

\$34,000,000

CREDIT AGREEMENT

dated as of October 17, 2014

among

**COMMONWEALTH EDISON COMPANY,
as Borrower,**

**VARIOUS FINANCIAL INSTITUTIONS,
as Lenders,**

and

**JPMORGAN CHASE BANK, N.A.,
as Administrative Agent**

**SEAWAY BANK AND TRUST COMPANY
and
RIVERSIDE COMMUNITY BANK**

Co-Arrangers

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this "Agreement") dated as of October 17, 2014 is among COMMONWEALTH EDISON COMPANY, the banks listed on the signature pages hereof, and JPMORGAN CHASE BANK, N.A., as Administrative Agent. The parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01 Certain Defined Terms. As used in this Agreement, each of the following terms shall have the meaning set forth below (each such meaning to be equally applicable to both the singular and plural forms of the term defined):

"Adjusted Funds From Operations" means, for any period, Net Cash Flows From Operating Activities for such period plus Interest Expense for such period minus (x) the portion (but not less than zero) of Net Cash Flows From Operating Activities for such period attributable to any consolidated Subsidiary that has no Debt other than Nonrecourse Indebtedness and (y) After-Tax Transitional Funding Instrument Revenue for such period.

"Administrative Agent" means JPMCB in its capacity as administrative agent for the Lenders pursuant to Article VII, and not in its individual capacity as a Lender, and any successor Administrative Agent appointed pursuant to Section 7.06.

"Administrative Questionnaire" means an administrative questionnaire, substantially in the form supplied by the Administrative Agent, completed by a Lender and furnished to the Administrative Agent in connection with this Agreement.

"Advance" means an advance by a Lender to the Borrower hereunder. An Advance may be a Base Rate Advance or a Eurodollar Advance, each of which shall be a "Type" of Advance.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person.

"After-Tax Transitional Funding Instrument Revenue" means, for any period, the portion of consolidated revenue for such period attributable to charges invoiced to customers in respect of Transitional Funding Instruments, after deducting applicable income taxes.

"Agreement" - see the Preamble.

"Aggregate Commitment Amount" means the total of the Commitment Amounts of all Lenders as in effect from time to time.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries or Affiliates from time to time concerning or relating to bribery or corruption.

“Applicable Lending Office” means, with respect to each Lender, such Lender’s Domestic Lending Office in the case of a Base Rate Advance and such Lender’s Eurodollar Lending Office in the case of a Eurodollar Advance.

“Applicable Margin” - see Schedule I.

“Arranger” means each of Seaway Bank and Trust Company and Riverside Community Bank.

“Assignment and Acceptance” means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit A.

“Base Rate” means, for any day, a rate per annum equal to the highest of:

- (a) the Prime Rate as in effect on such day;
 - (b) the sum of 0.5% per annum plus the Federal Funds Rate as in effect on such day;
- and
- (c) the Eurodollar Rate that would be applicable for an Interest Period of one month beginning on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.0%.

“Base Rate Advance” means an Advance that bears interest as provided in Section 2.06(a).

“Borrower” means Commonwealth Edison Company, an Illinois corporation, or any Eligible Successor thereof.

“Borrowing” means a group of Advances of the same Type made, continued or converted on the same day by the Lenders ratably according to their Pro Rata Shares and, in the case of a Borrowing of Eurodollar Advances, having the same Interest Period.

“Business Day” means a day on which banks are not required or authorized to close in Chicago, Illinois or New York, New York, and, if the applicable Business Day relates to any Eurodollar Advance, on which dealings are carried on in the London interbank market.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any governmental authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any governmental authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or United States or foreign regulatory

authorities, in each case pursuant to Basel III, shall, in the case of both clause (i) and clause (ii) be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” means the date on which all conditions precedent set forth in Section 3.01 have been satisfied.

“Code” means the Internal Revenue Code of 1986.

“Commitment” means, for any Lender, such Lender’s commitment to make Advances and participate in Facility LCs hereunder.

“Commitment Amount” means, for any Lender at any time, the amount set forth opposite such Lender’s name on Schedule II attached hereto or, if such Lender has entered into any Assignment and Acceptance, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 8.07(c), as such amount may be reduced pursuant to Section 2.04.

“Commitment Termination Date” means the earlier of (i) October 16, 2015 or such later date to which the scheduled Commitment Termination Date may be extended pursuant to Section 2.17 (or, if any such date is not a Business Day, the next preceding Business Day) or (ii) the date of termination in whole of the Commitments pursuant to Section 2.04 or 6.01.

