obligations under Section 6.1 and consummating the Transactions), the non-breaching Party will be without an adequate remedy at Law. Notwithstanding anything to the contrary herein, if any Party violates or fails or refuses to perform any covenant or agreement made by such Party herein, without limiting or waiving in any respect any rights or remedies of a Party under this Agreement now or hereafter existing at Law, in equity or by statute, the non-breaching Party or Parties shall, subject to the terms hereof and in addition to any remedy at Law for damages or other relief, be entitled to seek specific performance of such covenant or agreement (including Section 6.1 and consummating the Transactions), to an injunction against any violation or to seek any other equitable relief, in each case, without proof of actual damages or otherwise. Each Party agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. The Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy. To the extent any Party brings a Claim, action, suit or proceeding to enforce specifically the performance of the terms and provisions of this Agreement (other than an action to enforce specifically any provision that expressly survives termination of this Agreement), the Outside Date shall automatically be extended to (a) the twentieth (20th) Business Day following the resolution of such action, suit or proceeding or (b) such other time period established by the court presiding over such action, suit or proceeding. Subject to and without limiting Section 9.2, Sellers' right to seek specific enforcement to cause the financing under the Equity Commitment Letter to be funded and/or to effect the Closing shall be subject to the following conditions: (i) all of the conditions set forth in Article VII have been satisfied or waived (other than those conditions which by their terms or nature are to be satisfied at the Closing, each of which shall be capable of being satisfied if the Closing were to occur (it being understood that the Closing shall be subject to the actual satisfaction of such conditions)), (ii) Buyer fails to consummate the Closing on the date that the Closing is required to occur pursuant to Section 2.3, (iii) the Debt Financing has been funded in accordance with the terms thereof or would be funded in accordance with the terms thereof at the Closing if the financing under the Equity Commitment Letter is funded at the Closing, and (iv) Sellers deliver to Buyer a Buyer Closing Failure Notice and Buyer fails to consummate the transactions contemplated by this Agreement by the later of (A) three (3) Business Days after the delivery of the Buyer Closing Failure Notice and (B) the date on which the Closing should have occurred pursuant to Section 2.3. For the avoidance of doubt, while the Sellers shall be entitled to pursue both specific enforcement and payment of the Buyer Termination Fee, under no circumstances shall Sellers be entitled to receive both a grant of specific performance to require Buyer to consummate the Closing and payment of the Buyer Termination Fee. Notwithstanding anything in this Agreement to the contrary, in no event shall any Seller or any of its Subsidiaries or any of its or their Affiliates or Representatives be entitled to, or permitted to seek, specific

performance under the Debt Commitment Letter or any other agreements with any Debt Financing relating to the Debt Financing.

ARTICLE X.

INDEMNIFICATION, LIMITATIONS OF LIABILITY AND WAIVERS

SECTION 10.1 Non-Survival. Except in the case of Fraud, the representations and warranties of the Parties contained in this Agreement, or in any certificate or other writing delivered pursuant hereto or in connection herewith, shall not survive the Closing (and shall expire and be of no further force or effect from and after the Closing) and there shall be no liability or claims (whether based upon breach of contract or any other legal or equitable claim or theory of recovery) in respect thereof, whether such liability has accrued prior to, at or after the Closing, on the part of any Party, its Affiliates or any of their respective directors, officers, employees, stockholders, partners, members, advisors or other Representatives. The covenants and agreements of the Parties contained in this Agreement, or in any certificate or other writing delivered pursuant hereto or in connection herewith, shall not survive the Closing (and shall expire and be of no further force or effect from and after the Closing), except to the extent that such covenants and agreements by their express terms are to be performed in whole or in part at or after the Closing, which covenants shall survive in accordance with their terms until sixty (60) days after the expiration of the applicable statute of limitations.

SECTION 10.2 Indemnification.

(a) Subject to Section 10.3, except in the case of Fraud, from and after the Closing, Sellers shall indemnify, reimburse, defend and hold harmless Buyer, its Affiliates (including each Company), and its and their respective Representatives (collectively, the "***Buyer Indemnified Parties***") from and against any and all Losses incurred or suffered by any Buyer Indemnified Party to the extent arising out of or resulting from (i) the Companies' ownership or operation of businesses prior to Closing other than the Business (other than pursuant to any Transaction Agreements) or (ii) Indemnified Taxes.

(b) Subject to **Section 10.3**, except in the case of Fraud, from and after Closing, Buyer shall indemnify, defend and hold Sellers, their Affiliates and their and their Affiliates' Representatives (collectively, the "***Seller Indemnified Parties***" and, together with Buyer Indemnified Parties, the "***Indemnified Parties***") harmless from and against any and all Losses incurred or suffered by any Seller Indemnified Party to the extent arising out of or resulting from the Business or the Companies.

SECTION 10.3 Limitations of Liability. Notwithstanding anything in this Agreement to the contrary, but subject to the terms of this Article X:

(a) any Indemnified Party that becomes aware of a Loss for which it seeks indemnification under this Article X or Section 6.11 shall be required to use commercially reasonable efforts to mitigate the Loss including taking any actions reasonably requested by the Indemnifying Party, and an Indemnifying Party shall not be liable for any Loss to the extent that it is directly attributable to the Indemnified Party's failure to mitigate;

(b) the Losses suffered by any Indemnified Party shall be calculated after giving effect to any amounts actually recovered from third parties, including insurance proceeds, in each case net of the reasonable third-party out-of-pocket costs and expenses associated with such recoveries, and net of any associated Tax benefits to the Indemnified Party and its Affiliates (in cash or as a reduction in Taxes otherwise due) arising from the incurrence or payment of any Losses in the taxable year of incurrence or payment of such Losses (it being understood and agreed that the Buyer Indemnified Parties shall use their commercially reasonable efforts to seek insurance recoveries (other than recoveries under the R&W Insurance Policy) in respect of Losses to be indemnified hereunder). The amount of any such Tax benefit of an Indemnified Party shall be determined on a with and without basis. If any insurance proceeds or other recoveries from third parties are actually realized (in each case calculated net of the reasonable third-party out-of-pocket costs and expenses associated with such recoveries) by an Indemnified Party subsequent to the receipt by such Indemnified Party of an indemnification payment hereunder in respect of the claims to which such insurance proceedings or third-party recoveries relate, the Indemnified Party shall hold such amounts in trust and appropriate refunds shall be made promptly to the Indemnifying Party regarding the amount of such indemnification payment;

(c) except as otherwise explicitly provided in this Agreement, Sellers shall have no liability pursuant to this Agreement in respect of and to the extent any item or any Losses have been (i) expressly taken into account in connection with determination of the Purchase Price or the Purchase Price adjustment under Section 2.6 or (ii) expressly included as a liability, or expressly reserved for, in each case in the Financial Statements; and

(d) each Indemnified Party must mitigate in accordance with applicable Law any Losses for which such Buyer Indemnified Party seeks indemnification under this Agreement. If such Indemnified Party mitigates its Losses after the Indemnifying Party has paid the Indemnified Party under any indemnification provision of this Agreement in respect of that Loss, the Indemnified Party must notify the Indemnifying Party and pay to the Indemnifying Party the extent of the value of the benefit to the Indemnified Party of that mitigation (less the Indemnified Party's reasonable costs of mitigation) within five (5) Business Days after the benefit is received.

SECTION 10.4 Directors and Officers.

(a) From and after the Closing, Buyer will, and will cause the Companies to continue to, indemnify and hold harmless, to the fullest extent permitted by applicable Law, each present and former director, officer, manager or employee of the Companies (each, together with such Person's heirs, executors or administrators, a "***D&O Indemnified Person***") against any Losses incurred in connection with any Claim arising out of or pertaining to any action or omission occurring or alleged to have occurred whether before or after the Closing (including acts or omissions in connection with such Persons serving as an officer, director or other fiduciary in any entity if such service was at the request or for the benefit of the Company) or any Claim instituted by any D&O Indemnified Person to enforce this Section 10.4, including, in each case, the advancing of expenses to the fullest extent permitted under applicable Law; provided, however, that the D&O Indemnified Person to whom such expenses are advanced will be required to provide an undertaking to Buyer to repay such advances if it is ultimately determined that such D&O Indemnified Person is not entitled to indemnification.

(b) Buyer shall, or shall cause the Companies to, maintain in effect for six (6) years from the Closing Date directors' and officers' liability and fiduciary liability "tail" insurance (the "***D&O Tail Policy***") (which D&O Tail Policy (i) shall be for a claims reporting or discovery period of at least six (6) years from and after the Closing with respect to any claim related to any period of time at or prior to the Closing and (ii) will be from Sellers' (or their Affiliates') current insurance carrier with respect to such coverage or an insurance carrier having at least an "A" rating by A.M. Best with respect to directors' and officers' liability insurance and fiduciary liability insurance) covering those persons who are covered as of the Closing Date by the Companies' directors' and officers' liability and fiduciary liability insurance policy on terms not less favorable than such existing insurance coverage; provided, that in the event that any claim is brought under such D&O Tail Policy, such D&O Tail Policy shall be maintained until final disposition thereof; provided, further, that in no event shall Buyer be required to pay a premium for such D&O Tail Policy in excess of 300% of the aggregate annual premium payable Sellers (or their Affiliates) in respect of their current policy or policies for the year ended December 31, 2024.

(c) The rights of each D&O Indemnified Person hereunder will be in addition to, and not in limitation of, any other rights such D&O Indemnified Person may have under the Organizational Documents of the Companies, any other indemnification agreement or arrangement, applicable Law or otherwise. This Section 10.4(c) will survive the Closing, and is intended to be for the benefit of, and will be enforceable by, D&O Indemnified Persons, their heirs and personal representatives, will be binding on Buyer and the Companies and the successors and assigns of each of them and may not be amended, altered or repealed after the Closing without the prior written consent of Sellers. In the event that Buyer or any Company, as the case may be, or any of the successors or assigns of either of them, as applicable: (i) consolidates with or merges into any other Person and will not be the continuing or surviving corporation or entity in such consolidation or merger; or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each case, proper provision will be made so that the successors and assigns of Buyer or such Company, as the case may be, are obligated to perform the obligations of Buyer and the Companies set forth in this Section 10.4(c). Nothing in this Agreement is intended to, will be construed to or will, release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to any Company or its officers, directors, managers and employees, it being understood and agreed that the indemnification provided for in this Section 10.4 is not prior to, or in substitution for, any such claims under any such policies.

SECTION 10.5 Waiver of Other Representations. EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III OR ARTICLE IV OF THIS AGREEMENT OR ANY OTHER TRANSACTION AGREEMENT, AND WITHOUT LIMITING BUYER'S RIGHTS IN ARTICLE X OR WITH RESPECT TO THE R&W INSURANCE POLICY, (a) THE PURCHASED EQUITY INTERESTS ARE BEING TRANSFERRED "AS IS, WHERE IS," AND SELLERS EXPRESSLY DISCLAIM (AND BUYER ACKNOWLEDGES THAT SELLERS ARE NOT MAKING AND BUYER DISCLAIMS ANY RELIANCE UPON) ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO LIABILITIES, OPERATIONS OF THE ASSETS OF THE COMPANIES AND TITLE, CONDITION, VALUE OR QUALITY OF THE COMPANIES OR THEIR ASSETS OR THE PROSPECTS (FINANCIAL AND OTHERWISE), FUTURE FINANCIAL AND OPERATIONAL PERFORMANCE, RISKS AND

OTHER INCIDENTS OF THE COMPANIES OR THEIR ASSETS, INCLUDING WITH RESPECT TO THE ABILITY OF THE COMPANIES TO TRANSMIT AND DISTRIBUTE NATURAL GAS, CAPACITY OR OTHER PRODUCTS FROM TIME TO TIME, (b) SELLERS SPECIFICALLY DISCLAIM (AND BUYER ACKNOWLEDGES THAT SELLERS ARE NOT MAKING AND BUYER DISCLAIMS ANY RELIANCE UPON) ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, USAGE, OR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE ASSETS OF THE COMPANIES, OR ANY PART THEREOF, OR AS TO THE WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, OR COMPLIANCE WITH ENVIRONMENTAL LAWS, OR AS TO THE CONDITION OF THE ASSETS OF THE COMPANIES, OR ANY PART THEREOF, INCLUDING WHETHER THE COMPANIES POSSESS SUFFICIENT REAL PROPERTY OR PERSONAL PROPERTY TO OPERATE THE BUSINESS AND (c) SELLERS EXPRESSLY DISCLAIM AND SHALL HAVE NO LIABILITY FOR (AND BUYER ACKNOWLEDGES THAT SELLERS ARE NOT MAKING AND BUYER DISCLAIMS ANY RELIANCE UPON) ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF (i) ANY MATERIAL OR INFORMATION PROVIDED BY OR COMMUNICATIONS MADE BY SELLERS OR ANY OF THEIR AFFILIATES, OR BY ANY BROKER, AGENT, REPRESENTATIVE, CONSULTANT, LENDER, OR INVESTMENT BANKER, INCLUDING ANY INFORMATION OR MATERIAL CONTAINED IN THE DESCRIPTIVE MEMORANDUM RECEIVED BY BUYER OR ITS AFFILIATES (INCLUDING ANY SUPPLEMENTS), (ii) INFORMATION PROVIDED DURING OR IN CONNECTION WITH DUE DILIGENCE, INCLUDING INFORMATION IN THE DATA ROOM, OR (iii) ANY ORAL, WRITTEN OR ELECTRONIC RESPONSE TO ANY INFORMATION REQUEST PROVIDED TO BUYER. EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III OR ARTICLE IV OF THIS AGREEMENT OR ANY OTHER TRANSACTION AGREEMENT, AND WITHOUT LIMITING BUYER'S RIGHTS IN ARTICLE X OR WITH RESPECT TO THE R&W INSURANCE POLICY, SELLERS FURTHER SPECIFICALLY DISCLAIM (AND BUYER ACKNOWLEDGES THAT SELLERS ARE NOT MAKING) ANY REPRESENTATION OR WARRANTY REGARDING THE ABSENCE OF HAZARDOUS MATERIALS OR ENVIRONMENTAL CLAIMS OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL LAWS.

SECTION 10.6 Waiver of Remedies.

(a) The Parties hereby agree that no Party, its Affiliates or their respective Representatives, successors or assigns shall have any liability to the other Party, its Affiliates or their respective Representatives, successors and assigns, and no Party, its Affiliates or their respective Representatives, successors or assigns shall make any Claim against the other Party, its Affiliates or their respective Representatives, successors and assigns, for any Loss or other matter under, relating to or arising out of this Agreement, the transactions contemplated by this Agreement or information provided in connection with or relating to such transactions, whether based on contract, tort, strict liability, other Laws or otherwise, except as provided in Section 2.6, Section 6.2(b), Section 6.3, Section 6.11, Article IX, and Article X or as otherwise expressly provided in this Agreement.

(b) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NO PARTY SHALL BE LIABLE FOR SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OTHER THAN TO THE EXTENT AWARDED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE JUDGMENT AND ACTUALLY PAID TO A THIRD PARTY, WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY, OTHER LAW OR OTHERWISE AND WHETHER OR NOT ARISING FROM THE OTHER PARTY'S SOLE, JOINT OR CONCURRENT NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT (THE "***NON-REIMBURSABLE DAMAGES***"); PROVIDED, THAT THIS SECTION 10.6 SHALL NOT LIMIT BUYER'S OBLIGATION TO PAY, OR THE AMOUNT OF, THE BUYER TERMINATION FEE PAYABLE UNDER SECTION 9.2.

(c) Notwithstanding anything in this Agreement to the contrary, no Affiliate of a Party or Representative of a Party or its Affiliates shall have any personal liability to the other Party or any other Person as a result of a breach by such Party of this Agreement.

SECTION 10.7 Procedure with Respect to Third-Party Claims.

(a) If any Indemnified Party becomes subject to a pending or threatened Claim of a third party and such Indemnified Party (the "***Claiming Party***") believes it has a claim against an Indemnifying Party (the "***Responding Party***") pursuant to Section 10.2 as a result, then the Claiming Party shall promptly notify the Responding Party in writing of the basis for such Claim setting forth the nature of the Claim in reasonable detail. The failure of the Claiming Party to so notify the Responding Party shall not relieve the Responding Party of liability hereunder except to the extent that the defense of such Claim is materially prejudiced by the failure to give such notice.

(b) If any proceeding (other than a Tax Proceeding, the procedures of which are set forth in Section 6.11) is brought by a third party against a Claiming Party and the Claiming Party gives notice to the Responding Party that it believes it has a claim for indemnification under Section 10.2 pursuant to this Section 10.7, the Responding Party shall be entitled to control and appoint lead counsel for such proceeding, in each case at its own expense, and, to the extent that it wishes, to assume the defense of such proceeding, if (i) the Responding Party provides written notice to the Claiming Party that the Responding Party intends to undertake such defense, (ii) the Responding Party conducts the defense of the third-party Claim actively and diligently with counsel reasonably satisfactory to the Claiming Party and (iii) so long as the Responding Party is a party to the proceeding, the Responding Party or the Claiming Party has not determined in good faith that joint representation would be inappropriate because of a conflict of interest. The Claiming Party, in its sole discretion, shall have the right to employ separate counsel (who may be selected by the Claiming Party in its sole discretion) in any such action and to participate in the defense thereof, and the reasonable, documented, out-of-pocket fees and expenses of such counsel shall be paid by such Claiming Party; provided that, in such event the Responding Party shall pay the reasonable, documented, out-of-pocket fees and expenses of such separate counsel if (A) incurred by the Claiming Party prior to the date the Responding Party assumes control of the defense of the third-party claim or (B) if (1) representation of both the Responding Party and the Claiming Party by the same counsel would create a conflict of interest or (2) there are specific defenses or claims available to the Claiming Party which are different from or additional to those available to the Responding Party and which are reasonably expected to be materially adverse to the Responding Party. The Claiming Party and the Responding Party shall use reasonable best

efforts to cooperate with each other and their respective counsel in the defense or compromise of such Claim. If the Responding Party assumes the defense of a Claim in accordance with this Section 10.7, no compromise or settlement of such Claim may be effected by the Responding Party without the Claiming Party's consent, not to be unreasonably withheld, conditioned or delayed, unless (x) there is no finding or admission of any violation of Law or any violation of the rights of any Buyer Indemnified Party (if the Claiming Party is a Buyer Indemnified Party) or any Seller Indemnified Party (if the Claiming Party is a Seller Indemnified Party) and no adverse effect on any other Claims that may be made against the Claiming Party and (y) the sole relief provided with respect to any Buyer Indemnified Party (if the Claiming Party is a Buyer Indemnified Party) or any Seller Indemnified Party (if the Claiming Party is a Seller Indemnified Party) is monetary damages that are paid in full by the Responding Party.

