

MONEY POOL AGREEMENT

THIS MONEY POOL AGREEMENT (“*Agreement*”) is entered into as of November 27, 2017, by and between **LIBERTY UTILITIES CO. (“LUCo”)**, Liberty Utilities (EnergyNorth Natural Gas) Corp., Liberty Utilities (Granite State Electric) Corp., Liberty Energy Utilities (New Hampshire) Corp., Liberty Utilities (Peach State Natural Gas) Corp., Liberty Utilities (Pine Bluff Water) Corp., Liberty Utilities White Hall Sewer) Corp., Liberty Utilities (White Hall Water) Corp., and Liberty Utilities (Woodson-Hensley Water) Corp., the other direct and indirect subsidiaries or affiliates of LUCo that from time to time may be party to this Agreement (each an “*Eligible Borrower*” and a “*Party*”, and together with LUCo, the “*Parties*”).

RECITALS

WHEREAS, the Eligible Borrowers from time to time have need to borrow funds to provide for certain of their short-term cash and working capital requirements. Some of the Parties from time to time will have funds available to invest on a short term basis.

WHEREAS, the Parties desire to establish a pool of funds (the “*Money Pool*”) to be administered by LUCo to coordinate such investments and borrowings in order to provide for certain short term cash and working capital requirements of the Eligible Borrowers.

WHEREAS, LUCo will be limited in its participation in the Money Pool to be authorized only to lend funds, from time to time, to the Money Pool and to provide Money Pool administrative services.

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the Parties hereto agree as follows:

ARTICLE I. CONTRIBUTIONS AND BORROWINGS

Section 1.01 Contributions to Money Pool. Subject to the terms and conditions set forth herein, and applicable regulatory restrictions, if any, each Party will determine each day, on the basis of cash flow projections and other relevant factors determined in such Party’s sole discretion, the amount of funds such Party has available to contribute to the Money Pool, and will contribute such funds in the Money Pool.

Section 1.02 Rights to Borrow from Money Pool. Subject to the terms and conditions set forth herein, the availability of funds in the Money Pool and applicable regulatory restrictions, if any, each Eligible Borrower may borrow funds (each a “*Borrowing*” or a “*Loan*”) from the Money Pool. Such Borrowings shall be made by request to LUCo from time to time during the period from the date hereof until this Agreement is terminated by written agreement of the Parties. No Loans through the Money Pool will be made to, and no Borrowings through the Money Pool will be made by, LUCo.

Section 1.03 Guarantee. LUCo will guarantee the repayment of all Borrowings by an Eligible Borrower from the Money Pool. Accordingly, if, for any reason, an Eligible Borrower

is unable or unwilling to repay a Loan in accordance with Section 1.08, below, LUCo shall promptly contribute sufficient funds to the Money Pool to meet such Eligible Borrower's obligation to repay the principal amount of any such Loan as well as any accrued interest.

Section 1.04 Sources of Funds. Funds will be available to be loaned to Eligible Borrowers from (a) surplus funds of the Eligible Borrowers contributed to the Money Pool by the Eligible Borrowers hereto in accordance with Section 1.01, above, (b) surplus funds in the treasury of LUCo contributed to the Money Pool by LUCo to the extent available as determined in LUCo's sole discretion, and (c) if insufficient funds are available in the Money Pool to meet requests for Borrowings on any day, to the extent available as determined in LUCo's sole discretion, proceeds from bank borrowings and the sale of commercial paper by LUCo, in each case to the extent permitted by applicable laws and regulatory rules and orders.

Section 1.05 Authorization.

- (a) Each Loan shall be authorized by the Eligible Borrower's chief financial officer or treasurer, or by a designee thereof only after confirmation that such borrowing will not result in any non-compliance with any applicable regulatory restrictions.
- (b) Each Party is hereby prohibited from directly or indirectly loaning or transferring funds borrowed from the Money Pool to LUCo or to any other affiliates who are non-participants in the Money Pool.