“Controlled Group” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control that, together with the Borrower, are treated as a single employer under Section 414(b) or 414(c) of the Code.

“Credit Extension” means the making of an Advance or the issuance or modification of a Facility LC hereunder.

“Debt” means (i) indebtedness for borrowed money, (ii) obligations evidenced by bonds, debentures, notes or other similar instruments, (iii) obligations to pay the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business), (iv) obligations as lessee under leases that shall have been or are required to be, in accordance with GAAP, recorded as capital leases, (v) obligations (contingent or otherwise) under reimbursement or similar agreements with respect to the issuance of letters of credit (other than obligations in respect of documentary letters of credit opened to provide for the payment of goods or services purchased in the ordinary course of business) and (vi) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (v) above.

“Defaulting Lender” means any Lender that (a) has not made available to the Administrative Agent such Lender’s ratable portion of a requested Borrowing or has not reimbursed the LC Issuer for such Lender’s Pro Rata Share of the amount of a payment made by the LC Issuer under a Facility LC, in each case within three Business Days after the date due therefor in accordance with Section 2.02(a) or 2.16.5, as applicable; (b) has notified the Borrower or the Administrative Agent that it does not intend to comply with its obligations under Section 2.02(a) or 2.16.5; or (c) is the subject of a bankruptcy, insolvency or similar proceeding.

“Designated Lender” means a Defaulting Lender or a Downgraded Lender.

“Domestic Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Domestic Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Downgraded Lender” means any Lender that (a) has a non-investment grade rating from Moody’s, S&P or another nationally-recognized rating agency; or (b) is a Subsidiary of a Person that is the subject of a bankruptcy, insolvency or similar proceeding.

“Eligible Assignee” means (i) a commercial bank organized under the laws of the United States, or any State thereof; (ii) a commercial bank organized under the laws of any other country that is a member of the OECD or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow, or a political subdivision of any such country, provided that such bank is acting through a branch or agency located in the United States; (iii) a finance company, insurance company or other financial institution or fund (whether a corporation, partnership or other entity) engaged generally in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business; (iv) the central bank of any country that is a member of the OECD; (v) any Lender; or (vi) any Affiliate (excluding any individual) of a Lender; provided that, unless otherwise agreed by the Borrower and the Administrative Agent in their sole discretion, (A) any Person described in clause (i), (ii) or (iii) above shall also (x) have outstanding unsecured long-term debt that is rated BBB- or better by S&P and Baa3 or better by Moody’s (or an equivalent rating by another nationally recognized credit rating agency of similar standing if either such corporation is no longer in the business of rating unsecured indebtedness of entities engaged in such businesses) and (y) have combined capital and surplus (as established in its most recent report of condition to its primary regulator) of not less than \$100,000,000 (or its equivalent in foreign currency), and (B) any Person described in clause (ii), (iii), (iv), (v) or (vi) above shall, on the date on which it is to become a Lender hereunder, be entitled to receive payments hereunder without deduction or withholding of any United States Federal income taxes (as contemplated by Section 2.14(e)).

“Eligible Successor” means a Person that (i) is a corporation, limited liability company or business trust duly incorporated or organized, validly existing and in good standing under the laws of one of the states of the United States or the District of Columbia, (ii) as a result of a contemplated acquisition, consolidation or merger, will succeed to all or substantially all of the consolidated business and assets of the Borrower or Exelon, as applicable, (iii) upon giving effect to such contemplated acquisition, consolidation or merger, will have all or substantially all of its consolidated business and assets conducted and located in the United States and (iv) in the case of the Borrower, is acceptable to the Majority Lenders as a credit matter.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“Eurocurrency Liabilities” has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System.

“Eurodollar Advance” means any Advance that bears interest as provided in Section 2.06(b).

“Eurodollar Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Eurodollar Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Eurodollar Rate” means, for each Interest Period for each Eurodollar Advance made as part of a Borrowing, the applicable British Bankers’ Association LIBOR rate for deposits in U.S. dollars having a maturity equal to such Interest Period, as reported by any generally recognized financial information service as of 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period; provided that if no such British Bankers’ Association LIBOR rate is available to the Administrative Agent, the Eurodollar Rate for such Interest Period shall instead be the rate determined by the Administrative Agent to be the rate at which JPMCB or one of its Affiliate banks offers to place deposits in U.S. dollars with first class banks in the London interbank market at approximately 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period, in the approximate amount of JPMCB’s relevant Eurodollar Advance and having a maturity equal to such Interest Period.