(c) If (i) notice is given to the Responding Party of the commencement of any third-party legal proceeding and the Responding Party does not, within thirty (30) days after the Claiming Party's notice is given, give notice to the Claiming Party of its election to assume the defense of such legal proceeding or (ii) any of the conditions set forth in clauses (i) through (iii) of Section 10.7(b) above become unsatisfied, then the Claiming Party shall (upon notice to the Responding Party) have the right to undertake the defense, compromise or settlement of such claim; provided, however, that the Responding Party shall reimburse the Claiming Party for the reasonable costs and expenses of defending against such third-party claim (including reasonable attorneys' fees and expenses of one set of counsel) and shall remain otherwise responsible for any liability with respect to amounts arising from or related to such third-party claim, to the extent it is ultimately determined that such Responding Party is liable with respect to such third-party claim for a breach under this Agreement. The Responding Party may elect to participate in such legal proceedings, negotiations or defense at any time at its own expense. If the Claiming Party exercises such right pursuant to this Section 10.7(c) to undertake the defense, compromise or settlement, no compromise or settlement of such Claims may be effected by the Claiming Party without the Responding Party's consent, not to be unreasonably withheld, conditioned or delayed, unless (A) there is no finding or admission of any violation of Law or any violation of the rights of any Buyer Indemnified Party (if the Responding Party is a Buyer Indemnified Party) or any Seller Indemnified Party (if the Claiming Party is a Seller Indemnified Party) and no adverse effect on any other Claims that may be made against the Responding Party and (B) the sole relief provided with respect to any Indemnified Party is monetary damages that are paid in full by the Claiming Party.

SECTION 10.8 Direct Claims. If any Indemnified Party has a direct Claim that does not involve a third-party Claim and such Indemnified Party believes it has a claim against an Indemnifying Party as a result, such Indemnified Party shall provide written notice thereof to the Indemnifying Party with a description thereof in reasonable detail (including the amount of Losses estimated to be suffered by the Indemnified Party and a reference to the provision of this Agreement in respect of which such Claim arises); provided, however, that the failure to notify the Indemnifying Party shall not relieve such Indemnifying Party of its indemnification obligations hereunder, except and only to the extent that such Indemnifying Party is materially prejudiced by reason of such failure.

ARTICLE XI.

MISCELLANEOUS

SECTION 11.1 Notices.

(a) Unless this Agreement specifically requires otherwise, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by email (when transmitted from the email server of the sender and so long as such transmission does not generate an error message or notice of non-delivery), or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the Parties at the addresses specified below (or to such other address or email address as such Party may hereafter specify for the purpose by notice to the other Party hereto):

If to Sellers, to:

Emera US Holdings Inc.
TECO Holdings, Inc.
c/o Emera Inc.
5151 Terminal Road
Halifax, NS
B3J 1A1
Canada
Email: brian.curry@emera.com
Attn: Corporate Secretary

with a copy (which shall not constitute notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
E-mail: william.aaronson@davispolk.com;
michael.gilson@davispolk.com
Attention: William Aaronson;
Michael Gilson

If to Buyer, to:

c/o Bernhard Capital Partners
400 Convention Street, Suite 1010
Baton Rouge, LA 70802
Email: jeff@bernhardcapital.com
lucie@bernhardcapital.com
Attn: Jeff Jenkins
Lucie Kantrow

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Email: wbenitez@kirkland.com; robert.goodin@kirkland.com
Attn: William J. Benitez, P.C.; Robert Goodin

(b) Notice given by personal delivery, mail or overnight courier pursuant to this Section 11.1 shall be effective upon physical receipt. Notice given by email pursuant to this Section 11.1 shall be effective as of the date of confirmed delivery if delivered before 5:00 p.m. Eastern Time if Buyer is the recipient, or before 5:00 p.m. Atlantic Time if a Seller is the recipient, on any Business Day or the next succeeding Business Day if confirmed delivery is after 5:00 p.m. Eastern Time or Atlantic Time, as applicable, on any Business Day or during any non-Business Day.

SECTION 11.2 Entire Agreement. Except for the Confidentiality Agreement and the other Transaction Agreements, this Agreement (including the Schedules and Exhibits attached hereto) supersedes all prior discussions and agreements, both written and oral, between the Parties with respect to the subject matter hereof and thereof, and this Agreement, the Confidentiality Agreement, the other Transaction Agreements and the other documents delivered pursuant to this Agreement contain the sole and entire agreement between the Parties hereto with respect to the subject matter hereof and thereof.

SECTION 11.3 Expenses. Except as otherwise expressly provided in this Agreement, whether or not the Transactions are consummated, each Party will pay its own costs and expenses incurred in anticipation of, relating to and in connection with the negotiation and execution of this Agreement and the Transactions. Notwithstanding the foregoing, Buyer will pay all costs of (a) all filings required to be made by Buyer under the HSR Act, (b) all filings required to be made by Buyer with any state or local Governmental Authority (including the NMPRC), and (c) any third-party expert fees in connection with any filings required to be made by Buyer with any Governmental Authority (including the NMPRC).

SECTION 11.4 Disclosure. Sellers may, at their option, include in the Seller Disclosure Letter items that are not material in order to avoid any misunderstanding, and any such inclusion, or any references to dollar amounts, shall not be deemed to be an acknowledgment or representation that such items are material, to establish any standard of materiality or to define further the meaning of such terms for purposes of this Agreement. Information disclosed in any section of the Seller Disclosure Letter shall constitute a disclosure for purposes of all other sections of the Seller Disclosure Letter and for any other representation, warranty, covenant or other agreement to which the applicability of the disclosure is reasonably apparent on its face, notwithstanding reference to a specific section or paragraph (or lack thereof). In no event shall the inclusion of any matter in the Seller Disclosure Letter be deemed or interpreted to broaden Sellers' representations, warranties, covenants or agreements contained in this Agreement. The mere inclusion of an item in the Seller Disclosure Letter shall not be deemed an admission by Sellers that such item represents a material exception or fact, event, or circumstance is material or that such item is reasonably likely to result in a Material Adverse Effect. Without limiting the

generality of the foregoing, all references in the Seller Disclosure Letter to the enforceability of agreements with third parties, the existence or non-existence of third-party rights, the absence or existence of breaches or defaults by Sellers, any of their Subsidiaries or third parties, or similar matters or statements, are intended only to allocate rights and risks among the parties to this Agreement and are not intended to be admissions against interests, give rise to any inference or proof of accuracy or be admissible against any party by or in favor of any Person who is not a party to this Agreement.

SECTION 11.5 Waiver. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of such Party. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

SECTION 11.6 Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party; provided, further, that none of Section 9.3, Section 11.7, Section 11.11, Section 11.14, and this Section 11.6 may be amended, restated, supplemented or otherwise modified in any matter that is adverse to any Debt Financing Related Party without the prior written consent of each related Debt Financing Source.

SECTION 11.7 No Third-Party Beneficiary. Except for (a) the provisions of Section 6.2(b), Section 6.11, Section 6.17, Section 10.4, Section 11.12 and Section 11.13 (which are intended for the benefit of the Persons identified therein) and (b) the provisions of Section 9.3, Section 11.6, Section 11.14 and this Section 11.7 (which are intended for the benefit of the Debt Financing Related Parties and may also be enforced by the Debt Financing Sources), the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person, including any employee, any beneficiary or dependents thereof, or any collective bargaining representative thereof.

SECTION 11.8 Assignment; Binding Effect. Buyer may assign its rights and obligations hereunder to Buyer's lenders for collateral security purposes, but such assignment shall not release Buyer from its obligations hereunder. Except as provided in the preceding sentence, neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party without the prior written consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed, and any attempt to do so will be void. Subject to this Section 11.8, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and permitted assigns.

SECTION 11.9 Invalid Provisions. Each term, provision, covenant and restriction of this Agreement is severable. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be legal, valid and enforceable under applicable Law, but if any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future applicable Law, such provision will be fully severable, this Agreement will be construed and enforced as if

such illegal, invalid or unenforceable provision had never comprised a part hereof, and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom. Upon any such determination that any term or other provision is illegal, invalid or unenforceable under any present or future Law, there shall be added automatically as part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible so that the Transactions are fulfilled to the greatest extent possible.

SECTION 11.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. Until and unless each Party has received a counterpart hereof signed by each other Party, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Delivery of a counterpart hereof by email attachment shall be effective as delivery of a manually executed original counterpart of this Agreement.

SECTION 11.11 Governing Law; Venue; and Jurisdiction.

(a) This Agreement, the Transaction Agreements, any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement, the Transaction Agreements or the Transactions contemplated hereby or thereby, shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such state.

(b) EXCEPT AS SET FORTH IN SECTION 2.6, THE PARTIES HEREBY IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE DELAWARE CHANCERY COURT (OR, IF THE DELAWARE CHANCERY COURT SHALL BE UNAVAILABLE, ANY OTHER COURT OF THE STATE OF DELAWARE, OR IN THE CASE OF CLAIMS TO WHICH THE FEDERAL COURTS HAVE EXCLUSIVE SUBJECT MATTER JURISDICTION, ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF DELAWARE, AND, IN EACH CASE, APPELLATE COURTS THEREFROM) IN ANY SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING SEEKING TO ENFORCE ANY PROVISION OF, OR BASED ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH, THIS AGREEMENT, THE TRANSACTION AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY AND EACH PARTY HEREBY CONSENTS TO THE JURISDICTION OF SUCH COURTS (AND OF THE APPROPRIATE APPELLATE COURTS THEREFROM) IN ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE, WHETHER IN TORT, CONTRACT OR OTHERWISE, TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING THAT IS BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. DURING THE PERIOD A LEGAL DISPUTE THAT IS FILED IN ACCORDANCE WITH THIS SECTION 11.11 IS PENDING BEFORE A COURT, ALL

ACTIONS, SUITS OR PROCEEDINGS WITH RESPECT TO SUCH LEGAL DISPUTE OR ANY OTHER LEGAL DISPUTE, INCLUDING ANY COUNTERCLAIM, CROSS-CLAIM OR INTERPLEADER, SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT. EACH PARTY HEREBY WAIVES THE DEFENSE, AND SHALL NOT ASSERT AS A DEFENSE IN ANY LEGAL DISPUTE, THAT (A) SUCH ACTION, SUIT OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR (B) THE VENUE OF SUCH ACTION, SUIT OR PROCEEDING IS IMPROPER. A FINAL JUDGMENT IN ANY SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING DESCRIBED IN THIS SECTION 11.11 FOLLOWING THE EXPIRATION OF ANY PERIOD PERMITTED FOR APPEAL AND SUBJECT TO ANY STAY DURING APPEAL SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE TRANSACTION AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. EACH PARTY HEREBY ACKNOWLEDGES AND CERTIFIES (I) THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY SUIT, ACTION OR PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) IT MAKES THIS WAIVER VOLUNTARILY AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION 11.11(c).

SECTION 11.12 Privilege; Counsel.

(a) Buyer waives and will not assert, and agrees to cause the Companies to waive and not to assert, any conflict of interest arising out of or relating to the representation, after the Closing, of Sellers, or any shareholder, officer, employee or director of any Company (any such Person, a "***Designated Person***") in any matter involving this Agreement or any other Transaction Agreement or transactions contemplated hereby (including the Transactions) or thereby, including any litigation or other dispute proceeding between or among Buyer or its Affiliates, any Company and any Designated Person, by Davis Polk & Wardwell LLP or Jennings Haug Keleher McLeod Waterfall LLP in connection with this Agreement or any other Transaction Agreement or Transactions contemplated thereby (whether or not such legal counsel also represented Sellers) (such counsel, the "***Designated Counsel***" and such representation, the "***Current Representation***"), even though the interests of such Designated Person may be directly adverse to Buyer or its Affiliates or any Company.

(b) It is the intention of the Parties hereto that all rights to any attorney-client privilege applicable to communications between any Designated Counsel (the "***Attorney-Client Privilege***") shall be retained (or assigned to Sellers to the extent necessary) and controlled solely by Sellers (and not any such Company); provided that the foregoing waiver and acknowledgment of retention

shall not extend to any communication not involving this Agreement or any other Transaction Agreement or transactions contemplated hereby (including the Transactions) or thereby. Accordingly, the Companies shall not have access to any such communications, or to the files of any Designated Counsel in connection with the Current Representation, from and after the Closing. The Attorney-Client Privilege shall survive the Closing and shall remain in effect. Without limiting the generality of the foregoing, upon and after the Closing, (i) Sellers and their Affiliates shall be the sole holders of the attorney-client privilege with respect to the Current Representation, and the Companies shall not be holders thereof, (ii) to the extent that files of any Designated Counsel constitute property of a client, only Sellers and their Affiliates shall hold such property rights and (iii) with respect to any privileged attorney-client communications (the "***Privileged Communications***") between any Designated Counsel prior to the Closing Date, Buyer and the Companies, together with any of their respective Affiliates, successors or assigns, agree that no such party may use or rely on any of the Privileged Communications in any action or claim against or involving any of the parties hereto after the Closing.

(c) Buyer agrees, on its own behalf and on behalf of each of its Affiliates (including, after the Closing, the Companies), that in the event of a dispute between Sellers or an Affiliate of Sellers, on the one hand, and any Company, on the other hand, arising out of or relating to any matter in which any Designated Counsel jointly represented both (i) Sellers and (ii) any Company, if applicable, neither the attorney-client privilege, the expectation of client confidence, nor any right to any other evidentiary privilege or any work product doctrine will protect against or prevent disclosure by such Designated Counsel to Sellers or an Affiliate of Sellers of any information or documents developed or shared during the course of any such joint representation.

SECTION 11.13 Non-Recourse. Each Party hereto acknowledges and agrees that except as otherwise expressly provided herein, this Agreement may be enforced only against, and any claims or causes of action for breach of this Agreement may be made only against, the entities that are expressly identified as Parties to this Agreement and no other Person (each, a "***Non-Recourse Party***") shall have any liability for any obligations or liabilities of any Party to this Agreement for any claim (whether in contract or tort, at law or in equity, or based upon any theory that seeks to impose liability of an entity party against its owners or Affiliates) for any obligations or liabilities arising under, in connection with or related to this Agreement, any claim based on, in respect of, or by reason of this Agreement or the other Transaction Agreements or the preparation, negotiation of executing thereof, or in respect of any oral or other representations made or alleged to be made in connection herewith; provided that the other Transaction Agreements shall be enforceable against the parties thereto in accordance with the terms thereof (and nothing in this Section 11.13 shall limit any Retained Claims (as defined in the Limited Guarantee)). Notwithstanding anything to the contrary contained in this Agreement, each Non-Recourse Party is an intended third-party beneficiary of, and shall be entitled to the protections of, this provision.

SECTION 11.14 Debt Financing Sources. Notwithstanding anything to the contrary contained in this Agreement, each of the Parties: (a) agrees that it will not bring or support any Person in any Claim of any kind or description, whether at law or in equity, whether in contract or in tort or otherwise, against any of the Debt Financing Related Parties in any way relating to this Agreement or any of the Transactions, including, but not limited to, any dispute arising out of or relating in any way to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby, in any forum other than the Supreme Court of the State of New York,

County of New York, or, if, under applicable law, exclusive jurisdiction is vested in the Federal courts, the United States District Court for the Southern District of New York sitting in New York County (and appellate courts thereof); (b) agrees that, except as specifically set forth in any provision of the Debt Commitment Letter that provides that the law governing this Agreement shall prevail, all claims or causes of action (whether at law, in equity, in contract, in tort or otherwise) against any of the Debt Financing Related Parties in any way relating to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby, shall be exclusively governed by the State of New York, without giving effect to principles or rules of conflicts of laws to the extent such principles or rules would require or permit the application of laws of another jurisdiction; and (c) hereby irrevocably and unconditionally waives any right such Party may have to a trial by jury in respect of any litigation (whether at law or in equity, whether in contract or in tort or otherwise) directly or indirectly arising out of or relating in any way to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby. Notwithstanding anything to the contrary contained in this Agreement, subject to the rights of the parties to the Debt Commitment Letter, (i) the Parties hereby acknowledge and agree that no party hereto or any of its or their respective Affiliates, directors, officers, employees, agents, partners, managers, members or equityholders (A) shall have any rights or claims against any Debt Financing Related Party in any way relating to this Agreement, the Debt Financing, the Debt Commitment Letter or in respect of any other document or any of the Transactions, or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby, whether at law or in equity, in contract, in tort or otherwise and (B) agrees not to commence any Claim against any Debt Financing Related Party in connection with this Agreement, the Debt Financing, the Debt Commitment Letter or any of the Transactions, or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby, and (ii) no Debt Financing Related Party shall have any liability (whether in contract, in tort or otherwise) to any Party hereto and its or their respective Affiliates, directors, officers, employees, agents, partners, managers, members, representatives or equityholders for any obligations or liabilities of any Party hereto under this Agreement or for any claim based on, in respect of, or by reason of, the Transactions or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Commitment Letter or the performance thereof or any financing contemplated thereby, whether at law or in equity, in contract, in tort or otherwise. Notwithstanding anything to the contrary contained in this Agreement, the Debt Financing Related Parties are intended third-party beneficiaries of, and shall be entitled to the protections of, this provision.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party as of the date first above written.

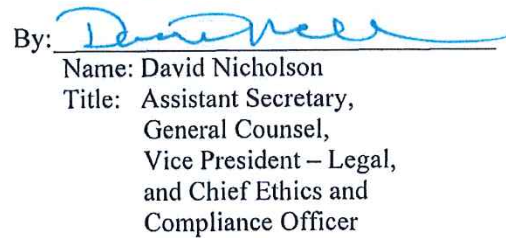
EMERA US HOLDINGS INC.

By:
Name: David Nicholson
Title: President

By:______________________________
Name: Greg Blunden
Title: Chief Financial Officer

TECO HOLDINGS, INC.

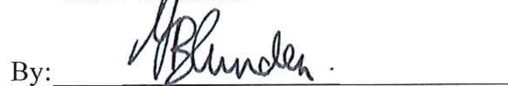
By:______________________________
Name: Greg Blunden
Title: Chief Financial Officer and Treasurer

By: 
Name: David Nicholson
Title: Assistant Secretary, General Counsel, Vice President – Legal, and Chief Ethics and Compliance Officer

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each Party as of the date first above written.