Section 1.06 Interest. The daily outstanding balance of funds contributed to and lent through the Money Pool will earn interest and the daily outstanding balance of all funds borrowed from the Money Pool shall bear interest at the interest rate equal to the lowest rate payable on borrowings under LUCo's Credit Agreement with JPMorgan Chase Bank, N.A. and the other lender parties thereto dated as of September 30, 2013 (as the same may be amended, restated, refinanced, or replaced from time to time, the "*LUCo Credit Agreement*"), determined as if a borrowing with a 30-day interest period had occurred under the LUCo Credit Agreement as of the first day of the month in which the applicable contribution to or borrowing from the Money Pool occurs. Each borrowing Party will be deemed to borrow funds in the Money Pool pro rata from each of the Parties that contributes funds in the proportion that the total amount invested by each such contributor bears to the total amount then invested in the Money Pool by all contributing Parties.

Section 1.07 Certain Costs. The cost of compensating balances and fees (the "*Costs*") paid by LUCo to maintain credit lines used to fund the Money Pool shall initially be paid by LUCo. A portion of such Costs shall be retroactively allocated every quarter to the Eligible Borrowers as follows: (a) to the extent such Costs relate to a specific borrowing under the LUCo Credit Agreement or other borrowing by LUCo and a corresponding contribution of such funds by LUCo to the Money Pool, such Costs shall be allocated to each Eligible Borrower in the proportion that such Eligible Borrower's respective daily outstanding borrowings of such funds bears to all borrowings of such funds by all Eligible Borrowers and (b) to the extent such Costs do not relate to a specific borrowing under the LUCo Credit Agreement or other borrowing by LUCo, such Costs shall be allocated to each Eligible Borrower in the proportion that such Eligible Borrower's total Four Factors (as defined below) bears to the aggregate Four Factors of

all Eligible Borrowers. As used herein, “Four Factors” means (i) utility plant expenses, (ii) customer count, (iii) non-labor expenses, and (iv) labor expenses.

Section 1.08 Repayment. Each Eligible Borrower receiving a Loan from the Money Pool hereunder shall repay the principal amount of such Loan, together with all interest accrued thereon, on demand and in any event within 365 days of the date on which such Loan was made. All Loans made through the Money Pool may be prepaid by the borrower without premium or penalty. All repayments of principal will be allocated on a pro rata basis to Parties with outstanding contributions to the Money Pool.

Section 1.09 Form of Loans to Subsidiaries. Loans to the Eligible Borrower from the Money Pool shall be made as open-account advances, pursuant to the terms of this Agreement. A separate promissory note will not be required for each individual Loan.

ARTICLE II. OPERATION OF MONEY POOL

Section 2.01 Operation. Operation of the Money Pool, including record keeping and coordination of Loans, will be handled by LUCo, as administrative agent for the Parties hereto, under the authority of the appropriate officers of the Parties. LUCo shall be responsible for the determination of all applicable interest rates and charges to be applied to advances outstanding at any time hereunder, shall maintain records of all contributions, advances, interest charges and accruals and interest and principal payments for purposes hereof, and shall prepare periodic reports thereof for the Parties. LUCo will administer the Money Pool on an “at cost” basis.

Section 2.02 Fundings and Repayment. Each advance of Loans under this Agreement shall be made in immediately available funds, to such account as the borrowing Eligible Borrower and LUCo shall agree. All repayments of Loans and all contributions to the Money Pool shall be made in immediately available funds to such account as LUCo may designate from time to time to the Eligible Borrowers.

Section 2.03 Allocation of Interest and Investment Income. The interest earned by the Money Pool on Loans and investment income from investment of surplus funds will be allocated among the Parties in accordance with the proportion each Party’s contribution of funds to the Money Pool bears to the total amount of funds in the Money Pool and the cost of funds provided to the Money Pool by LUCo. Interest will be computed on a daily basis and settled on a quarterly basis, provided that such settlement shall be made as open-account credits.