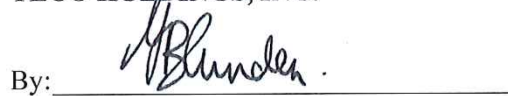
EMERA US HOLDINGS INC.

By:____________________________
Name: David Nicholson
Title: President



By:____________________________
Name: Greg Blunden
Title: Chief Financial Officer

TECO HOLDINGS, INC.



By:____________________________
Name: Greg Blunden
Title: Chief Financial Officer and Treasurer

By:____________________________
Name: David Nicholson
Title: Assistant Secretary, General Counsel, Vice President – Legal, and Chief Ethics and Compliance Officer

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SATURN UTILITIES HOLDCO, LLC

Signed by:

By: Jeffrey M. Baudier

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Name: Jeffrey M. Baudier
Title: President

EXHIBIT A

Illustrative Net Working Capital

[See Attached]

Exhibit A

"Net Working Capital" means (without duplication), as of any time of determination, an amount (expressed as a positive or negative number) equal to (a) the aggregate value of all current assets of the Companies, minus (b) the aggregate value of all current liabilities of the Companies, in each case, calculated on a consolidated basis in accordance with the Accounting Principles and the illustrative example as of March 31, 2024 in Exhibit A; provided, consistent with the methodology set forth in Exhibit A, Net Working Capital shall exclude Cash, Income Tax assets, deferred Tax assets, Income Tax liabilities and deferred Tax liabilities, any operating lease liabilities recorded in accordance with ASC 842, Indebtedness, Seller Transaction Expenses and any prepaid or other assets that are not transferring with the Companies or the Business. Net Working Capital shall also exclude all receivables or payables exclusively between or among the Companies.

Illustrative Net Working Capital Calculation as of March 31, 2024

	US$000	A/C#	Mar-24	
	Cash and cash equivalents		7,321	
	Receivables. less allowance for uncollectibles		69,057	
	Current regulatory assets		2,662	
	Materials and supplies		5,132	
	Gas inventory		1,942	
	Prepayments and other current assets		5,973	
	Current derivative assets		-	
	Current assets		92,087	Current Assets
	Accounts payable		(37,801)	
	Long-term debt due within one year		-	
	Notes payable		-	
	Customer deposits		(11,346)	
	Other current liabilities		(9,389)	
	Current regulatory liabilities		(7,588)	
	Taxes accrued		(11,185)	
	Interest accrued		(5,320)	
	Current derivative liabilities		-	
	Current liabilities		(82,629)	Current Liabilities
	Reported NWC		**9,459**	
	Definitional adjustments:			
1	Cash		(7,321)	Exclude Cash
2	Income Tax Assets		-	Exclude Income Tax assets, deferred Tax assets, Income Tax liabilities and deferred Tax liabilities
3	Deferred Income Tax Assets		-	
4	Income Tax Liabilities		7,081	
5	Deferred Income Tax Liabilities		-	
6	Operating lease liabilities		186	Exclude ASC 842 operating lease liabilities
i	Long-term debt due within one year		-	
ii	Revolving credit facility		-	
iii	Accrued STI		1,962	
iv	Deferred compensation		1,597	
v	Accrued long-term incentives		717	
vi	Any amounts related to the employer's portion of any applicable Employer Payroll Taxes due with respect to the amounts payable pursuant to clauses (e), (f), (g), or (h) of Indebtedness		[ ]	
vii	Interest accrued		5,224	
7	Indebtedness		9,500	Exclude Indebtedness
8	Seller transaction expenses		-	Exclude Seller Transaction Expenses
i	Prepaid Insurance - Other		(914)	Exclide prepaid/other assets not transferring with the Companies
ii	Prepaid Short-term Debt Facility Fees		(337)	
iii	Placeholder for other prepaids/assets not transferring			
9	Prepaid or Other Assets not transferring with the Companies Business		(1,251)	Exclide prepaid/other assets not transferring with the Companies
i	Trade payable - Intercompany		2,086	
ii	Dividend payable-Intercompany (RECON)		-	
iii	Exclude VEBA intercompany receivable		(552)	
iv	Trade receivable - Intercompany		(53)	
10	Intercompany (receivables)/payables, net		1,480	Exclude Intercompany (receivables or payables exclusively between or among the Companies)
	Definitional adjustments		9,675	
	Closing Net Working Capital		**19,134**	

EXHIBIT B

Form of Transition Services Agreement

[See Attached]

Exhibit Form

TRANSITION SERVICES AGREEMENT

among

EMERA INC.,

NEW MEXICO GAS COMPANY, INC.,

TECO ENERGY, LLC,

and

NEW MEXICO GAS INTERMEDIATE, INC.

Dated as of [___]

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Schedule A Transitional Services

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (this "**Agreement**"), dated as of the ___ day of [•] is made and entered into by and among **Emera Inc.**, a Nova Scotia corporation ("**Emera**" and, together with its Affiliates which provide services hereunder, the "**Service Providers**"), and **New Mexico Gas Company, Inc.**, a Delaware corporation ("**NMGC**"), **TECO Energy, LLC**, a Florida limited liability company ("**Target Company**"), and **New Mexico Gas Intermediate, Inc.**, a Delaware corporation ("**NMGI**" and, together with the Target Company, NMGC and their respective Subsidiaries, the "**Recipients**"). The Service Providers and the Recipients are sometimes referred to herein individually as a "**Party**" and, collectively, as the "**Parties.**"

RECITALS

WHEREAS, pursuant to the Purchase and Sale Agreement (as defined below), Saturn Utilities Holdco, LLC, a Delaware limited liability company ("**Buyer**"), is acquiring, directly or indirectly, from Sellers one hundred percent (100%) of the Equity Interests of the Target Company, which is the direct or indirect owner of one hundred percent (100%) of the Equity Interests of NMGC and NMGI;

WHEREAS, prior to the Closing Date, the Recipients received certain services from the Service Providers and the Recipients desire that, from and after the Closing Date, certain of such services continue to be provided by the Service Providers to the Recipients upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the Purchase and Sale Agreement contemplates that concurrently with the consummation of the transactions contemplated by the Purchase and Sale Agreement, the Parties will enter into this Agreement pursuant to which the Service Providers will, during the Term (as defined below), provide certain transitional services to the Recipients as set out herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows.

ARTICLE 1
INTERPRETATION

1.1 Certain Defined Terms. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Purchase and Sale Agreement. As used in this Agreement, the following terms have the respective meanings given below.

"**Agreement**" has the meaning ascribed thereto in the Preamble.

"**Buyer**" has the meaning ascribed thereto in the Recitals.

"**Confidential Information**" has the meaning ascribed thereto in Section 7.4(a).

"**Dependent Services**" means, with respect to any specified Transitional Service, those certain Transitional Services that are dependent on the continuation of such specified Transitional Service

or would be adversely affected by the termination or suspension of such specified Transitional Service.

"**Emera**" has the meaning ascribed thereto in the Preamble.

"**Force Majeure**" has the meaning ascribed thereto in Section 7.1.

"**Lookback Period**" has the meaning ascribed thereto in Section 2.1(a).

"**NMGC**" has the meaning ascribed thereto in the Preamble.

"NMGI" has the meaning ascribed thereto in the Preamble.

"**Non-Reimbursable Damages**" has the meaning ascribed thereto in Section 6.3(a).

"**Omitted Service**" has the meaning ascribed thereto in Section 2.1(b).

"**Party**" and, collectively, as the "**Parties**" have the meaning ascribed thereto in the Preamble.

"**Purchase and Sale Agreement**" means that certain Purchase and Sale Agreement, dated as of August 5, 2024, by and among Emera US Holdings Inc., a Delaware corporation, TECO Holdings, Inc., a Florida corporation, and Buyer, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Recipient Data**" has the meaning ascribed thereto in Section 7.5(b).

"**Recipient Indemnified Parties**" has the meaning ascribed thereto in Section 6.1(b).

"**Recipient Systems**" has the meaning ascribed thereto in Section 7.5(b).

"**Recipients**" has the meaning ascribed thereto in the Preamble.

"**Sales and Services Taxes**" has the meaning ascribed thereto in Section 4.5.

"**Schedule A**" means Schedule A attached to this Agreement.

"**Service Provider Data**" has the meaning ascribed thereto in Section 7.5(a).

"**Service Provider Indemnified Parties**" has the meaning ascribed thereto in Section 6.1(a).

"**Service Provider IT Incident**" has the meaning ascribed thereto in Section 7.5(a).

"**Service Provider Systems**" has the meaning ascribed thereto in Section 7.5(a).

"**Service Providers**" has the meaning ascribed thereto in the Preamble.

"**Target Company**" has the meaning ascribed thereto in the Preamble.

"**Term**" means the period commencing on the Closing Date until the date that is twelve (12) months from the Closing Date, or, if earlier, the date all Transitional Services have been cancelled or completed pursuant to Section 2.5; provided, that notwithstanding anything to the contrary herein (except as otherwise specified in Schedule A for any particular Transitional Service), the Recipients in their sole discretion may elect to extend any Transitional Service for up to an additional six (6) months upon at least sixty (60) days' prior written notice to Service Providers; provided, further, that the pricing for such extended Transitional Service shall be equal to the Service Providers' actual cost to provide such extended Transitional Service plus five percent (5%).

"**Third-Party Provider**" has the meaning ascribed thereto in Section 2.2.

"**Transitional Services**" has the meaning ascribed thereto in Section 2.1(a).

1.2 References, Gender and Number. All references in this Agreement to an "Article," "section" or "subsection" shall be to an Article, section or subsection of this Agreement, unless the context requires otherwise. Unless the context otherwise requires, the words "this Agreement," "hereof," "hereunder," "herein," "hereby" or words of similar import shall refer to this Agreement as a whole and not to a particular Article, section, subsection, clause or other subdivision hereof. Whenever the context requires, the words used herein shall include the masculine, feminine and neutral gender and the singular and plural.

1.3 Interpretation and Rules of Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall not be construed against any Party, and no consideration shall be given or presumption made, on the basis of who drafted this Agreement or any particular provision hereof or who supplied the form of Agreement. In construing this Agreement:

(a) examples shall not be construed to limit, expressly or by implication, the matter they illustrate;

(b) the word "includes" and its derivatives means "includes, but is not limited to" and corresponding derivative expressions;

(c) a defined term has its defined meaning throughout this Agreement, in the Schedules to this Agreement, regardless of whether it appears before or after the place where it is defined;

(d) **Schedule** A is a part of this Agreement, but, in the event of any conflict or inconsistency between the main body of this Agreement and **Schedule** A, the provisions of the main body of this Agreement shall prevail; and

(e) the headings and titles herein are for convenience only and shall have no significance in the interpretation hereof.

ARTICLE 2
TRANSITIONAL SERVICES

2.1 Transitional Services.

(a) Upon the terms and subject to the conditions contained herein, the Service Providers shall, following the Closing until the expiration of the Term, perform for the Recipients or provide the performance of, for the benefit of the Recipients, all services identified in **Schedule** A to be provided by the applicable Service Provider identified in **Schedule** A in substantially the same manner as those services have been provided during the twelve (12)-month period immediately preceding the Closing Date (the "**Lookback Period**") (collectively, the "**Transitional Services**"), unless sooner cancelled or terminated by a Party as provided herein.

(b) Notwithstanding anything in this Agreement to the contrary, if within the sixty (60)-day period following the date hereof any Recipient identifies any service provided by the Service Providers to the Business and such Recipient during the Lookback Period that was omitted from **Schedule** A (each, an "**Omitted Service**"), then such Recipient may provide written notice thereof to the Service Providers requesting that the Service Providers provide, or cause to be provided, such service; provided that any Recipient may notify the Service Providers of an Omitted Service outside of the sixty (60)-day period following the date hereof if such Recipient first became aware of the need for such Omitted Service after such sixty (60)-day period (*e.g.*, services provided on a periodic or ad-hoc basis outside of the sixty (60)-day period). Upon receipt of such notice, the Parties shall work together in good faith using commercially reasonable efforts to come to an agreement regarding the provision of such Omitted Service, including the scope and pricing for such Omitted Service. In the event the Parties agree to the provision of such Omitted Service in accordance with the foregoing, such Omitted Service shall be deemed to be automatically added to **Schedule** A as a Transitional Service for purposes of this Agreement; provided, that the pricing for such Omitted Service shall be equal to the Service Providers' actual cost to provide such Omitted Service plus five percent (5%).

(c) Each Service Provider shall consider in good faith any reasonable requests of any Recipient to reduce the scope of a Transitional Service, and to the extent the applicable Service Provider and applicable Recipient reach agreement on the reduction in the scope of any Transitional Service, such Service Provider and such Recipient shall cooperate to appropriately amend **Schedule** A in writing.

(d) In the event that the Service Providers modify, substitute, supplement or otherwise alter services provided to such Service Providers' businesses that are similar to the Transitional Services, the Service Providers may make similar modifications, substitutions, supplements or other alterations to any Transitional Service provided to the Recipients, including changing Third-Party Providers (as defined below); provided that, any such modification, substitution, supplement or other alteration may not (i) materially disrupt the Business of the Recipients or (ii) be undertaken with the intent or purpose of disadvantaging the Recipients or diminishing the quality of the Transitional Services provided to the Recipients in any material respect. Each Service Provider shall furnish to each Recipient substantially the same notice, if any, as such Service Provider furnishes to its own organization. For the avoidance of doubt, any incremental cost increases in connection with the provision of Transitional Services as a result of

such modification, substitution, supplement or other alteration shall be borne by the Service Providers, and any such modification, substitution, supplement or other alteration, or any temporary suspensions or interruptions to the Transitional Services arising out of any Service Provider or Third-Party Provider's system maintenance activities, will not be considered a breach of this Agreement.

2.2 Third-Party Providers. Provided that it is consistent with the standard of care set forth in Section **2.3**, any Service Provider may arrange for the services of experts, consultants, advisers, and other persons with necessary qualifications as are required for the provision of Transitional Services (each, a "**Third-Party Provider**") (a) without the prior written consent of the applicable Recipient if such Third-Party Provider (i) was being used to provide such Transitional Services to such Recipient during the Lookback Period or (ii) was or is engaged by any Service Provider to provide substantially the same type of Transitional Services to such Service Provider's business, or (b) in all other cases, with the prior written consent of the Recipients, not to be unreasonably withheld, conditioned or delayed.

2.3 Standard of Care. Unless otherwise agreed by the Parties, each of the Service Providers shall perform or, to the extent permitted herein, cause to be performed, all Transitional Services to be provided by it hereunder (a) in a professional and workmanlike manner with appropriate and qualified personnel and in compliance with applicable Law and (b) with a standard of care that is substantially consistent with the provision thereof to the Recipients during the Lookback Period (including with respect to quality, skill, performance, diligence and timeliness). Notwithstanding the foregoing, the Service Providers shall not be required to consult with third-party legal, accounting or other professional advisors as they may have done prior to the Closing unless the Recipients have agreed to reimburse the applicable Service Provider for the out-of-pocket costs and expenses associated with such consultation pursuant to Section **4.1**.

2.4 Requests for Services and Communications. The Service Providers shall be entitled to rely upon the oral and written communications and requests made with regard to this Agreement by the Recipients and their employees who request Transitional Services; provided, that such communications and requests may not amend the terms of this Agreement.

2.5 Cancellation and Completion of Services.

(a) Subject to Section **2.5**(b), any Recipient may cancel any part or all of a Transitional Service that it is receiving from any Service Provider prior to the end of the Term by providing at least 30 days' prior written notice to the Service Provider of its decision to cancel such Transitional Service. Upon any such cancellation, such Recipient shall be responsible for (i) costs incurred in respect of such cancelled Transitional Services prior to the end of such 30-day period in accordance with the terms of Section **4.1**, and (ii) any incremental, documented, out-of-pocket costs, charges and expenses of any kind incurred with respect to such Transitional Service or to the extent resulting from such early cancellation, including for commitments made to, or in respect of, personnel or Third-Party Providers to provide such Transitional Service through the applicable period for such Transitional Service, costs related to terminating such commitments, or prepaid expenses related to such Transitional Service; provided, that the Service Providers shall use commercially reasonable efforts to mitigate any costs associated with the termination of any Transitional Service. The Recipients and the Service Providers shall cooperate as reasonably

required to effectuate an orderly and systematic transfer to the Recipients of all of the duties and obligations previously performed by or on behalf of the Service Providers under this Agreement.

(b) Notwithstanding anything herein to the contrary, in the event that any Recipient delivers a cancellation notice for any of the Transitional Services, (i) the applicable Service Provider may, within ten (10) Business Days following its receipt of such cancellation notice, provide the applicable Recipient with written notice of all applicable Dependent Services, (ii) within ten (10) Business Days of such Recipient's receipt of the foregoing notice, the Recipient may provide notice of its withdrawal of its cancellation notice and (iii) if such Recipient does not withdraw its cancellation notice within such ten (10) Business Day period, the Dependent Services shall automatically terminate upon the effective date of the cancellation of such cancelled Transitional Service.

ARTICLE 3
DIRECTION OF EMPLOYEES; NO AGENCY; REQUESTS FOR SERVICES

3.1 Direction of Employees. Notwithstanding anything herein to the contrary, employees, independent contractors, agents, temporary employees and consultants of the Service Providers providing Transitional Services hereunder shall at all times be and remain representatives of the Service Providers, as applicable, in their performance of the Transitional Services and shall be independent from the Recipients and not employees of the Recipients and shall not be entitled to any payment, benefit or perquisite directly from the Recipients on account of such Transitional Services. The Service Providers shall be responsible for directing and supervising the activities of their respective representatives in their performance of the Transitional Services. The Service Providers shall be solely responsible for the payment of all wages, bonuses, commissions, benefits, and any other direct or indirect compensation (and the employer portion of any payroll of similar taxes thereon) for their own personnel, including those personnel involved in the delivery of the Transitional Services.

3.2 No Agency. This Agreement shall not create a joint venture, partnership, employment, or agency relationship between any Recipient, on one hand, and any Service Provider, on the other, nor shall any Party hereto (and its respective Affiliates) have the authority to bind, to contract in the name of or create a liability against any other Party hereto in any respect, except as otherwise provided herein. In their provision of the Transitional Services hereunder, the Service Providers shall act under this Agreement solely as independent contractors and not as agents of the Recipients.

ARTICLE 4
THE SERVICE PROVIDER'S FEES AND EXPENSES

4.1 Service Providers' Fees and Expenses. During the Term, each Recipient shall pay to the applicable Service Provider the applicable compensation set forth on **Schedule** A for each Transitional Service being provided by it hereunder (unless earlier cancelled pursuant to Section **2.5**). Each Service Provider shall render detailed invoices for the Transitional Services it provides or payments due to it under this Agreement on a monthly basis (which invoices shall include the applicable Transitional Services rendered, the net amount due by the Recipients, the Sales and Services Taxes in accordance with Section **4.5**, and the basis for calculation and

allocation of such amounts), and shall deliver such invoices within thirty (30) days of the last day of the month in which such Transitional Services were provided. All undisputed invoices shall be paid by wire transfer, free and clear of any deduction or withholding for taxes or for any other reason, in accordance with the wire transfer instructions provided by the Service Provider (in writing to the Recipients) not later than thirty (30) days following receipt by a Recipient of such Service Provider's invoice.

4.2 Payment Disputes. In the event that any Recipient in good faith disputes any invoice or portion thereof, such Recipient shall pay the undisputed portion of the invoice and provide the applicable Service Provider written notice of the disputed amounts no later than the date on which such payment would otherwise be due hereunder together with a statement of the particulars of the dispute, including the calculations with respect to any errors or inaccuracies claimed. The Service Provider and the Recipient shall cooperate and use their commercially reasonable efforts to resolve any such disputes. The Recipients shall have the right to review all applicable source documentation concerning the liabilities, costs, and expenses upon reasonable prior notice to the applicable Service Provider and during regular business hours.

4.3 Interest. If any Recipient fails to pay any of the Service Providers any undisputed amount due by a due date as set out in this Agreement (or otherwise determined by any dispute resolution process), interest shall accrue and be payable on that amount at an annual rate equal to the prime rate of Scotiabank applicable from time to time plus one and a half percent (1.5%), compounded monthly from and including the due date to, but excluding, the date payment is made.

4.4 Books and Records. Each of the Service Providers shall keep and maintain true and correct books, accounts and other documents, in each case, to the extent related to the provision of the Transitional Services it provides hereunder, consistent with historical practices during the Term. In the event any Recipient reasonably believes any Service Provider has overcharged the Recipient hereunder, subject to applicable Law and any confidentiality obligations, such Recipient shall have the right, at its own expense and on no less than five (5) Business Days' prior written notice to the Service Providers, to, or to appoint an independent auditor reasonably acceptable to the Service Providers (who has executed an appropriate confidentiality agreement reasonably acceptable to the Service Providers) to, receive copies of such records or to inspect and audit such books, accounts and other documents during regular office hours on a mutually agreed-upon date solely for the purpose of verifying the amounts invoiced to such Recipient hereunder; provided that (a) the Recipients may exercise such audit right no more than once within each calendar quarter, (b) any such audit shall not unreasonably interfere with the operation of the Service Providers' businesses and (c) no records, books, accounts or other documents may be audited more than one time. In connection with performance of an audit under this Section **4.4**, the Service Providers shall use commercially reasonable efforts to assist and cooperate with the applicable Recipient and its auditors, including providing reasonable access to data, documentation, information, personnel, records and systems as reasonably requested by the applicable Recipient or its auditors, in each case to facilitate the timely completion of the audit. The Recipient shall provide to the Service Providers a copy of each such audit report promptly after its receipt thereof. In the event any such audit reveals any overcharge by Service Providers, Service Providers shall promptly (and in no more than ten (10) Business Days) refund such overcharge to such Recipient.

4.5 Sales Taxes. Any sales, use, value added, goods and services, or other similar Taxes (but not including any Taxes based upon or calculated by reference to net or gross income, receipts or capital (or Taxes imposed upon Service Providers in lieu of such Taxes)) imposed on Service Providers with respect to the sale, performance, provision or delivery of Transitional Services ("**Sales and Services Taxes**") will be payable by the Recipients to the applicable Service Provider. The estimated amounts set forth for each Transitional Service on **Schedule** A do not include Sales and Services Taxes, and such Sales and Services Taxes will be separately stated on the relevant invoice to NMGC. The applicable Service Provider, with the cooperation of the Recipients, shall timely prepare and file all Tax Returns required to be filed with any Governmental Authority with respect to such Sales and Services Taxes and pay such Sales and Services Taxes to the applicable Governmental Authority. Service Providers and the Recipients shall cooperate in good faith to minimize, to the extent permissible under applicable Law, the imposition of any Sales and Services Taxes.

ARTICLE 5
TERMINATION

5.1 Breach of Agreement. If either any Recipient or any Service Provider shall have breached any material obligation to the other under this Agreement, and does not cure such default within thirty (30) days after receiving written notice thereof from the other Party, the non-defaulting Party may terminate any particular Transitional Service or this Agreement with respect to the Transitional Services provided by such Service Provider by providing the defaulting Party a written notice of termination and may pursue any other remedies available at law or in equity.

5.2 Sums Due. In the event of a termination of this Agreement with respect to any Service Provider pursuant to Section **5.1**, the Recipients and the applicable Service Provider shall be entitled to all outstanding amounts due, including reimbursement of documented, out-of-pocket expenses incurred in accordance with the terms of this Agreement prior to such termination, from the other Party up to the date of termination.

5.3 Survival. The provisions of Articles **6** and **7** shall survive the termination of this Agreement.

ARTICLE 6
INDEMNIFICATION

6.1 Indemnification.

(a) Subject to the limitations provided in this **Article** 6, the Recipients shall indemnify, defend, reimburse and hold harmless each of the Service Providers, Third-Party Providers, and their respective Affiliates, and any of their respective directors, officers or employees, consultants or agents and successors and assigns ("**Service Provider Indemnified Parties**") from and against all Losses (including amounts paid in settlement with the approval of the Recipients) incurred by any Service Provider Indemnified Party caused by, resulting from or arising out of or in connection with any third party claims arising from (i) the provision of the Transitional Services, and (ii) the Recipients' or their Affiliates' gross negligence, willful misconduct, Fraud, violation of applicable Law or material breach of this Agreement; provided,

that the Recipients shall not be responsible for any such Losses to the extent that such Losses are caused by, result from or arise out of or in connection with a Service Provider Indemnified Party's gross negligence, willful misconduct, Fraud, violation of applicable Law or material breach of this Agreement.

(b) Subject to the limitations provided in this **Article** 6, Service Providers shall, on a joint and several basis, indemnify, defend, reimburse and hold harmless the Recipients and their Affiliates, and any of its or their respective directors, officers or employees, consultants or agents and successors and assigns ("**Recipient Indemnified Parties**") from and against all Losses (including amounts paid in settlement with the approval of Service Providers) incurred by any Recipient Indemnified Party caused by, result from or arise out of or in connection with any third party claims arising from the Service Providers' gross negligence, willful misconduct, Fraud, violation of applicable Law or material breach of this Agreement; provided, that the Service Providers shall not be responsible for any such Losses to the extent that such Losses are caused by, result from or arise out of or in connection with a Recipient Indemnified Party's gross negligence, willful misconduct, Fraud, violation of applicable Law or material breach of this Agreement.

(c) The foregoing rights of indemnification shall not be exclusive of any other rights to which any of the Service Providers, any other Service Provider Indemnified Party, the Recipients or any other Recipient Indemnified Party may be entitled as a matter of law or equity.

6.2 Indemnification Procedures.

The provisions of Sections 10.7 and 10.8 of the Purchase and Sale Agreement are hereby incorporated, *mutatis mutandis*, for purposes of governing the procedures for indemnification under this Article 6.

6.3 Limitations.

(a) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, WITH THE EXCEPTION OF CLAUSES (I) AND (II) BELOW, NO PARTY SHALL BE LIABLE FOR SPECIAL, PUNITIVE, CONSEQUENTIAL, INDIRECT OR EXEMPLARY DAMAGES OR LOST PROFITS OTHER THAN TO THE EXTENT ACTUALLY PAID TO A THIRD PARTY, WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY, OTHER LAW OR OTHERWISE AND WHETHER OR NOT ARISING FROM THE OTHER PARTY'S SOLE, JOINT OR CONCURRENT NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT ("**NON-REIMBURSABLE DAMAGES**"). FOR PURPOSES OF THE FOREGOING, THE FOLLOWING ARE NOT NON-REIMBURSABLE DAMAGES: (I) ANY AMOUNTS PAYABLE TO THIRD PARTIES PURSUANT TO A THIRD-PARTY CLAIM, AND (II) ANY LOSSES INCURRED OR SUFFERED BY A PARTY RESULTING FROM THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, VIOLATION OF APPLICABLE LAW OR FRAUD OF THE OTHER PARTY.

(b) Any and all Claims in connection with any Transitional Service shall be made, if at all, within twelve (12) months after the expiration of the Term. Thereafter no Claims

shall be made against the Service Providers or the Recipients, except with respect to any Claim theretofore the subject of a notice of Claim.

(c) Notwithstanding anything in this Agreement or the Purchase and Sale Agreement to the contrary, in no event shall any Party's aggregate liability under this Agreement, exceed the aggregate fees paid or payable to the Service Providers pursuant to this Agreement; provided, that this Section **6.3**(c) shall not limit (i) either Party's liability arising out of or resulting from a Party's gross negligence, willful misconduct, violation of applicable Law, or fraud, (ii) either Party's indemnification obligations set forth in Section **6.1**, and (iii) any fees and expenses the Recipients owe the Service Providers in connection with the provision of the Transitional Services.

ARTICLE 7
OTHER PROVISIONS

7.1 Force Majeure. No Party will be liable or deemed to be in breach or default under this Agreement to the extent resulting from any failure or delay in the performance of any of its obligations under this Agreement for the time and to the extent such failure or delay is caused by a Force Majeure event; the Party so affected by Force Majeure shall be excused and relieved from performing or complying with such obligations for the period such event of Force Majeure subsists but only to the extent that the Force Majeure continues to render the Party unable to perform the relevant obligation. In such events, the affected Party will promptly inform the other Party of the Force Majeure event together with documents of proof and the expected duration of the Force Majeure event. The affected Party shall not be liable for any Losses of, or incurred by, the other Party in respect of or relating to such Force Majeure and such Party's failure to perform or comply with such obligations during the continuance of and to the extent of the inability caused from and after the invocation of Force Majeure. If a Force Majeure event limits but does not wholly prevent a Service Provider from providing any Transitional Service, such Service Provider shall allocate limited capacity pro rata on the basis of the relative volumes of services consumed by the Business and the Recipients and such Service Provider's business. The Service Providers shall treat the Business in the same manner as their own businesses with respect to suspension of services during, and restoration of services after, the occurrence of a Force Majeure event. For the purposes of this Section **7.1**, the term "**Force Majeure**" means any act, event, cause or condition that is beyond the affected Party's reasonable control (or any Person acting on such Party's behalf) and which by the exercise of due diligence such Party could not have prevented or overcome, including, without limitation, acts of God, decrees or restraints of any Governmental Authority in response thereto, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, strikes or other labor disturbances and acts, omissions or delays in acting by the other Party.

7.2 Disputes. In the event that a dispute shall arise between any Recipient and any Service Provider relating to the interpretation or operation of this Agreement, prior to instituting any action pursuant to Section **7.3**(b), senior officers of the Recipient and the Service Provider shall meet promptly and shall act in good faith to attempt to resolve such dispute. If such senior officers cannot resolve the dispute within ten (10) Business Days, such Recipient or such Service Provider may institute an action pursuant to Section **7.3**(b).

7.3 Governing Law; Venue; and Jurisdiction.

(a) This Agreement, any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement, shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such state.

(b) THE PARTIES HEREBY IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE DELAWARE CHANCERY COURT (OR, IF THE DELAWARE CHANCERY COURT SHALL BE UNAVAILABLE, ANY OTHER COURT OF THE STATE OF DELAWARE, OR IN THE CASE OF CLAIMS TO WHICH THE FEDERAL COURTS HAVE EXCLUSIVE SUBJECT MATTER JURISDICTION, ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF DELAWARE) IN ANY SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING SEEKING TO ENFORCE ANY PROVISION OF, OR BASED ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH, THIS AGREEMENT, AND EACH PARTY HEREBY CONSENTS TO THE JURISDICTION OF SUCH COURTS (AND OF THE APPROPRIATE APPELLATE COURTS THEREFROM) IN ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE, WHETHER IN TORT, CONTRACT OR OTHERWISE, TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT ANY SUCH SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING THAT IS BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. DURING THE PERIOD A LEGAL DISPUTE THAT IS FILED IN ACCORDANCE WITH THIS SECTION **7.3** IS PENDING BEFORE A COURT, ALL ACTIONS, SUITS OR PROCEEDINGS WITH RESPECT TO SUCH LEGAL DISPUTE OR ANY OTHER LEGAL DISPUTE, INCLUDING ANY COUNTERCLAIM, CROSS-CLAIM OR INTERPLEADER, SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT. EACH PARTY HEREBY WAIVES THE DEFENSE, AND SHALL NOT ASSERT AS A DEFENSE IN ANY LEGAL DISPUTE, THAT (A) SUCH ACTION, SUIT OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR (B) THE VENUE OF SUCH ACTION, SUIT OR PROCEEDING IS IMPROPER. A FINAL JUDGMENT IN ANY SUIT, DISPUTE, CLAIM, ACTION OR PROCEEDING DESCRIBED IN THIS SECTION **7.3** FOLLOWING THE EXPIRATION OF ANY PERIOD PERMITTED FOR APPEAL AND SUBJECT TO ANY STAY DURING APPEAL SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(c) EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT. EACH PARTY HEREBY ACKNOWLEDGES AND CERTIFIES (I) THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY SUIT, ACTION OR PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) IT

UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) IT MAKES THIS WAIVER VOLUNTARILY AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION **7.3**(c).

7.4 Confidentiality.

(a) Each Party shall maintain as confidential and shall not disclose (except to its Affiliates and its and their respective Representatives (including, with respect to the Service Providers, Third-Party Providers) who reasonably need to know such information in connection with the recipient Party's performance of its obligations under this Agreement, and have in turn been advised of the confidentiality obligation hereunder), copy or use for purposes other than the performance of this Agreement, any information that relates to the other Party's business affairs, trade secrets, technology, or research and development, in each case, disclosed to it for the purpose of carrying out this Agreement ("**Confidential Information**"). "**Confidential Information**" includes not only written or other tangible information, but also information transferred orally, visually, electronically or by other means. Each Party agrees to protect the Confidential Information of the other with the same degree of care a prudent person would exercise to protect its own confidential information and use commercially reasonable efforts to prevent the unauthorized, negligent or inadvertent use, disclosure or publication thereof. Any breach of confidentiality may cause irreparable damage and therefore, in addition to all other remedies available at law or in equity, the injured Party shall have the right to seek equitable and injunctive relief and to recover the amount of damages (including reasonable attorneys' fees and expenses) incurred in connection with such unauthorized use. The recipient Party shall be liable under this Agreement to the disclosing Party for any use or disclosure in violation of this Section **7.4** by its or its Affiliates' employees, attorneys, accountants or other advisors. The rights and obligations of the Parties hereunder with respect to any Confidential Information disclosed or obtained prior to termination or expiration of this Agreement shall survive for a period of eighteen (18) months following any termination or expiration of this Agreement or any return of Confidential Information under clause (c) below.

(b) Confidential Information does not include any information which: (i) is or becomes generally available to the public (other than as a result of any disclosure by a recipient Party or any of its Representatives in violation of this Section **7.4** or other obligations of confidentiality to a disclosing Party), (ii) is or becomes available to a recipient Party or its Representatives from a Person, other than a Party or any of their Representatives, who is not bound by an obligation of confidentiality to that Party with respect to such information, or (iii) is independently developed by the receiving Party or any of its Representatives without using any Confidential Information. The receiving Party may disclose the disclosing Party's Confidential Information (x) as is compelled to be disclosed to the extent required by applicable Law or Claim (provided that if permitted by Law, each Party agrees to give the other Party prior notice of such disclosure in sufficient time to permit such other Party to obtain a protective order should it so determine, and the Parties shall use commercially reasonable efforts to cooperate with any such effort by the other Party to obtain such protective order), (y) in connection with any litigation to which a Party is a party (provided that such Party has taken all reasonable actions to limit the scope

and degree of disclosure in any such litigation), and (z) in any Claim brought by a Party in pursuit of its rights or in the exercise of its remedies under this Agreement.

(c) Upon termination of this Agreement, each of the Parties agrees to return to the other all such Confidential Information of the other Party at the request of the disclosing Party, or, at the option of the recipient Party, destroy such Confidential Information; provided, however, that the receiving Party shall not be obligated to destroy Confidential Information that is contained in an archived computer system back up system stored as a result of automated backup procedures in the ordinary course or pursuant to bona fide document retention policies; provided, further, that such information is destroyed in accordance with the receiving Party's standard security or disaster recovery procedures. Notwithstanding any other provision of this Agreement, any such Confidential Information retained by the receiving Party shall be held subject to the terms of this Section **7.4** for so long as the receiving Party retains such Confidential Information. As between the Parties, all Confidential Information disclosed hereunder shall be and shall remain the sole and exclusive property of the disclosing Party.

7.5 Systems Access.

(a) Each Recipient shall, and shall cause its respective Affiliates to: (i) not access or attempt to obtain access to, use or interfere with any information technology systems or applications of any Service Provider or Third-Party Provider ("**Service Provider Systems**") or any data owned or controlled by any Service Provider ("**Service Provider Data**"), except to the extent required to do so to receive the Transitional Services, and then only in a manner consistent with this Agreement, (ii) not permit access to or use of the Service Provider Data or Service Provider Systems by a third party other than as authorized under this Agreement or otherwise in writing by the applicable Service Provider, (iii) maintain reasonable security measures to protect the Service Provider Systems to which it has access pursuant to this Agreement from access by unauthorized third parties, and from any "back door", "time bomb", "Trojan Horse", "worm", "drop dead device", "virus" or other computer software routine intended or designed to disrupt, disable, harm or otherwise impede in any manner the operation of such Service Provider Systems; (iv) not modify, disable, damage, erase, disrupt or impair the normal operation of the Service Provider Systems; and (v) comply with the security policies and procedures of the Service Providers that have been communicated to the Recipients (as may be updated from time to time in the ordinary course of business). Each Recipient shall promptly notify any Service Providers in the event it or any of its Representatives becomes aware of or suspects that there has been a breach of security or a loss, theft or unauthorized access, use or disclosure of any Service Provider Systems, Service Provider Data or Confidential Information of such Service Provider (collectively, "**Service Provider IT Incident**").