Section 2.04 Investment of Surplus Funds in the Money Pool. Funds not required for the Money Pool loans (with the exception of funds required to satisfy the Money Pool’s liquidity requirements) will only be invested in one or more short-term investments, including (i) interest-bearing accounts with banks; (ii) obligations issued or guaranteed by the U.S. government and/or its agencies and instrumentalities, including obligations under repurchase agreements; (iii) obligations issued or guaranteed by any state or political subdivision thereof, provided that such obligations are rated not less than “A” by Standard & Poor’s or its successor, Moody’s Investor Service or its successor or Fitch Ratings or its successor; (iv) commercial paper rated not less than “A-1” by Standard & Poor’s or its successor, “P-1” by Moody’s Investors Service or its

successor, or "F-1 by Fitch Ratings or its successor; (v) money market funds; (vi) bank certificates of deposit, and (vii) such other investments as are permitted by all applicable orders, rules, or regulations of state and federal regulatory agencies having jurisdiction over the Parties.

Section 2.05 Event of Default. If any Eligible Borrower shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors, or any proceeding shall be instituted by or against any Eligible Borrower seeking to adjudicate it bankrupt or insolvent, then the unpaid principal amount of any loans to such affiliate and all accrued interest shall become immediately due and payable to the Money Pool, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by each Eligible Borrower.

Section 2.06 Determinations by LUCo Conclusive. All determinations, allocations and administrative decisions made by LUCo in its administrative capacity hereunder shall be conclusive and binding upon each of the Parties, absent manifest error.

ARTICLE III. MISCELLANEOUS

Section 3.01 Term. This Agreement shall be effective as of the date hereof and shall continue until terminated by agreement of the Parties. Each Eligible Borrower shall have the right at any time, upon written notice to LUCo and the other Eligible Borrowers, to terminate its participation in the Money Pool and this Agreement, subject to its obligation to pay when due all principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable to the Money Pool by such Eligible Borrower.

Section 3.02 Amendments. Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Parties hereto, except as set forth in the Illinois Rider. The Illinois Rider is incorporated into and made a part of this Agreement.

Section 3.03 Joinder of New Parties and Withdrawal of Participants. Other direct and indirect subsidiaries or affiliates of LUCo may become Parties to this Agreement by signing and delivering to the other Parties a Joinder Agreement, a form of which is attached hereto as Exhibit A, that such subsidiary agrees to be bound by this Agreement. Any such additional Party shall be an Eligible Borrower hereunder provided its borrowings from the Money Pool are either guaranteed by LUCo or they are otherwise eligible. Participants may withdraw from the Money Pool at any time by executing and delivering to LUCo the Withdrawal Form, a form of which is attached hereto as Exhibit B.

Section 3.04 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any person (other than the Parties hereto, their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

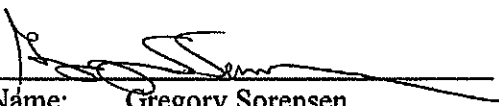
Section 3.05 Counterparts. This Agreement may be executed in counterparts (and by different Parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. A facsimile, electronic or PDF signature shall be fully binding upon the Parties to the same extent as an original signature.

Section 3.06 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 3.07 Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York, provided, that (i) no Party to this Agreement shall be obligated to participate in any transaction contemplated herein if the cost to be charged to such Party in connection with such transaction differs from the amount of the charges such Party is permitted to incur under any statute applicable to such Party or under the rules, regulations or orders of the Federal Energy Regulatory Commission or any state public utility commission or its equivalent having jurisdiction over such Party, and (ii) in the case of Parties subject to the jurisdiction of the Massachusetts Department of Public Utilities ("MDPU") or any successor to the MDPU, any amounts to be paid by such Parties in connection with this Agreement or any transaction contemplated by this Agreement shall be subject to review and determination by the MDPU in any proceeding brought under Section 93 or 94 of Chapter 164 of the Massachusetts General Laws.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

LIBERTY UTILITIES CO.

By: 
Name: Gregory Sorensen
Title: President

ELIGIBLE BORROWERS:

Liberty Utilities (EnergyNorth Natural Gas) Corp

By: _____
Name: Susan Fleck
Title: President

Section 3.05 Counterparts. This Agreement may be executed in counterparts (and by different Parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. A facsimile, electronic or PDF signature shall be fully binding upon the Parties to the same extent as an original signature.

Section 3.06 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 3.07 Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York, provided, that (i) no Party to this Agreement shall be obligated to participate in any transaction contemplated herein if the cost to be charged to such Party in connection with such transaction differs from the amount of the charges such Party is permitted to incur under any statute applicable to such Party or under the rules, regulations or orders of the Federal Energy Regulatory Commission or any state public utility commission or its equivalent having jurisdiction over such Party, and (ii) in the case of Parties subject to the jurisdiction of the Massachusetts Department of Public Utilities ("MDPU") or any successor to the MDPU, any amounts to be paid by such Parties in connection with this Agreement or any transaction contemplated by this Agreement shall be subject to review and determination by the MDPU in any proceeding brought under Section 93 or 94 of Chapter 164 of the Massachusetts General Laws.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

LIBERTY UTILITIES CO.

By: _____
Name: Gregory Sorensen
Title: President

ELIGIBLE BORROWERS:

Liberty Utilities (EnergyNorth Natural Gas) Corp

By: _____
Name: Susan Fleck
Title: President

Liberty Utilities (Granite State Electric) Corp.

By: 
Name: Susan Fleck
Title: President

Liberty Energy Utilities (New Hampshire) Corp.

By: 
Name: Susan Fleck
Title: President

Liberty Utilities (Peach State Natural Gas) Corp.

By: _____
Name: Charles A. Rossi
Title: President

Liberty Utilities (Pine Bluff Water) Corp.

By: _____
Name: David R. Swain
Title: President

Liberty Utilities (White Hall Sewer) Corp.

By: _____
Name: David R. Swain
Title: President

Liberty Utilities (White Hall Water) Corp.

By: _____
Name: David R. Swain
Title: President

Liberty Utilities (Woodson-Hensley Water) Corp

By: _____
Name: David R. Swain
Title: President

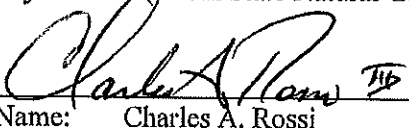
Liberty Utilities (Granite State Electric) Corp.

By: _____
Name: Susan Fleck
Title: President

Liberty Energy Utilities (New Hampshire) Corp.

By: _____
Name: Susan Fleck
Title: President

Liberty Utilities (Peach State Natural Gas) Corp.

By:  _____
Name: Charles A. Rossi
Title: President

Liberty Utilities (Pine Bluff Water) Corp.

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Name: David R. Swain
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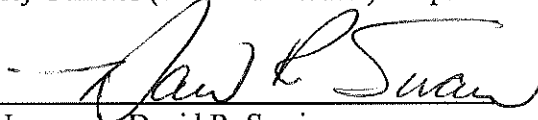
Liberty Energy Utilities (New Hampshire) Corp.

By: _____
Name: Susan Fleck
Title: President

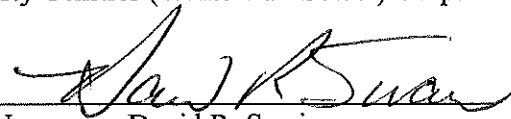
Liberty Utilities (Peach State Natural Gas) Corp.

By: _____
Name: Charles A. Rossi
Title: President

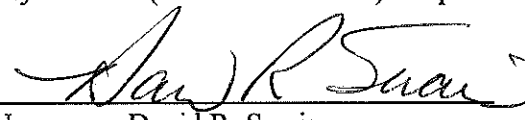
Liberty Utilities (Pine Bluff Water) Corp.

By: 
Name: David R. Swain
Title: President

Liberty Utilities (White Hall Sewer) Corp.

By: 
Name: David R. Swain
Title: President

Liberty Utilities (White Hall Water) Corp.