(b) Each Service Provider shall, and shall cause its respective Affiliates to: (i) not access or attempt to obtain access to, use or interfere with any information technology systems or applications of any Recipient ("**Recipient Systems**") or any data owned on controlled by any Recipient ("**Recipient Data**"), except to the extent required to do so to provide the Transitional Services, and then only in a manner consistent with this Agreement, (ii) not permit access to or use of the Recipient Data or Recipient Systems by a third party other than permitted Third-Party Providers or otherwise authorized under this Agreement or in writing by the applicable Recipient, (iii) maintain reasonable security measures to protect the Recipient Systems to which it

has access pursuant to this Agreement from access by unauthorized third parties, and from any "back door", "time bomb", "Trojan Horse", "worm", "drop dead device", "virus" or other computer software routine intended or designed to disrupt, disable, harm or otherwise impede in any manner the operation of such Recipient Systems; (iv) not modify, disable, damage, erase, disrupt or impair the normal operation of the Recipient Systems except as otherwise authorized under this Agreement in connection with the provision of the Transitional Services; and (v) comply with the security policies and procedures of the Recipients that have been communicated to such Service Provider (as may be updated from time to time in the ordinary course of business). Each Service Provider shall promptly notify any Recipient in the event it or any of its Representatives becomes aware of or suspects that there has been a breach of security or a loss, theft or unauthorized access, use or disclosure of any Recipient Systems, Recipient Data or Confidential Information of such Recipient.

(c) Each Recipient hereby acknowledges that (i) any Service Provider or Third-Party Provider may, in the ordinary course of business, update the Service Provider Systems, including those that may relate to the provision of the Transitional Services and (ii) any Service Provider or Third-Party Provider shall have the right to shut down temporarily for maintenance or upgrade purposes the operation of any facilities or Service Provider Systems providing any Transitional Service; provided, that in each case of the foregoing clauses (i) and (ii), the applicable Service Provider or Third-Party Provider shall provide advance notice consistent with the notice given to its own retained business units prior to the update or shut down; and provided further that no such update or shut down shall materially disrupt the operation of the business of any Recipient. In the case of the foregoing clause (ii), with respect to the Transitional Services dependent on the operation of such facilities or Service Provider Systems, the Service Providers and Third-Party Providers shall be relieved of their obligations hereunder to provide such Transitional Services during the period of time that such facilities or Service Provider Systems are so shut down or suspended in compliance with the express terms of this Agreement.

7.6 Intellectual Property. Each of the Service Providers agree that all programs, procedures and other intellectual property developed by the Service Providers through the provision of Transitional Services shall remain the property of the Recipients. During the Term of this Agreement, each Service Provider is hereby granted a limited, non-exclusive, royalty-free license to the use of all such programs, procedures and other intellectual property in connection with the provision of Transitional Services. All data, maps, plans, specifications, drawings, analyses, concepts, ideas, intellectual property (including trademarks, copyrights and patents) or other information or property furnished to the Service Providers by or on behalf of any Recipient shall remain the sole and exclusive property of such Recipient. Each of the Service Providers agree that such Recipient property will be used for no purpose other than for performing the Transitional Services (it being understood that a Service Provider shall have the right to grant a sublicense under the foregoing license to any Third-Party Provider for the sole purpose of providing Transitional Services hereunder).

7.7 Entire Agreement, Binding Effect and Assignment.

(a) This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

(b) This Agreement (including **Schedule A**) is the Transition Services Agreement referred to in the Purchase and Sale Agreement and constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. In the event of a conflict between this Agreement and the Purchase and Sale Agreement, the terms of the Purchase and Sale Agreement shall control.

(c) Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any of the Service Providers without the prior written consent of NMGC, or by any of the Recipients without the prior written consent of Emera. Notwithstanding the foregoing, any Service Provider may assign this Agreement and its rights hereunder without the prior written consent of NMGC to an Affiliate or to its successor entity in connection with the sale or transfer of its stock, all or substantially all of its assets to, or a merger or consolidation with another person. Any purported assignment which does not comply with the provisions of this Section **7.7**(c) shall be void and of no effect. No assignment shall relieve the assigning Party of its obligations hereunder.

7.8 Notices.

(a) Unless this Agreement specifically requires otherwise, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by email (when demonstrably transmitted from the email server of the sender and so long as such transmission does not generate an error message or notice of non-delivery), or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the Parties at the addresses specified below (or to such other address or email address as such Party may hereafter specify for the purpose by notice to the other Party hereto):

i. if to Service Providers:

Emera Inc.
5151 Terminal Road
Halifax, NS
B3J 1A1
Canada
Email: brian.curry@emera.com
Attn: Corporate Secretary

with a copy (which shall not constitute notice) to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
E-mail: william.aaronson@davispolk.com;
michael.gilson@davispolk.com
Attn: William Aaronson;
Michael Gilson

ii. if to the Recipients:

c/o Bernhard Capital Partners
400 Convention Street, Suite 1010
Baton Rouge, Louisiana 70802
Email: jeff@bernhardcapital.com;
lucie.kantrow@bernhard.com
Attn: Jeff Jenkins;
Lucie Kantrow

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main Street
Houston, Texas 77002
Email: wbenitez@kirkland.com;
robert.goodin@kirkland.com
Attn: William J. Benitez, P.C.;
Robert Goodin

(b) Notice given by personal delivery, mail or overnight courier pursuant to this Section **7.8** shall be effective upon physical receipt. Notice given by email pursuant to this Section **7.8** shall be effective as of the date of confirmed delivery if delivered before 5:00 p.m. Eastern Time if any Recipient is the recipient, or before 5:00 p.m. Atlantic Time if any Service Provider is the recipient, on any Business Day or the next succeeding Business Day if confirmed delivery is after 5:00 p.m. Eastern Time or Atlantic Time, as applicable, on any Business Day or during any non-Business Day.

7.9 Amendments. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party.

7.10 Severability. Each term, provision, covenant and restriction of this Agreement is severable. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be legal, valid and enforceable under applicable Law, but if any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future applicable Law, such provision will be fully severable, this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, and the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom. Upon any determination that any term or other provision is illegal, invalid or unenforceable under any present or future Law, there shall be added automatically as part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible so that the purposes of this Agreement are fulfilled to the greatest extent possible.

7.11 Third Party Beneficiaries. Except for the provisions of Sections **6.1** and **6.2** (which are intended for the benefit of the Persons identified therein), the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors or

permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person, including any employee, any beneficiary or dependents thereof, or any collective bargaining representative thereof. This Section **7.11** shall survive any termination of this Agreement.

7.12 Further Assurances. Each Party hereto shall, and shall cause their respective Affiliates to, from time to time and at all times hereafter, at the request of another Party hereto, but without further consideration, use commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable Law to execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonable required in order to fully perform and carry out the terms and intent hereof.

7.13 Remedies. Each Party hereby acknowledges that the rights of each Party contemplated hereby are special, unique and of extraordinary character and that, if any Party violates or fails or refuses to perform any covenant or agreement made by it herein, the non-breaching Party may be without an adequate remedy at Law. Notwithstanding anything to the contrary herein, if any Party violates or fails or refuses to perform any covenant or agreement made by such Party herein, without limiting or waiving in any respect any rights or remedies of a Party under this Agreement now or hereafter existing at Law, in equity or by statute, the non-breaching Party or Parties shall, subject to the terms hereof and in addition to any remedy at Law for damages or other relief, be entitled to seek specific performance of such covenant or agreement, an injunction against any violation or seek any other equitable relief, in each case, without proof of actual damages or otherwise. Each Party agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. The Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy.

7.14 Waiver. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

7.15 Counterparts, Execution. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Parties hereto. Until and unless each Party has received a counterpart hereof signed by the other Parties hereto, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Delivery of a counterpart hereof by e-mail attachment shall be effective as delivery of a manually executed original counterpart of this Agreement.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, this Agreement has been signed by or on behalf of each of the Parties as of the day first above written.

NEW MEXICO GAS COMPANY, INC.

By: ___________________________________
Name:
Title:

TECO ENERGY, LLC

By: ___________________________________
Name:
Title:

NEW MEXICO GAS INTERMEDIATE, INC.

By: ___________________________________
Name:
Title:

EMERA INC.

By: ______________________________________
Name:
Title:

Schedule A

Transitional Services[1]

Name of Service	Description of Services and Deliverables	Charge Methodology	Est. Annual Service Fees ($K)	Tampa Electric Service Amount	Emera Service Amount
Accounts Payable	Setting up (non-purchase order or remit to addresses only) vendors for payments; process invoices for payments to vendors; work with the business unit, purchasing and the Center of Excellence (COE) to resolve invoicing issues; cut and mail checks to vendors; address vendor payment inquiries; maintain disbursement authorization rules; process expense reports; positive pay files to banks; electronic payments such as wire and Automated Clearing House ("ACH") services as well as other banking transactions; manage the P-card statement receipt process; review and resolve goods receipt/invoice receipt activity (GR/IR); provide support for audits (internal & external); and provide patch testing (or other testing) as required by the COE.	Salaries and non-labor expenses are allocated using the AP Assessment factor	$181,000	$181,000	N/A
Legal: Claims	Field work related to claims is performed at NMGC. The services provided by TECO include use of a claims system, reconciliation of reported claims information to billing systems, and access to monthly and quarterly reports from the claims system to manage and report on claims activity. NMGC will need continued use of these systems or replacement systems in place prior to closing.	Salaries and non-labor expenses using the Claims Assessment factor	$11,000	$11,000	N/A

[1] All charges referenced herein shall be calculated consistent with historical practices.

Corporate Tax	Corporate Tax services include income tax-related services for federal and state compliance reporting; implementation of tax legislation and accounting changes, as needed; preparation and review of monthly close journal entries; reconciliation of all income tax general ledger balances and accounts to compliance reports filed; reconciling all tax general ledger accounts to cash payments and receipts; calculation of all income tax accounts for budgets, forecasts and long- term plans; preparation of external reporting requirements, including annual audited tax footnotes, annual FERC Form 2 reporting; regulatory tax support, including rate case support and expert witness, as required; general regulatory audit requests; tax controversy support services as required; tax research as required.	Direct	$270,000	$270,000	N/A
Legal: Compliance	Compliance services are primarily related to use of the AuditBoard system, which is used for various policy compliance processes such as ethics affirmations, anti-corruption attestations, conflicts of interest, and code of conduct, etc., compliance processes. NMGC will need continued use of these systems or replacement systems prior to closing.	Salaries and non-labor employee expenses allocated using MMM factor	$68,000	$68,000	N/A
Other Corporate Allocations: Emergency Management	TECO: Salaries and non-labor expenses (including facility space rent, lease, maintenance and desktop phone costs) to provide for hazard identification, assessments, impact analysis, developing plans and procedures, testing plans through a variety of types of exercises, training and education, writing reports, and managing systems in support of enterprise resilience.	Direct charged	$15,000	$15,000	N/A

Other HR: HRIS	TECO: System changes & testing (outline requirements, build test plans, evaluate impacts across ERP structure, test and implement); reporting (ad hoc, quarterly, monthly, annually); Regulatory (new hire, worker's comp), Total Pay Report, Vendor Transmissions (Benefits)	HRIS services are assessed based on headcount	$65,000	$65,000	N/A
Payroll	SOX audit; employment verification; payroll processing; time reporting; off cycle processing; tax payments and quarterly regulatory reporting; 3rd party remittance; year end reporting (W2, 1099, annual tax filings, finance & tax dept. reporting); company auto; regulatory compliance; system changes & testing (outline requirements, build test plans, evaluate impacts across ERP structure, test and implement); performance sharing & annual performance match processing; year start responsibilities (PTO/vacation, carryover, tax update, new limits for 401K, HSA, FSA, taxes, etc.)	Payroll Services are assessed using an assessment factor based on headcount by affiliate. Services provided are the same for all affiliates.	$230,000	$230,000	N/A
Procurement: Admin	Salaries and non-labor expenses (including facility space rent, lease, maintenance, & desktop phone costs) to provide strategic leadership on procurement activities to procure goods and services. Develop, maintain and administer procurement policies and procedures with consistent and standardized processes to support the procurement life cycle.	Procurement is assessed based on the PO Assessment factor determined by the purchase order count by company.	$6,000	$6,000	N/A
Procurement: Inventory Management	Salaries and non-labor expenses to procure goods and materials, develop & initiate strategies to ensure materials availability, Develop and issue material RFx's, Consolidate vendor spend across the organization to initiate cost savings, Administer the procurement policies and procedures to ensure the procurement process if fair and consistent across the organization.	Procurement is assessed based on the PO Assessment factor determined by the purchase order count by company.	$13,000	$13,000	N/A

Procurement: Supplier Diversity	Salaries and non-labor expenses to administer and maintain the supplier diversity program, Communicate and support the requirements to accomplish the goals set forth by the Federal Subcontracting Plan, Develop and communicate inventory strategies to ensure material availability and inventory levels, Report inventory transaction and levels, Liaison between the business and the audit department to ensure compliance with policies and procedure, Develop, maintain and govern the vendor and material master data, Develop and administer the travel management and P-Card programs, Owner of the Supply Chain SAP roles, patch and system improvement testing.	Procurement is assessed based on the PO Assessment factor determined by the purchase order count by company.	$5,000	$5,000	N/A
Procurement: Contracts Admin	Salaries and non-labor expenses to procure services. Develop and maintain procurement contracts to include pricing, insurance requirements and contract term & conditions, Develop, and issue services Raft's, Consolidate vendor/contractor spend across the organization to initiate cost savings, Administer the procurement policies and procedures to ensure the procurement process if fair and consistent across the organization, Develop and maintain consistent processes to support the contract life cycle, Liaison with the business units, legal, risk, finance and other departments to execute and negotiate contracts.	Procurement is assessed based on the PO Assessment factor determined by the purchase order count by company.	$27,000	$27,000	N/A
Safety	Provide strategic leadership, direction and oversight regarding the development, implementation, and maintenance of the corporate safety management system and associated corporate safety standards; assist with organizing and planning work activities for corporate safety function; identify safety priorities and activities during the annual planning process and collaborate with affiliates on setting balance scorecard measures; develop, implement and	Allocated by FTE (headcount allocation) at each affiliate receiving services, using the Emera staffing report	$136,000	N/A	$136,000 .

	communicate safety strategies, programs and processes consistent with the corporate goals and objectives; develop and implement corporate safety programs and tools, such as SIF Prevention, Contractor Safety Program, Auditing & Compliance, Risk Management, Incident Reporting & Investigation, Fall Protection, Confined Space Entry, and Hazardous Materials Management.				
Talent Management Recruitment	Salaries and non-labor expenses to provide Selection Process for Positions (i.e. review candidates, set up interviews, facilitate consensus, etc.), I-9 documentation and maintenance, Manage MSP for Contingent Workforce, Negotiate Offers to be made (relocation/sign on, % of midpoint), Student Program Manager (Interns/BCEs/Co-ops), Paperwork for Foreign Workers, Conduct and review pre-employment for all new hires (i.e. drug tests, background checks, physicals), Onboarding of new team members, Attract Candidates for Hire (i.e. job fairs, job postings, recruitment advertising, social medias, etc.…), creation and filing of Affirmative Action Plans, EEO-1/Vets 100 Reporting, Success Factor Program Manager and Admin Support, Train SFE to team members, Maintain Careers Website. Interview Guide Database Design & Maintenance. NMGC's reliance on these services is largely tied to continued use of the SAP ERP system.	Talent Management is assessed based on employee headcount	$15,000	$15,000	N/A
Treasury	Cash management services, including daily/weekly cash monitoring and forecasting activities; Execute payments, including Treasury wires, A/P services (ACH, check processing and wires) to all vendors and other counterparties; Assist with bank reconciliations on a monthly/quarterly basis; Assist with the transition of the cash forecasting function to Buyer personnel"	Allocated Using MMM	$50,000	$50,000	N/A

	IT Services				
SAP ERP and Corporate Applications	Core ERP (HR, Fin, Procure, Payroll) and associated IT Infrastructure Ops (network, servers, data center, disaster recovery, databases, cloud, API), SAP applications (Basis, PI/PO, ABAP, BPC, SuccessFactors, Concur), Vendor Invoice Management Technology, application maintenance (patching and upgrades), other corporate applications (e.g., Power Plan, OpenText).	Charges assigned using the IT assessment factor.	$2,929,000	$2,929,000	N/A
Office Productivity and Desktop Services	Desktop Configuration & Support, Collaboration Suite (Teams), CompuTrace laptop locator service, desktop patching, desktop support, SharePoint, Microsoft Power Tools (App & Automate), Microsoft Office, Microsoft Exchange 365, Endpoint Protection, MAC support.	Charges assigned using the IT assessment factor.	$534,000	$534,000	N/A
Cyber Security Defenses	CSOC monitoring and alerting (7x24); risk identification and mitigation; Identity and Access Management; server patch management and governance, penetration testing; vulnerability management and mitigation; Cybersecurity Incident Readiness & Response; Firewall Maintenance, Configuration and Monitoring; Cyber Security Framework Monitoring & Assurance.	Charges assigned using the IT assessment factor.	$1,445,000	$1,445,000	N/A
Network Connectivity	Network connectivity, resiliency and redundancy (WAN and LAN); Technology Operations Center monitoring; alerting and major incident management, Microsoft active directory services; tele-communications service provider management.	Charges assigned using the IT assessment factor.	$1,060,000	$1,060,000	N/A
Compliance and Regulatory Services	Compliance and regulatory management, facilitation, consultation, corrective action mitigation tracking for PCI, SOx, COBIT and TSA compliance.	Charges assigned using the IT assessment factor.	$228,000	$228,000	N/A
IT Service Desk	Act as single point of contact for all IT related incidents and service requests. Phone and online ticketing support of incident management, incident resolution	Charges assigned using the IT assessment factor.	$146,000	$146,000	N/A

	and request fulfillment for issues related to applications, desktops, laptops, tablets, printers, mobile phones, peripherals and the software that runs on these devices. Escalate incidents and requests as necessary. Maintain the integrity of the IT Service Management Solution.				
Remote Access (Citrix) and Virtual Desktop Management	Maintain and support Citrix and virtual desktops; provide access to TECO and NMGC based applications via Citrix and virtual desktops.	Charges assigned using the IT assessment factor.	$178,000	$178,000	N/A
Annual Power Plan License Fee	NMGC proportion of the Power Plan Software license fee owned by the Finance Department	Direct	$250,000	$250,000	N/A
IT Support Services	Seller shall consider in good faith Buyer's requests for IT support services, and if Seller is reasonably capable of providing such support and the parties mutually agree on the scope of services, Seller shall provide such agreed services on a fully loaded T&M basis to support Buyer in its stand up of SAP and all other corporate applications within NMGC.	Time and materials	TBD	TBD	TBD
Time and Materials Charged Initiatives (not otherwise included in other Named Services)	TECO IT services billed on a fully loaded T&M basis. (Established as part of Initiative's SOW agreement (to be entered into on a case-by-case basis)).	Time and materials	TBD	TBD	TBD

EXHIBIT C

Form of Assignment Agreement

[See Attached]

Exhibit Form

Assignment Agreement

ASSIGNMENT AGREEMENT, dated as of [•] (this "**Agreement**"), by and among Emera US Holdings Inc., a Delaware corporation ("**EUSHI**"), TECO Holdings, Inc., a Florida corporation (together with EUSHI, the "**Sellers**"), and Saturn Utilities Holdco, LLC, a Delaware limited liability company ("**Buyer**").