By: 
Name: David R. Swain
Title: President

Liberty Utilities (Woodson-Hensley Water) Corp

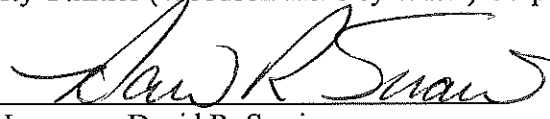
By: 
Name: David R. Swain
Title: President

EXHIBIT A

JOINDER AGREEMENT TO THE MONEY POOL AGREEMENT

THIS JOINDER AGREEMENT TO THE MONEY POOL AGREEMENT (this "**Agreement**") is entered into as of _____, 20__, by and between **LIBERTY UTILITIES CO. ("LUCo")**, [ENTITY NAME], _____ and _____, the other direct and indirect subsidiaries or affiliates of LUCo (each an "**Eligible Borrower**" and a "**Party**", and together with LUCo, the "**Parties**"). Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Money Pool Agreement.

WHEREAS, [ENTITY NAME] desires to participate in the Money Pool by and between LUCo and the Eligible Borrowers, which will allow [ENTITY NAME] from time to time, to: a) borrow funds to provide for certain of their short-term cash and working capital requirements and/or b) contribute excess funds which will either be lent to Eligible Borrowers or invested in overnight investments.

WHEREAS, in connection with [ENTITY NAME]'s election to participate in the Money Pool and pursuant to Section 3.03 of the Money Pool Agreement, [ENTITY NAME] must become a party to the Money Pool Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

[ENTITY NAME] hereby acknowledges and agrees with the Parties that it is a signatory and party to the Money Pool Agreement as of the date first written above and thus subject to all terms and conditions of the Money Pool Agreement applicable to each Party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

[ENTITY NAME]

By: _____
Name:
Title:

LIBERTY UTILITIES CO.

By: _____
Name:
Title:

ELIGIBLE BORROWERS:

[Eligible Borrower Name]

By: _____
Name:
Title:

[Eligible Borrower Name]

By: _____
Name:
Title:

[Eligible Borrower Name]

By: _____
Name:
Title:

[Eligible Borrower Name]

By: _____
Name:
Title:

EXHIBIT B

NOTICE OF WITHDRAWAL FROM THE MONEY POOL AGREEMENT

[ENTITY NAME] (the "Withdrawing Entity") is a Party to the Money Pool Agreement by and between LIBERTY UTILITIES CO. ("LUCo"), _____ and _____, the other direct and indirect subsidiaries or affiliates of LUCo. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Money Pool Agreement.

Pursuant to Section 3.03 of the Money Pool Agreement, [ENTITY NAME] desires to voluntarily withdraw from the Money Pool and the Money Pool Agreement. The date of the withdrawal will be _____, ____.

With this notice, the Withdrawing Entity gives the Parties notice of the withdrawal from the Money Pool and the Money Pool Agreement in writing.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

[ENTITY NAME]

By: _____

Name:

Title:

ILLINOIS RIDER to MONEY POOL AGREEMENT

This rider is part of that certain Money Pool Agreement (as it may be amended from time to time in accordance with its terms, the “*Agreement*”) dated as of November 27, 2017 among Liberty Utilities Co., Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities (“*Liberty Midstates*”) and the other parties thereto. Unless otherwise specified, terms in this rider shall have the meaning set forth in the Agreement.

In order to ensure compliance by Liberty Midstates with the Illinois Public Utilities Act and the applicable rules and regulations of the Illinois Commerce Commission, the Parties set forth certain additional terms and conditions applicable to Liberty Midstates’ participation in the Money Pool and its transactions with affiliates (as defined in 83 Ill. Admin. Code 340.20) under the Agreement:

1. Requirements for Loans to Liberty Midstates.

(a) The Agreement (including this rider) sets forth the terms of Loans from the Money Pool to Liberty Midstates.

(b) Liberty Midstates may borrow from the Money Pool only if the interest rate on borrowing from the Money Pool does not exceed the actual interest cost, including issuance costs (as defined in 83 Ill. Admin. Code 340.20), for the funds obtained or used to provide the funds borrowed by Liberty Midstates (which shall be presumed to be the interest cost applicable to LUCo under the LUCo Credit Agreement).

(c) Liberty Midstates may not borrow from the Money Pool if it determines that it can borrow at lower cost directly from banks or other financial institutions (as defined in 83 Ill. Admin. Code 340.20) or through the sale of its own commercial paper.

2. Requirements for Loans from Liberty Midstates.

(a) Liberty Midstates may only loan funds through the Money Pool to another Party to the Agreement if that Party (the “Borrowing Affiliate”) meets one of the following six requirements:

(1) The Borrowing Affiliate maintains the following commercial paper ratings from at least two of the following three major credit rating agencies (as defined in 83 Ill. Admin. Code 340.20) and a higher, equivalent, or no credit rating from the third credit rating agency: A-1 or above from Standard & Poor's or its successor; P-1 or above from Moody's Investors Service or its successor; and F-1 or above from Fitch Ratings or its successor;

(2) The aggregate amount of outstanding short-term indebtedness of the Borrowing Affiliate, including amounts to be borrowed from Liberty Midstates, excluding amounts drawn on the committed credit facility, does not exceed the unused balance of funds available to the Borrowing Affiliate under high-grade committed credit facilities (as defined in 83 Ill. Admin. Code 340.20) at any time plus the amount of funds

the Borrowing Affiliate invests in the short-term securities described in subparagraphs 3 (a)(1) and (2) of this rider;

(3) The Borrowing Affiliate is a high-grade credit issuer (as defined in 83 Ill. Admin. Code 340.20);

(4) The aggregate amount of funds the Borrowing Affiliate borrows is guaranteed by an affiliate of Liberty Midstates that meets the requirements set forth in subparagraph (2)(a)(1) of this rider;

(5) The aggregate amount of funds the Borrowing Affiliate borrows is guaranteed by an affiliate of Liberty Midstates with a high-grade committed credit facility that meets the requirements set forth in subparagraph 2(a)(2) of this rider; or

(6) The Borrowing Affiliate (a) is a utility as defined in 83 Ill. Admin. Code 340.20, or (b) would be a utility as defined in Section 3-105 of the Public Utilities Act if the words "within this state" were excluded from such definition (eliminating any requirement that a Borrowing Affiliate operate in Illinois in order to be deemed a utility for purposes of these eligibility criteria).

(b) To the extent a Borrowing Affiliate's eligibility for loans from Liberty Midstates is based on subparagraph 2(a)(5) of this rider through LUCo's guarantee of such Borrowing Affiliate's obligations pursuant to Section 1.03, the aggregate amount of funds borrowed by all so-eligible Borrowing Affiliates from Liberty Midstates (and only from Liberty Midstates) shall not exceed the unused balance of funds available to LUCo under the LUCo Credit Agreement at the time of the borrowing. For avoidance of doubt, LUCo's guarantee obligations under Section 1.03 shall not be considered short-term indebtedness of LUCo for any reason, unless and until LUCo is required to actually make payments in respect of such guarantee by the lender to whom such amounts are guaranteed.

The following example is intended to clarify how determinations of eligibility and under this Agreement and availability under the LUCo Credit Agreement will work in practice. Assume that \$1 million is loaned by Parties through the Money Pool to Eligible Borrowers. Assume that \$950,000 is lent to Eligible Borrowers that are eligible as Illinois or non-Illinois utilities under subparagraph 2(a)(6) of this rider, and \$50,000 to Eligible Borrowers that are eligible pursuant to subparagraph 2(a)(5) of this rider due to the LUCo guarantee in Section 1.03. Assume Liberty Midstates advanced \$100,000 of the funds in the Money Pool (10 percent of the total excess funds), all of which were lent to the Eligible Borrowers. This would mean that Liberty Midstates is deemed to lend \$95,000 to Eligible Borrowers eligible under subparagraph 2(a)(6), and \$5,000 to Eligible Borrowers eligible under subparagraph 2(a)(5). LUCo would be required to have availability under the LUCo Credit Agreement of \$5,000 in order for the Eligible Borrowers to be eligible under subparagraph 2(a)(5). The \$95,000 lent by Liberty Midstates, and the guarantee by LUCo of the aggregate \$1 million in debt, would not have any effect on the determination of availability under the LUCo Credit Agreement or the eligibility of the non-utility Eligible Borrowers that are eligible under subparagraph 2(a)(5).