W I T N E S E T H :

WHEREAS, Buyer and Sellers have concurrently herewith consummated the transactions contemplated by that certain Purchase and Sale Agreement, dated as of August 5, 2024 (the "**Purchase Agreement**"; terms defined in the Purchase Agreement and not otherwise defined herein being used herein as therein defined), by and among Buyer and Sellers; and

WHEREAS, pursuant to the Purchase Agreement, Buyer has agreed to purchase from Sellers, and Sellers have agreed to sell to Buyer, the Purchased Equity Interests free and clear of all Liens (other than Permitted Equity Liens), on the terms and subject to the conditions set forth in the Purchase Agreement.

NOW, THEREFORE, in consideration of the purchase and sale of the Purchased Equity Interests and in accordance with the terms of the Purchase Agreement, Buyer and Sellers agree, effective as of but contingent upon the Closing, as follows:

1.

(a) Sellers hereby sell, convey, transfer, assign and deliver, or cause to be sold, conveyed, transferred, assigned and delivered, to Buyer all of the right, title and interest in, to and under the Purchased Equity Interests free and clear of all Liens (other than Permitted Equity Liens).

(b) Buyer hereby accepts the conveyance, transfer, assignment and delivery from Sellers of all of the right, title and interest in, to and under all of the Purchased Equity Interests free and clear of all Liens (other than Permitted Equity Liens).

2. Nothing in this Agreement, express or implied, is intended to or will be construed to modify, expand, supersede or limit in any way the terms, conditions and obligations of the Purchase Agreement. To the extent that any provision of this Agreement conflicts or is inconsistent with the terms of the Purchase Agreement, the Purchase Agreement will govern. Any controversy or claim arising under this Agreement will be governed solely by, and subject to the terms of, the Purchase Agreement. Without limiting the foregoing, the parties hereto expressly acknowledge and agree that the sole and exclusive remedies of each party hereto with respect to any and all claims arising out of or in connection with this Agreement and the transactions contemplated hereby shall be limited to those remedies set forth in the Purchase Agreement.

3. Section 9.3 (Specific Performance and Other Remedies), Section 11.1 (Notices), Section 11.5 (Waiver), Section 11.6 (Amendment), Section 11.7 (No Third-

Party Beneficiary), Section 11.8 (Assignment; Binding Effect); Section 11.10 (Counterparts; Effectiveness) and Section 11.11 (Governing Law; Venue; and Jurisdiction) of the Purchase Agreement are incorporated herein by reference, *mutatis mutandis*.

[*Signature Pages Follow*]

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

BUYER:

SATURN UTILITIES HOLDCO, LLC

By: ______________________________
Name:
Title:

SELLERS:

EMERA US HOLDINGS INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

TECO HOLDINGS, INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

SCHEDULE 1

Required Statutory Approvals

1. The waiting period required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, has expired or been terminated by the agencies.

2. Approval of the Transactions by the New Mexico Public Regulation Commission pursuant to the New Mexico Public Utility Act.

3. Approval of the transfer of station licenses set forth in Items 7 through 66 of Section 4.13 of the Seller Disclosure Letter, to the extent required, in connection with the Transactions by the Federal Communications Commission pursuant to the Communications Act of 1934, as amended.

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

NEW MEXICO GAS COMPANY, INC.
AMENDED GENERAL DIVERSIFICATION PLAN

In accordance with 17.6.450 NMAC ("Rule 450"), New Mexico Gas Company, Inc. ("NMGC") submits its Amended General Diversification Plan ("Amended GDP") in support of the Joint Application ("Joint Application") of NMGC; Emera Inc. ("Emera"); Emera U.S. Holdings Inc. ("EUSHI"); New Mexico Gas Intermediate, Inc. ("NMGI"); TECO Holdings, Inc. ("TECO Holdings"); TECO Energy, LLC (formerly TECO Energy, Inc.) ("TECO Energy"[1]); Saturn Utilities, LLC ("Saturn Utilities"); Saturn Utilities Holdco, LLC, ("Saturn Holdco"); Saturn Utilities Aggregator, LP ("Saturn Aggregator"); Saturn Utilities Aggregator GP, LLC ("Saturn Aggregator GP"); Saturn Utilities Topco, LP ("Saturn Topco"), Saturn Utilities Topco GP, LLC ("Saturn Topco GP"); BCP Infrastructure Fund II, LP ("BCP Infrastructure Fund II"); BCP Infrastructure Fund II-A, LP ("BCP Infrastructure Fund II-A"); and BCP Infrastructure Fund II GP, LP ("BCP Infrastructure II GP," and together with BCP Infrastructure Fund II and BCP Infrastructure Fund II-A, the "BCP Infrastructure Funds")[2] (collectively, the "Joint Applicants") for approval of an acquisition and Class II Transaction[3] in which the NMGC Group will be acquired and wholly owned by Saturn Holdco, an indirect wholly owned subsidiary of the BCP Infrastructure Funds.[4]

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[1] It is intended that TECO Energy's name will change at or around the time of closing.

[2] Saturn Utilities, Saturn Holdco, Saturn Aggregator, Saturn Aggregator GP, Saturn Topco, Saturn Topco GP, and the BCP Infrastructure Funds, collectively, are the "BCP Applicants." Saturn Utilities, Saturn Aggregator, Saturn Aggregator GP, Saturn Topco, and Saturn Topco GP, collectively, are the "Intermediate Companies."

[3] *See* NMSA 1978, Section 62-3-3(L)(1).

[4] The relative proportion of ownership among BCP Infrastructure Fund II, BCP Infrastructure Fund II-A and BCP Infrastructure II GP has not yet been determined at the time of this Application.

NMGC's current Amended General Diversification Plan was approved by the New Mexico Public Regulation Commission ("NMPRC" or "Commission") in NMPRC Case No. 15-00327-UT ("Case 15-00327") in connection with Emera's July 1, 2016, acquisition of TECO Energy (at that time, TECO Energy, Inc.) (the "Emera Acquisition").[5] This Amended GDP describes the steps that will result in NMGC having new and additional public utility holding companies, and no longer having certain existing public utility holding companies, and it provides the information and representations required by Rule 450.10(B).

The BCP Infrastructure Funds are comprised of investment funds that are investing capital provided predominantly by institutional investors (such as pension funds and life insurance companies) that seek to make long-term investments in infrastructure companies. The investors will be passive investors in the BCP Infrastructure Funds, while BCP Infrastructure II GP, the general partner of BCP Infrastructure Fund II and BCP Infrastructure Fund II-A, will provide support for the local NMGC team, including by leveraging its relationship with Bernhard Capital Partners Management, LP ("BCP Management"). BCP Management has organized and supports several infrastructure investment funds and has a fundamental philosophy of relying on the judgment, expertise, and experience of operating company leadership and providing such leadership with the support – including, via the applicable investment funds, the capital – that the operating company needs to serve its customers.

The maintenance of local governance and leadership can be seen in the BCP Infrastructure Funds' plans for the Board of Directors of NMGC ("NMGC Board") upon completion of the Transaction. Today, the NMGC Board has nine members. One is the President of NMGC; two

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[5] Certification of Stipulation, ¶ C at 57, Case No. 15-00327-UT (June 28, 2016), approved, Final Order Adopting Certification of Stipulation, Case No. 15-00327-UT (June 22, 2016).

are Emera employees; and six are New Mexico business or community leaders who are not Emera or NMGC employees. The two Emera members of the NMGC Board will be replaced by senior executives designated by the BCP Applicants; the BCP Applicants will seek to retain the other board members, and will maintain the same board composition going forward, as set forth in the commitments made by the BCP Applicants.

I. PROPOSED CLASS II TRANSACTION.

A. The Purchase and Sale Agreement

NMGC, a Delaware corporation registered to do business in New Mexico as a foreign corporation, is 100% owned by NMGI[6], and NMGI is 100% owned by TECO Energy. TECO Energy is wholly owned by EUSHI and TECO Holdings, which in turn are each wholly owned by Emera. As further set forth in the Joint Application, EUSHI, TECO Holdings, and Saturn Holdco have entered into a Purchase and Sale Agreement, dated August 5, 2024 (the "PSA"), pursuant to which Saturn Holdco will purchase 100% of the Equity Interests (as defined in the PSA) of TECO Energy from EUSHI and TECO Holdings (the "Transaction"). Upon the consummation of the Transaction, TECO Energy will become a wholly owned subsidiary of Saturn Holdco, which is an indirect subsidiary of and controlled by the BCP Infrastructure Funds. TECO Energy will also be a subsidiary of certain single-purpose intermediate entities (identified below), which will thereby each become indirect public utility holding companies of NMGC. The aggregate purchase price for the Equity Interests of TECO Energy is $1.252 billion including the assumption of approximately $550 million of existing debt of NMGC debt and subject to customary post-closing adjustments.

[6] NMGI, NMGC and TECO Energy, collectively, are the "NMGC Group."

The Transaction is subject to certain other regulatory approvals. The other approvals involve an anti-trust review by the United States Department of Justice or Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act ("Hart-Scott-Rodino"). In addition, a filing with the Federal Communications Commission ("FCC") will be made associated with the FCC licenses maintained by NMGC due to the change in ownership of the parent company of the operating company holding the FCC licenses. The other regulatory approvals are anticipated to be obtained in the first half of 2025.

B. Description of NMGC, TECO Energy, Saturn Holdco, the BCP Infrastructure Funds, and Affiliates (17.6.450.10(B)(1)

1. NMGC

NMGC provides regulated utility service and delivery of natural gas to approximately 549,000 customer meters in New Mexico (serving over 1.3 million people throughout the State) pursuant to NMGC's Certificate of Public Convenience and Necessity issued by the Commission in Case No. 08-00078-UT ("CCN"). NMGC owns and operates a large transmission network consisting of approximately 1,500 miles of transmission pipeline throughout New Mexico. In addition, its distribution service territories extend throughout the State and include a large distribution network of more than 10,900 miles of pipeline, serving a majority of the New Mexico population across more than two-thirds of the counties in the State. Approximately 99% of NMGC's customers are residential and small commercial customers. NMGC's other customers consist mostly of larger commercial customers and transportation customers.

2. NMGI and TECO Energy

NMGI is a public utility holding company that owns and holds 100% of the issued and outstanding stock of NMGC; NMGI conducts no business other than owning and holding NMGC stock. In turn, 100% of the issued and outstanding stock of NMGI is owned and held by TECO Energy, a public utility holding company; TECO Energy owns no assets other than NMGI. All of the Equity Interests of TECO Energy are currently wholly owned by EUSHI and TECO Holdings. As further described in the Joint Application, the Transaction will result in the sale of 100% of the Equity Interests of TECO Energy to Saturn Holdco.

3. Saturn Holdco

Saturn Holdco is the buyer in the Transaction. Saturn Holdco's indirect owners, the BCP Infrastructure Funds, will provide Saturn Holdco the capital necessary to complete the purchase of TECO Energy. Assuming the Transaction closes, NMGC, as an indirect wholly owned subsidiary of Saturn Holdco, will become an indirect wholly owned subsidiary of the BCP Infrastructure Funds.

Saturn Holdco is a recently created Delaware limited liability company formed solely for the purpose of entering into the PSA, completing the Transaction, and thereafter owning 100% of the Equity Interests of TECO Energy, thereby also owning indirectly 100% of NMGI and NMGC. Saturn Holdco has not engaged in any business except for activities incidental to its formation and as contemplated by the PSA. Subject to the terms of the PSA, upon the closing of the Transaction, Saturn Holdco will become the sole member of TECO Energy and, therefore, the sole indirect owner NMGI and NMGC. Saturn Holdco's sole member is Saturn Utilities, which is an indirect wholly owned subsidiary of the BCP Infrastructure Funds with the sole purpose of owning the equity interests in Saturn Holdco.

4. The BCP Infrastructure Funds

The BCP Infrastructure Funds are comprised of the three funds that will be the ultimate parent entities of NMGC upon the closing of the Transaction: BCP Infrastructure Fund II, BCP Infrastructure Fund II-A, and BCP Infrastructure II GP, all of which are applicants. BCP Infrastructure II GP, which will hold a de minimis amount of ownership in Saturn Holdco, is the general partner of both BCP Infrastructure Fund II and BCP Infrastructure Fund II-A. It is anticipated that the BCP Infrastructure Funds will, in the future, make other investments similar but unrelated to that in this Transaction, with similar ownership structures. In no instance would any future company in which the BCP Infrastructure Funds invest have any control or management authority over NMGC or any of its parent entities.

BCP Infrastructure II GP anticipates contracting with BCP Management for BCP Management's expertise in assisting investors in infrastructure businesses. BCP Management is an independent services and infrastructure-focused private equity management firm with approximately $4.4 billion in assets under management. Established in 2013 and with offices in Baton Rouge and New Orleans, Louisiana and Nashville, Tennessee, BCP Management manages investments of large institutional investors, such as public and private pension funds, college endowments, insurance companies, labor union funds and other investment groups. BCP Management acts as an investment manager and is well-versed in the industries in which the investment funds invest, and thereby is capable of providing support for investors and their portfolio companies. BCP Management does not manage the operations of the portfolio companies of the funds it supports, and, accordingly, would not manage the operations of NMGC.

BCP Management seeks to create sustainable value for investors by leveraging its experience in acquiring and growing services and infrastructure businesses. BCP Management focuses on investment in middle-market firms that provide critical services to the government,

infrastructure, industrial, utility, and energy sectors as well as investment in infrastructure and utility assets. BCP Management has worked with investors to deploy capital in over 70 services-focused companies across 20 operational platforms, including investments in several utility companies. These companies employ over 20,000 people globally.

Funds BCP Management supports have invested in the following portfolio companies:

- National Water Infrastructure, a wastewater utility headquartered in Prairieville, Louisiana, provides wastewater services to customers in Ascension, Livingstone and East Baton Rouge parishes.
- Elevation, headquartered in Chandler, Arizona, provides whole-home energy solutions through a combination of solar, energy storage, energy efficiency and energy monitoring services.
- Allied Power, headquartered in Baton Rouge, Louisiana, provides operations, maintenance, radiological and environmental services to primarily nuclear and fossil fuel markets.
- United Utility, headquartered in New Orleans, Louisiana, provides installation, maintenance and repair of overhead and underground transmission and distribution systems.
- ClearCurrent, headquartered in Raleigh, North Carolina, is a water and wastewater utility.

In addition, other funds for which BCP Management provides investment support are in the process of acquiring certain natural gas local distribution companies (“LDCs”) in Louisiana from Entergy Louisiana, LLC and Entergy New Orleans, LLC (collectively, “Entergy”) (the “Entergy Transaction”) and in Louisiana and Mississippi from CenterPoint Energy Resources Corp. (“CERC”) (the “CenterPoint Transaction”). The status of these transactions are summarized below:

- Entergy Transaction: Delta States Utilities LA, LLC (“Delta LA”) and Delta States Utilities NO, LLC (“Delta NO”) will acquire the LDCs in Louisiana from Entergy. On August 14, 2024, Delta LA received unanimous regulatory approval from the

Louisiana Public Service Commission ("LPSC") for the Entergy Transaction. Delta NO has an application currently pending before the New Orleans City Council. The Entergy Transaction is expected to close mid-2025.

- CenterPoint Transaction: Delta Utilities No. LA, LLC, Delta Utilities S. LA, LLC, Delta Utilities MS, LLC, and Delta Shared Services Co., LLC will acquire the LDCs in Louisiana and Mississippi from CERC. Applications for regulatory approvals of the CenterPoint Transaction are pending before the LPSC and the Mississippi Public Service Commission. The CenterPoint Transaction is expected to close in the first half of 2025.

5. Other Intermediate Entities Involved in the Proposed Transaction

The Amended GDP includes several intermediate entities that will sit between the BCP Infrastructure Funds and Saturn Holdco in the corporate structure. The existence of the Intermediate Companies (as defined below) is desirable in order to implement debt financing that is non-recourse to NMGC as well as provide structural flexibility during the BCP Infrastructure Funds' long-term investment in NMGC. Each of the Intermediate Companies is managed by its direct parent or its general partner, as applicable. Accordingly, the governance of Saturn Holdco and the NMGC Group will not be impacted in any way by the existence of the Intermediate Companies post-closing.

The BCP Infrastructure Funds own 100% of the limited partnership interests in Saturn Aggregator, which is managed by its general partner, Saturn Aggregator GP. Saturn Aggregator owns 100% of the limited partnership interests in Saturn Topco, which is managed by its general partner, Saturn Topco GP. Both Saturn Aggregator GP and Saturn Topco GP are owned 100% by the BCP Infrastructure Funds. Saturn Topco owns 100% of the membership interests in Saturn Utilities. The existing and Amended GDP corporate structures are illustrated in Attachment A to

this Amended GDP.

II. TO THE EXTENT KNOWN THE NAME, HOME OFFICE ADDRESS AND CHIEF EXECUTIVE OFFICER OF EACH AFFILIATE, CORPORATE SUBSIDIARY, HOLDING COMPANY, OR PERSON WHICH IS SUBJECT OF THE CLASS II TRANSACTION.

1. Entities That Are the Subject of the Class II Transaction [17.6.450.10(B)(1) NMAC]

The entities which are the subject of the proposed Class II Transaction are NMGC and the following direct and indirect current and proposed holding companies and affiliates of NMGC:

Name	Abbrev.	Description/CEO	Address
New Mexico Gas Company, Inc.	NMGC	Delaware corporation. Gas utility operating in New Mexico. Ryan A. Shell, President	7120 Wyoming Blvd., NE, Suite 20, Albuquerque, NM 87109
New Mexico Gas Intermediate, Inc.	NMGI	Delaware corporation. Conducts no business other than owning 100% of NMGC stock Ryan Shell, President	7120 Wyoming Blvd., NE, Suite 20, Albuquerque, NM 87109
TECO Energy, LLC[7]	TECO Energy	Florida limited liability company. Holding company. Owns 100% of NMGI stock. Archie Collins, President	702 N. Franklin Street Tampa, FL 33602
Saturn Utilities Holdco, LLC	Saturn Holdco	Delaware limited liability company. Entity created solely for purposes of effectuating the Transaction-no business activity. Proposed to own 100% of TECO Energy. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802

7 At or around the time of closing of the Transaction, it is anticipated that: (1) TECO Energy's name will change; (2) Archie Collins will resign from TECO Energy and a new executive will be named; and (3) TECO Energy's address will change.

Name	Abbrev.	Description/CEO	Address
Saturn Utilities, LLC	Saturn Utilities	Delaware limited liability company. Owns 100% of Saturn Holdco. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
Saturn Utilities Topco, LP	Saturn Topco	Delaware limited partnership. Entity created solely for purposes of effectuating the Transaction-no business activity. Owns 100% of Saturn Utilities. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
Saturn Utilities Topco GP, LLC	Saturn Topco GP	Delaware limited liability company. Entity created solely for purposes of effectuating the Transaction-no business activity. General Partner of Saturn Topco. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
Saturn Utilities Aggregator, LP	Saturn Aggregator	Delaware limited partnership. Entity created solely for purposes of effectuating the Transaction-no business activity. Holds limited partner interests of Saturn Topco. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
Saturn Utilities Aggregator GP, LLC	Saturn Aggregator GP	Delaware limited liability company. Entity created solely for purposes of effectuating the Transaction-no business activity. General Partner of Saturn Aggregator. Jeffrey M. Baudier, President	400 Convention Street, Suite 1010 Baton Rouge, LA 70802

Name	Abbrev.	Description/CEO	Address
BCP Infrastructure Fund II, LP	BCP Infrastructure Fund II, and together with BCP Infrastructure Fund II-A and BCP Infrastructure II GP: the BCP Infrastructure Funds	Delaware limited partnership. Partnership investing in Saturn Holdco. Does not have a CEO.	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
BCP Infrastructure Fund II-A, LP	BCP Infrastructure Fund II-A, and together with BCP Infrastructure Fund II and BCP Infrastructure II GP: the BCP Infrastructure Funds	Delaware limited partnership. Partnership investing in Saturn Holdco. Does not have a CEO.	400 Convention Street, Suite 1010 Baton Rouge, LA 70802
BCP Infrastructure Fund II GP, LP	BCP Infrastructure II GP, and together with BPC Infrastructure Fund II and BCP Infrastructure Fund II-A: the BCP Infrastructure Funds	Delaware limited partnership. Partnership investing in Saturn Holdco. Does not have a CEO.	400 Convention Street, Suite 1010 Baton Rouge, LA 70802

Following the closing of the Transaction, NMGC will no longer be affiliated with Emera, EUSHI or TECO Holdings, but will be indirectly wholly owned by Saturn Holdco.

III. A STATEMENT OF THE GOALS AND EFFECTS UPON NMGC'S OPERATION OF THE CLASS II TRANSACTION, INCLUDING AN ANALYSIS OF THE BENEFITS, RISKS, AND ANY COSTS TO NMGC WHICH COULD ARISE, AND INCLUDING ALL TAX EFFECTS ON NMGC BOTH ON A CONSOLIDATED BASIS AND ON A STAND-ALONE BASIS. [17.6.450.10(B)(2) NMAC]

A. Goals and Effects on Utility Operations

NMGC's goal of providing safe, reliable gas utility service to its over 549,000 customers at fair, just and reasonable rates will not change as a result of this Transaction. It will continue to rely on local leadership. Fundamentally, the Transaction will replace (i) NMGC's existing ultimate parent company, Emera, that is publicly traded on the Toronto Stock Exchange, has affiliates and operations in Nova Scotia, Newfoundland and Labrador, New Brunswick, Barbados, Grand Bahama, St. Lucia, and Florida, and wishes to divest itself of NMGC; with (ii) the BCP Infrastructure Funds, U.S.-based private equity funds that have access to stable institutional investors and are focused on investments in U.S. infrastructure, including gas distribution infrastructure.

NMGC is currently indirectly, wholly owned by EUSHI and TECO Holdings, which in turn are ultimately owned and controlled by Emera. The proposed Class II Transaction will not disturb the existing holding company structure below TECO Energy but will result in the replacement of the ownership structure above TECO Energy and in new indirect public utility holding companies of NMGC above TECO Energy. Although the ultimate parent of NMGC is changing from Emera to the BCP Infrastructure Funds, the Transaction will not change NMGC's status as a public utility providing regulated public utility natural gas service to customers in New Mexico pursuant to its existing CCN.

The BCP Infrastructure Funds and their advisors at BCP Management recognize that a public utility fundamentally exists to serve the public interest and seek to provide safe and reliable service by promoting local management to identify and provide reliable and affordable energy

solutions for utility customers while maintaining transparency for regulatory oversight. Investment funds launched by BCP Management have extensive investments in services-focused companies across multiple platforms, including investments in several utility companies.

If the Transaction is approved, NMGC will have the benefit of the BCP Infrastructure Funds' investor operator capabilities and ability to leverage deep relationships and experience across the infrastructure landscape, combined with a strong focus on local utility governance, management, and operations.

After the close of the Transaction, NMGC will be managed the way it is today. The current employees, including the NMGC senior management team, will be retained and will continue to have day-to-day control over NMGC's operations. The NMGC Board will continue to provide governance oversight and guidance of the strategy and business plans of the NMGC management team. Pursuant to a transition services agreement entered into pursuant to the PSA (the "TSA"), the NMGC Group will continue to receive certain support services from Emera and its affiliates for an initial period of twelve (12) months after the closing of the Transaction, with options to terminate transitional services sooner or extend transitional services for an additional six (6) months.

The TSA requires that these support services, such as accounting, information technology, human resources and other corporate services, be provided in a manner to ensure the continuity of service to NMGC's customers while these services are ultimately transitioned to be provided by NMGC through its personnel in New Mexico or third-party service providers. During the term of the TSA, or in the event that NMGC begins to receive services from an affiliate, NMGC will submit to the Commission allocation information by FERC account and subaccounts, including total amounts allocated for the prior year, total amounts directly assigned to NMGC, with

description of the cost, the amount and nature of costs allocated to each affiliate and utility and non-utility operations, and the methodology used, including work papers for the allocations.

Accordingly, the Transaction will not change NMGC's status as a locally managed public utility, regulated by the Commission and subject to the requirements of the New Mexico Public Utility Act ("PUA"). Nor will the Transaction obstruct, hinder, diminish, impair or unduly complicate the Commission's supervision and regulation of NMGC under the PUA. The proposed Class II Transaction will not result in any adverse and material effect on NMGC's utility operations, and NMGC will continue to provide reasonable and proper natural gas utility service at fair, just, and reasonable rates.

B. Analysis of Benefits and Costs

The Transaction provides substantial new benefits to NMGC, its customers, employees, and the communities it serves, including:

- The Transaction will bring quality new jobs to New Mexico. Emera and its affiliates are currently, and have historically, provided certain support services to NMGC through shared services performed in Nova Scotia, Canada and Tampa, Florida. These services will continue post-closing on a temporary basis, not to exceed eighteen (18) months, under the TSA. Over the course of the term of the TSA, NMGC will replace the shared service functions by hiring new employees in New Mexico or procuring such services from third-party vendors. It is estimated that by the end of the TSA term, NMGC will require an additional 51 to 61 full time equivalent employees in New Mexico. Customers will benefit from having these necessary services performed locally instead of several hundreds or thousands of miles away, including not being subject to delays, outages or other issues arising from severe weather in Florida or Nova Scotia.

- NMGC will evaluate opportunities for the development of and investment in renewable natural gas, certified low emission natural gas, and/or other lower-carbon energy sources including low-carbon hydrogen development, without seeking recovery from customers the costs of those evaluations.
- NMGC will contribute $5 million over a period of five years to economic development projects or programs in NMGC's service territory designed to attract new business and to retain and grow existing businesses, without seeking recovery from customers the costs of those economic development projects or programs.
- NMGC will make annual charitable contributions of cash or in-kind donations valued at a minimum of $500,000 for a total of five years to qualified, tax-exempt organizations that are engaged in the development and improvement of communities and citizens in NMGC's service territory. NMGC will not seek recovery from customers those contributions or in-kind donations
- The BCP Applicants will not sell their interest in NMGC for at least five (5) years after closing of the Transaction.

The BCP Infrastructure Funds and Saturn Holdco are also making certain commitments to provide assurance that there will be no diminution of NMGC's quality of service or reliability:

- NMGC's current level of employees will be maintained for eighteen (18) months following closing and NMGC anticipates adding approximately 51 to 61 new employees as necessary to replace certain of the current shared services functions and to safely and reliably serve customers. More specific to ensuring customer service, during this eighteen (18) month period, NMGC will maintain its current level of customer-facing positions.

- NMGC will invest a minimum of the rolling three (3) year average for depreciation and amortization expense on an average annual basis in the NMGC system as needed to ensure reliability and safety until the issuance of the final order in NMGC's next general rate case. NMGC agrees that all investments will be subject to prudency review in NMGC's next general rate case.
- NMGC's corporate headquarters will remain in New Mexico. Moreover, NMGC's corporate headquarters will not be moved out of Albuquerque without prior express Commission approval.
- NMGC will not close or relocate to outside of New Mexico its call center operations or close any regional existing gas utility field offices without prior approval from the Commission.
- NMGC Gas Control Operations will not be moved out of New Mexico without prior express Commission approval.
- NMGC will continue to participate in annual JD Power Residential Gas Utility Customer Satisfaction Surveys and provide the Commission with the results.
- NMGC will continue filing specific customer service reports as ordered in NMPRC Case No. 09-00163-UT, and will include in this filing supplemental customer service reports regarding leak response time and damages per 1,000 locate ticket requests.
- All of NMGC's existing rates, rules, and forms as currently approved will remain in force and unchanged until such time as any changes are approved by the Commission.
- The Transaction will not result in any disruption or adverse impact to NMGC's gas supply or associated hedging arrangements.

The BCP Applicants are also making certain commitments to provide assurance as to the financial strength and stability of NMGC and as to the governance of NMGC:

- NMGC will maintain a post-closing equity ratio of at least fifty percent (50%) at NMGC until the final order in the next general rate case using a capital structure that includes equity and the par amount of long-term debt only. If the twelve (12) month average equity ratio falls below fifty percent (50%) for more than two consecutive quarters, NMGI will invest equity in NMGC to achieve the fifty percent (50%) equity ratio.
- NMGC will not seek a regulatory equity ratio in the next base rate proceeding in excess of fifty-four percent (54%). NMGC agrees that the Commission is not bound to accept this as the equity ratio and acknowledges that other parties may propose different equity ratios in the next rate proceeding.
- NMGC will not, directly or indirectly, seek to recover in any future rate case, any increased goodwill or the increase in any other intangible asset resulting from the Transaction and allocated to NMGC ("Acquisition Premium"). NMGC agrees not to revalue its assets that are a part of NMPRC regulatory rate base to reflect the Acquisition Premium. NMGC will continue to value such assets for all NMPRC regulatory purposes based on the original cost less accumulated depreciation valuation methodology.
- None of the direct costs of the Transaction, including, but not limited to, costs such as legal fees, investment banking fees, accounting fees, consulting fees, costs of this NMPRC proceeding, Hart-Scott-Rodino filing fees, FCC filing fees, and employee travel expenses, accrued by the Joint Applicants will be recovered directly or indirectly

from NMGC customers. However, NMGC may seek recovery of capital expenditures made in the course of completing the Transaction or as part of the transition to a standalone utility if the capital assets are used and useful after the closing of the Transaction except as explicitly excluded in this proceeding, or through the express agreement of the parties and approved by the Commission. Any such claim for rate recovery will be subject to review by the NMPRC in the next NMGC base rate proceeding prior to any recovery.

- No debt of NMGC is being reissued as a result of the Transaction.
- NMGC will not, without prior NMPRC approval, pay dividends in excess of net income on a quarterly basis provided, however, NMGC will be permitted to rollover under-utilized dividending capacity in any quarter to a subsequent period for payment.
- NMGC will not, without prior Commission approval, pay dividends at any time its credit metrics are below investment grade. The restriction on the amount of dividends that may be paid does not apply to equity infused by NMGI into NMGC, which may be transferred out of NMGC without restriction, except that such transfers may not be made if NMGC's credit metrics are below investment grade. Transfers of funds necessary to pay NMGC's tax obligations shall not be construed as dividends. NMGC agrees to continue to have its credit rating performed by one or more nationally recognized credit rating agencies so long as the BCP Applicants own direct or indirect interest in NMGC.
- The BCP Applicants and the NMGC Group have filed an Amended GDP containing all the required Rule 450 representations and commitments and will abide by those

commitments for as long as the BCP Infrastructure Funds or an affiliated entity own NMGC.

- The BCP Applicants will continue, in substantially similar form, the separate local NMGC Board, which will continue to provide governance oversight and guidance of the strategy and business plans of the NMGC management team. The NMGC Board shall continue to consist of the president of NMGC, local business and community leaders, and senior executives as designated by the BCP Infrastructure Funds. As is currently the practice, the majority of the NMGC Board shall be composed of local business and community leaders selected to promote diversity on the NMGC Board consistent with good governance practices. The President of NMGC will report to the NMGC Board.
- NMGC agrees not to invest in businesses that do not have a significant relationship to regulated services NMGC provides.

The BCP Infrastructure Funds are also making certain commitments to ensure there is no improper subsidization of non-utility activities.

- The BCP Infrastructure Funds affirmatively commit to take all actions necessary to ensure that NMGC's customers do not subsidize the activities of other utilities, or non-utility activities. NMGC will be operated as a standalone LDC and it is not anticipated that affiliates will provide goods or services to NMGC. NMGC will meet its obligation to report any Class I transactions and understands that in any future rate case, or upon the Commission's initiative, the Commission can inquire into any concerns regarding subsidization between other businesses and NMGC.

- During the term of the TSA, support services will be provided to the NMGC Group by Emera and its affiliates in an economically efficient manner that avoids cross subsidization and are consistent with the cost allocation manual ("CAM") that was developed in collaboration between NMGC and the Commission Utility Division Staff and filed with the Commission in 2015.
- During the term of the TSA or in the event that NMGC begins to receive service from an affiliate, NMGC will provide annual public submissions to the Commission of allocation information by FERC account and subaccounts, including total amounts allocated for the prior year, total amounts directly assigned to NMGC, with description of the cost, the amount and nature of cost allocated to each affiliate and utility and non-utility operations, the methodology used, including work papers for the allocations.
- The books and records of NMGC will be kept separate from those of non-regulated businesses and NMGC's affiliates in accordance with the Uniform System of Accounts.
- The BCP Applicants and NMGC Group agree that the NMPRC and its Staff shall have access to the books, records, accounts, or documents of NMGC, its affiliates, corporate subsidiaries, or holding companies pursuant to NMSA 1978, Sections 62-6-17 and 62-6-19.

Given the overall parameters of this Amended GDP and the commitments made to reinforce the plans for the post-Transaction operation of NMGC, there are substantial benefits to NMGC customers and New Mexico because of the Transaction as well as substantial protections against potential costs. The only identified potential cost – the potential customer-serving capital expenditures made in the course of completing the Transaction and as part of the integration if the

capital assets are used and useful after the closing of the Transaction – will remain fully subject to Commission rate-making jurisdiction and prudence review.

Following this Transaction, NMGC will be held by a financially strong, well-capitalized utility-focused holding company. As a result of the Transaction, NMGC will be part of a group that will have access to both debt and equity capital, have combined assets of over USD $4.4 billion, and a demonstrated track record of financial strength and stability. Control of NMGC by the BCP Applicants, in conjunction with the additional post-closing commitments set forth in the Joint Application and this Amended GDP, ensures that the Transaction will not adversely affect NMGC's utility operations nor interfere with the Commission's ability to supervise and regulate all aspects of NMGC's utility operations.

C. Anticipated Tax Effects on NMGC On A Consolidated Basis and A Stand-Alone Basis

There will be no tax implications for NMGC. NMGC's income taxes will continue to be calculated on a stand-alone basis for regulatory financial reporting and ratemaking purposes. The Transaction will have no impact on the Commission's authority to determine NMGC's income tax expense for ratemaking purposes.

IV. TYPE OF CORPORATE STRUCTURE TO BE USED. [17.6.450.10(B)(3) NMAC]

In the event the proposed Class II Transaction is approved, NMGC will continue to be a Delaware corporation, registered to do business in New Mexico and certified as a natural gas public utility subject to the jurisdiction of the Commission. NMGC will continue to be 100% owned by NMGI, a direct public utility holding company, as defined by NMSA 1978, Section 62-3-3(N). TECO Energy will continue to own 100% of the voting securities of NMGI and will continue to be an indirect public utility holding company of NMGC. Saturn Holdco will own 100% of the Equity Interests of TECO Energy, and all of the ownership interests in Saturn Holdco will be 100%

owned by Saturn Utilities, each of which will ultimately be controlled by the BCP Infrastructure Funds as further described in Section I.B above and illustrated in Attachment A. Upon the closing of the Transaction, the BCP Applicants will become indirect public utility holding companies of NMGC.

V. THE MEANS OF IMPLEMENTING THE CORPORATE STRUCTURE TO BE USED, INCLUDING, BUT NOT LIMITED TO, AMENDMENTS TO CORPORATE ARTICLES, ANY ISSUANCES, ACQUISITIONS, CANCELLATIONS, EXCHANGES, TRANSFERS, OR CONVERSION OF SECURITIES, AND THE IMPACT OF SUCH ON THE RIGHTS OF CREDITORS AND SECURITY HOLDERS. [17.6.450.10(B)(4) NMAC]

As described above, the Transaction will involve the acquisition of TECO Energy by Saturn Holdco, an indirect subsidiary of the BCP Infrastructure Funds. Saturn Holdco and the Intermediate Companies are recently created entities formed solely for the purpose of entering into the PSA, completing the Transaction, and holding the Equity Interests of TECO Energy. The subsidiary structure of the NMGC Group will not change as a result of the Transaction.