(c) Liberty Midstates will not borrow from outside the Money Pool in order to make loans to Borrowing Affiliates.

(d) Liberty Midstates may only loan funds through the Money Pool if Liberty Midstates cannot earn a higher rate of return on investments of similar risk in the open market, or Liberty Midstates will earn no less than the rate Liberty Midstates would have earned on investments in existing short-term investment accounts maintained by Liberty Midstates during the period in question.

(e) Liberty Midstates shall neither lend additional funds nor extend the term of existing loans to any Borrowing Affiliate that no longer meets any of the eligibility criteria of subparagraph 2(a) of this rider. An affiliate that exceeds its borrowing limit shall have 90 days to repay sufficient principal and accrued interest to bring that Borrowing Affiliate back into compliance with subparagraph 2(a) of this rider or, alternatively, to repay all outstanding loans from Liberty Midstates and accrued interest.

3. Investment of Liberty Midstates Funds. Investment of money contributed by Liberty Midstates to the Money Pool but not lent to a Borrowing Affiliate shall be restricted to one or more of the following short-term investments:

(a) Interest-bearing accounts with banks;

(b) Obligations issued or guaranteed by the U.S. government or its agencies and instrumentalities, including obligations under repurchase agreements;

(c) Obligations issued or guaranteed by any state or political subdivision, provided that these obligations are rated not less than A by Standard & Poor's or its successor, Moody's Investors Service or its successor, or Fitch Ratings or its successor;

(d) Commercial paper rated not less than A-1 by Standard & Poor's or its successor, P-1 by Moody's Investors Service or its successor, or F-1 by Fitch Ratings or its successor;

(e) Money market funds;

(f) Bank certificates of deposit and bankers acceptances;

(g) Eurodollar certificates of deposits or time deposits;

(h) Medium-term notes (as defined in 83 Ill. Admin. Code 340.20), variable rate demand notes and variable rate preferred stock rated A- or above by Standard & Poor's or its successor, A3 or above by Moody's Investors Service or its successor, or A- or above by Fitch Ratings or its successor;

(i) Short-term (as defined in 83 Ill. Admin. Code 340.20) securities rated AA or above by Standard & Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor;

(j) Short-term securities issued or guaranteed by an entity rated AA or above by Standard& Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor; or

(k) Repurchase agreements with financial institutions rated AA or above by Standard& Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor with a minimum of 102% over collateralization.

4. Assistance with Reporting Obligations. LUCo shall cooperate with Liberty Midstates, at Liberty Midstates' sole cost and expense, in making available such information available to Liberty Midstates as may be reasonably necessary or useful for it to comply with its reporting obligations under 83 Ill. Admin. Code 340.60, including (a) the quarterly report documenting all daily deposits, borrowings, interest income, interest expense and other information regarding transactions under the Agreement, (b) the continued qualifications of Borrowing Affiliates under subparagraph 2(a) of this rider, (c) listings of Parties, and (d) credit downgrades.

5. Modification of Rider. Notwithstanding the provisions of Section 3.02 of the Agreement, this Rider may be waived, amended or modified pursuant to an agreement in writing between Liberty Midstates and LUCo without the agreement of the other parties to the Agreement. Without limiting the foregoing, to the extent the law applicable to Liberty Midstates' participation in the Money Pool and its conduct of the transactions contemplated by the Agreement is changed after the date hereof, Liberty Midstates and LUCo may modify the terms of this Rider in such a way as to conform to such changes, as long as such modification complies with applicable law.

6. No Pledge, Guarantee or Long Term Loan. For avoidance of doubt, under the Agreement Liberty Midstates is not pledging its assets, nor guaranteeing the payment or performance of any other entity, unless the Illinois Commerce Commission has separately approved such pledge or guarantee or such pledge or guarantee is otherwise permitted under applicable law.