Additionally, as noted previously, at or around closing of the Transaction it is intended that TECO Energy's name will be changed. In order to accomplish the change of TECO Energy's name, articles of amendment will be required. No additional changes are anticipated for the corporate articles for TECO Energy, and no changes are expected for NMGI and NMGC.

VI. THE ANTICIPATED CAPITAL STRUCTURE FOR THE UTILITY, ITS AFFILIATES, AND THE CONSOLIDATED ENTITY (UTILITY PLUS AFFILIATES) FOR THE NEXT FIVE YEARS. [17.6.450.10(B)(5) NMAC]

The anticipated NMGC capital structures for the next five years following the closing of the Transaction is:

Projected Capital Structure of NMGC

	2025	2026	2027	2028	2029
Debt	38%	39%	39%	40%	40%
Equity	62%	61%	61%	60%	60%

**Projections as of October 25, 2024*

This is an estimate that does not take into account final transaction accounting of goodwill for the Transaction. The NMGC Group, Saturn Holdco and the BCP Infrastructure Funds agree to maintain a post-closing equity ratio of at least 50% at NMGC until the final order in the next general rate case using a capital structure that includes equity and the par amount of long-term debt only. Until such final order, the BCP Infrastructure Funds and Saturn Holdco agree to cause NMGI to invest in NMGC to achieve a 50% equity ratio if the twelve (12) month average equity ratio falls below 50% for two consecutive quarters. Upon closing of the Transaction, NMGC will not have any operating company affiliates.

VII. THE CONTEMPLATED ANNUAL AND CUMULATIVE INVESTMENT IN EACH AFFILIATED INTEREST FOR THE NEXT FIVE (5) YEARS IN DOLLARS AND AS A PERCENTAGE OF PROJECTED NET UTILITY PLANT AND AN EXPLANATION OF WHY THIS LEVEL OF INVESTMENT IS REASONABLE AND WILL NOT INCREASE THE RISKS OF INVESTMENT IN THE PUBLIC UTILITY. [17.6.450.10(B)(6) NMAC]

NMGC will not invest any funds in any affiliate during the five years following closing of the Transaction.

VIII. AN EXPLANATION OF HOW THE AFFILIATE(S) WILL BE FINANCED, BY WHOM, AND THE TYPE AND AMOUNTS OF CAPITAL OR INSTRUMENTS OF INDEBTEDNESS. [17.6.450.10(B)(7) NMAC]

NMGC will not finance any affiliates. The BCP Infrastructure Funds are able to draw upon the funds of large institutional investors, such as public and private pension funds, college endowments, insurance companies, labor union funds, and other investment groups, as well as utilize the Intermediate Companies for debt financing that is non-recourse to NMGC.

IX. AN EXPLANATION OF HOW THE UTILITY'S CAPITAL STRUCTURE, COST OF CAPITAL, AND ABILITY TO ATTRACT CAPITAL AT REASONABLE RATES WILL BE IMPACTED. [17.6.450.10(B)(8) NMAC]

As discussed above, following closing of the proposed Class II Transaction and until the final order in the next general rate case, NMGC will maintain an equity ratio of at least fifty percent

(50%) at NMGC until the final order in the next general rate case using a capital structure that includes equity and the par amount of long-term debt only. If the twelve (12) month average equity ratio falls below fifty percent (50%) for more than two consecutive quarters, equity will be invested in NMGC to achieve the fifty percent (50%) equity ratio. The BCP Infrastructure Funds will finance the Transaction with a mixture of equity and debt designed to preserve the investment grade credit rating of NMGC. With continued investment grade credit metrics, NMGC will continue to have ready access to the debt markets at reasonable market-based rates and terms.

X. AN EXPLANATION OF HOW THE UTILITY CAN ASSURE THAT ADEQUATE CAPITAL WILL STILL BE AVAILABLE FOR THE CONSTRUCTION OF NECESSARY NEW UTILITY PLANT AND AT NO GREATER COST THAN IF THE UTILITY DID NOT ENGAGE IN THE CLASS II TRANSACTIONS. [17.6.450.10(B)(9) NMAC]

Following the closing of the Transaction, NMGC will continue to be held by a financially strong, well-capitalized utility-focused holding company. Specifically, NMGC will benefit from the financial strength of the BCP Infrastructure Funds and support by BCP Management and the funds it advises which have combined assets of over $4.4 billion and a demonstrated track record of financial stability that afford ready access to both debt and equity capital. Thus, NMGC will continue to have adequate access to capital at reasonable, market-driven rates and terms to invest in NMGC's operations to maintain reliable utility service at fair, just, and reasonable rates.

In order to fund the construction of necessary new utility plant at NMGC, capital will be obtained through internally generated funds at NMGC, equity infusion from Saturn Holdco and the BCP Infrastructure Funds, and debt issued at Saturn Holdco, as appropriate. As stated above, the existence of the Intermediate Companies will facilitate debt financing that is non-recourse to NMGC and will provide structural flexibility during the BCP Infrastructure Funds' long-term investment in NMGC. NMGC also agrees to invest a minimum of the rolling three (3) year average for depreciation and amortization expense on an average annual basis in the NMGC system as

needed to ensure reliability and safety until the issuance of the final order in NMGC's next general rate case. All such investments will be subject to prudency review in NMGC's next general rate case.

XI. TO THE EXTENT NOT ANSWERED IN (IX) ABOVE, AN EXPLANATION OF HOW RATEPAYERS WILL BE PROTECTED AND INSULATED FROM ANY RISKS, COSTS, OR OTHER ADVERSE AND MATERIAL EFFECTS ATTRIBUTABLE TO CLASS II TRANSACTIONS OR THEIR RESULTING EFFECTS. [17.6.450.10(B)(10) NMAC]

This issue has been addressed above, including through the commitments stated above. If the Transaction closes, NMGC will maintain its own Board of Directors and management team and will be a distinct, standalone entity. None of the BCP Infrastructure Funds' other portfolio companies, nor any of their respective subsidiaries, will have any control over NMGC. Rather, the BCP Infrastructure Funds maintain strong and independent governance at the portfolio companies in which they invest; no portfolio company, nor any subsidiary thereof, has the ability to exercise control over any other portfolio company or subsidiary thereof. This rigorous governance practice, as supplemented by the additional customer- and service-related commitments set forth in this Amended GDP, will continue if the Transaction closes.

In addition, customers are afforded protection under Rule 450 pursuant to which the Commission has the authority to review and investigate each Class II Transaction which NMGC undertakes. NMGC will comply with all laws governing transactions with affiliated interests including Commission rules, regulations and orders. NMGC will comply with reporting requirements with respect to any Class I and Class II Transactions. These reports will enable the Commission to monitor the impact of such transactions. The Commission also has authority pursuant to Rule 450.17 to conduct any additional investigations of any matter pertaining to a Class II Transaction whenever it deems appropriate. In addition to what has been described above, to the extent and if applicable NMGC will file with the Commission as Class II Transaction reports

Form 60 filings made to the Federal Energy Regulatory Commission with respect to service companies providing services to NMGC.

XII. IF THE UTILITY INTENDS TO DIVEST A CORPORATE SUBSIDIARY, AN EXPLANATION OF THE REASONS FOR SUCH DIVESTITURE, HOW IT WILL BE ACCOMPLISHED, HOW IT WILL AFFECT UTILITY OPERATIONS, FINANCIAL VIABILITY, COST OF CAPITAL, AN ADEQUACY OF SERVICE DURING THE NEXT TEN (10) YEARS FOLLOWING DIVESTITURE, THE ANTICIPATED PROCEEDS TO THE UTILITY, THE EXTENT, IF ANY THAT THE UTILITY INTENDS FOR RATEPAYERS TO SHARE IN THE PROCEEDS OR OTHERWISE BENEFIT FROM THE DIVESTITURE, THE AMOUNT OF AND REASONS WHY ANY RATEPAYER FUNDS HAVE FLOWED DIRECTLY OR INDIRECTLY TO THE BENEFIT OF THE CORPORATE SUBSIDIARY. [17.6.450.10(B)(11) NMAC]

Not applicable.

XIII. TO THE EXTENT NOT PROVIDED ABOVE, SUCH INFORMATION OR REPRESENTATION THAT WILL ALLOW THE COMMISSION TO MAKE THE FINDINGS CONTAINED IN RULE 450.10(C). [17.6.450.10(B)(12) NMAC]

The BCP Applicants and the NMGC Group represent that:

(1) the books and records of NMGC will be kept separate from those of non-regulated businesses, BCP, and BCP affiliates and in accordance with the Uniform System of Accounts;

(2) the Commission and its Staff will have access to the books, records, accounts, or documents of NMGC's affiliates, corporate subsidiaries or holding companies pursuant to NMSA 1978, Sections 62-6-17 and 62-6-19;

(3) the supervision and regulation of NMGC pursuant to the PUA will not be obstructed, hindered, diminished, impaired, or unduly complicated;

(4) NMGC will not pay excessive dividends to any holding company, and any holding company will not take any action which will have an adverse and material effect on NMGC's ability to provide reasonable and proper service at fair, just and reasonable rates;

(5) NMGC will not without prior approval of the Commission:

(a) loan its funds or securities or transfer similar assets to any affiliated interest; or

(b) purchase debt instruments of any affiliated interests or guarantee or assume liabilities of such affiliated interests;

(6) NMGC will comply with all applicable statutes, rules, or regulations, federal or state

(7) if required by the Commission, NMGC will have an allocation study (which will not be charged to customers) performed by a consulting firm chosen by and under the direction of the Commission;

(8) if required by the Commission, NMGC will have a management audit (which will not be charged to customers) performed by a consulting firm chosen by and under the direction of the Commission to determine whether there are any adverse effects of Class II Transactions upon NMGC.

(9) the NMPRC's jurisdiction over NMGC, as well the NMPRC's jurisdiction over the NMGC Group and the BCP Applicants, as the direct and indirect public utility holding companies of NMGC, will be preserved.

(10) Additionally, as part of the Joint Application, an Amended GDP is being filed, which if approved as requested, affirms the NMPRC's jurisdiction over the BCP Applicants and the NMGC Group. The BCP Applicants and the NMGC Group make the further commitments with respect to NMPRC jurisdiction:

a. NMGC will continue to abide by all applicable NMPRC rules, regulations, and orders, including compliance with all Class I transaction requirements;

b. NMPRC jurisdiction over NMGC will remain in place and will not be diminished or adversely affected in any manner as a result of the Transaction; and

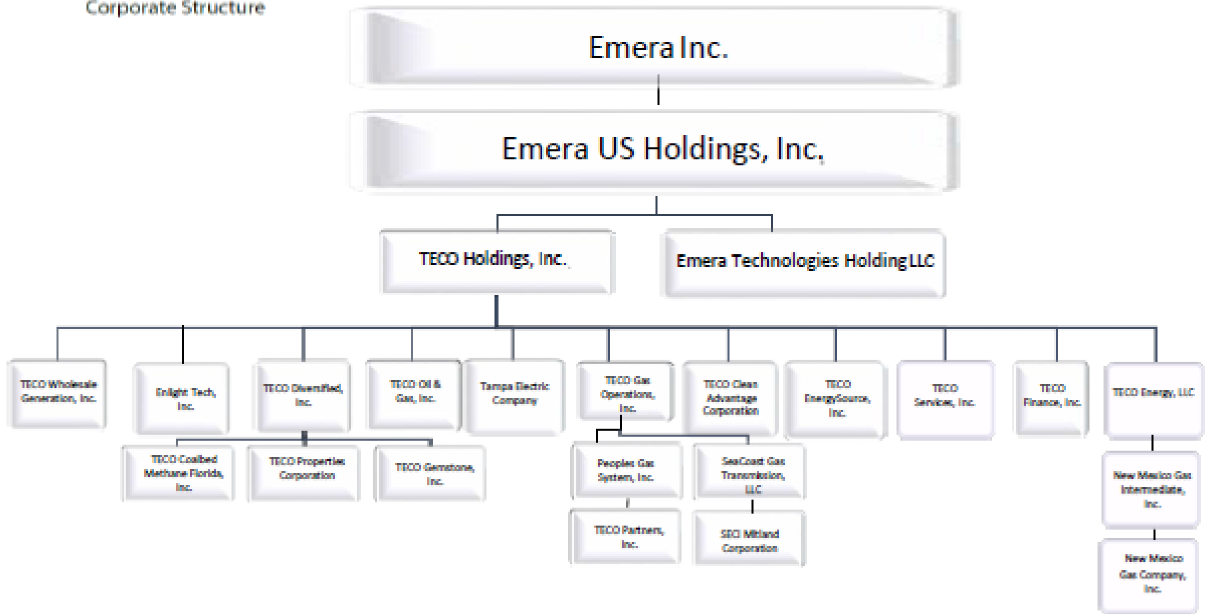
c. The BCP Applicants agree to the jurisdiction of NMPRC for the purpose of providing the books and records of each, and providing access to testimony of officers and directors for the purposes of NMPRC oversight and regulation of NMGC rates.

Attachment A: Corporate Structure Charts for (a) the Current Corporate Structure and (b) the Post-Transaction Proposed Corporate Structure

Attachment A

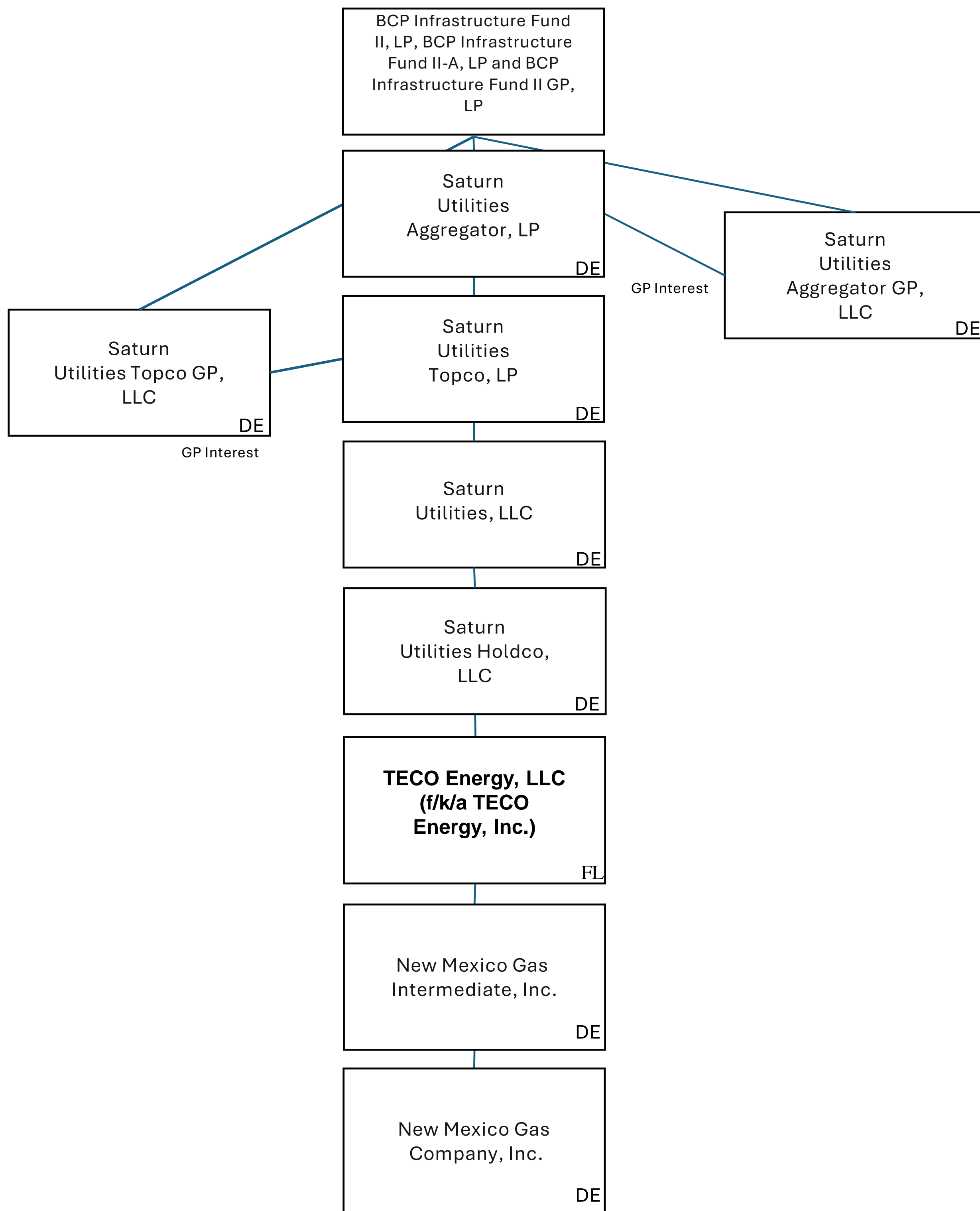
(a) Current Corporate Structure

Corporate Structure



Attachment A

(b) Post-Transaction Proposed Corporate Structure



BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION OF NEW MEXICO GAS COMPANY, INC.; EMERA INC., EMERA U.S. HOLDINGS INC.; NEW MEXICO GAS INTERMEDIATE, INC.; TECO HOLDINGS, INC.; TECO ENERGY, LLC; BCP INFRASTRUCTURE FUND II, LP; BCP INFRASTRUCTURE FUND II-A, LP; BCP INFRASTRUCTURE FUND II GP, LP; SATURN UTILITIES, LLC; SATURN UTILITIES HOLDCO, LLC; SATURN UTILITIES AGGREGATOR, LP; SATURN UTILITIES AGGREGATOR GP, LLC; SATURN UTILITIES TOPCO, LP; AND SATURN UTILITIES TOPCO GP, LLC FOR THE ACQUISITION OF TECO ENERGY LLC, AND FOR ALL OTHER APPROVALS AND AUTHORIZATIONS REQUIRED TO CONSUMMATE AND IMPLEMENT THE ACQUISITION,	)	**Case No. 24-00___-UT**
JOINT APPLICANTS.	)	

ELECTRONICALLY SUBMITTED AFFIRMATION OF
JEFFREY M. BAUDIER

In accordance with 1.2.2.35(A)(3) NMAC and Rule 1-011(B) NMRA, Jeffrey M. Baudier, President of Saturn Utilities Holdco, LLC and Senior Managing Director of Bernhard Capital Partners Management, LP, affirms and states under penalty of perjury under the laws of the State of New Mexico: I have read the foregoing Direct Testimony and Exhibits of Jeffrey M. Baudier, and they are true and accurate based on my personal knowledge and belief.

SIGNED this 28th day of October 2024.

/s/Jeffrey M. Baudier
Jeffrey M. Baudier