“Eurodollar Rate Reserve Percentage” of any Lender for any Interest Period means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

“Event of Default” - see Section 6.01.

“Exchange Act” means the Securities Exchange Act of 1934.

“Exelon” means Exelon Corporation, a Pennsylvania corporation, or any Eligible Successor thereof.

“Existing Agreement” means the \$34,000,000 Credit Agreement dated as of October 18, 2013 among the Borrower, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent.

“Existing Warrants” means the presently outstanding Common Stock Purchase Warrants (1971 Warrants and Series B Warrants) previously issued by the Borrower.

“Existing Letter of Credit” means each letter of credit listed on Schedule III.

“Facility Fee Rate” - see Schedule I.

“Facility LC” means any letter of credit issued pursuant to Section 2.16 and any Existing Letter of Credit.

“Facility LC Application” - see Section 2.16.3.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement, and any current or future regulations or official interpretations thereof; provided that “FATCA” shall also include any amendments to Sections 1471 through 1474 of the Code that are substantively comparable, but only if the requirements in such amended version for avoiding the withholding are not materially more onerous than the requirements in the current version.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Final Termination Date” means the earlier of (i) the date on or after the Commitment Termination Date on which all of the Borrower’s obligations hereunder have been paid in full and all Facility LCs have expired or been terminated and (ii) the date on which all of the Borrower’s obligations hereunder have become due and payable (pursuant to Section 6.01 or otherwise).

“Fitch” means Fitch, Inc. and any successor thereto.

“Fitch Rating” means, at any time, the rating issued by Fitch and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from Fitch for debt securities of such type, then such indicative rating shall be used for determining the “Fitch Rating”).

“GAAP” - see Section 1.03.

“Granting Bank” - see Section 8.07(h).

“Intangible Transition Property” means (i) “intangible transition property,” as defined in Section 18-102 of the Illinois Public Utilities Act, and (ii) any property created pursuant to an order of the Illinois Commerce Commission issued pursuant to state legislation described in clause (ii) of the definition of “Transitional Funding Instruments,” which consists primarily of the right to impose non-bypassable charges to customers of a utility in order to facilitate the utility’s recovery of specified costs and/or deferred rates.

“Interest Coverage Ratio” means, for any period of four consecutive fiscal quarters of the Borrower, the ratio of Adjusted Funds From Operations for such period to Net Interest Expense for such period.

“Interest Expense” means, for any period, “interest expense” as shown on a consolidated statement of income of the Borrower for such period prepared in accordance with GAAP, excluding any non-cash interest expense recorded as “interest expense” on a consolidated statement of income of the Borrower in connection with the Like-Kind Exchange Matter, plus Interest Expense to Affiliates for such period.

“Interest Expense to Affiliates” means, for any period, “Interest Expense to Affiliates” as shown on a consolidated statement of operations of the Borrower for such period.

“Interest Period” means, for each Eurodollar Advance, the period commencing on the date such Eurodollar Advance is made or is converted from a Base Rate Advance and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be 1, 2, 3 or 6 months, as the Borrower may select in accordance with Section 2.02 or 2.09; provided that:

(i) the Borrower may not select any Interest Period that ends after the scheduled Commitment Termination Date;

(ii) Interest Periods commencing on the same date for Advances made as part of the same Borrowing shall be of the same duration;

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, unless such extension would cause the last day of such Interest Period to occur in the next following calendar month, in which case the last day of such Interest Period shall occur on the next preceding Business Day; and

(iv) if there is no day in the appropriate calendar month at the end of such Interest Period numerically corresponding to the first day of such Interest Period, then such Interest Period shall end on the last Business Day of such appropriate calendar month.

“JPMCB” means JPMorgan Chase Bank, N.A., a national banking association.

“LC Fee Rate” - see Schedule I.

“LC Issuer” means JPMCB (or an Affiliate of JPMCB) in its capacity as issuer of Facility LCs hereunder.

“LC Obligations” means, at any time, the sum, without duplication, of (i) the aggregate undrawn stated amount under all Facility LCs outstanding at such time plus (ii) the aggregate unpaid amount at such time of all Reimbursement Obligations.

“LC Payment Date” - see Section 2.16.5.

“Lenders” means each of the financial institutions listed on the signature pages hereof and each Eligible Assignee that shall become a party hereto pursuant to Section 8.07.

“Lien” means any lien (statutory or other), mortgage, pledge, security interest or other charge or encumbrance, or any other type of preferential arrangement (including the interest of a vendor or lessor under any conditional sale, capitalized lease or other title retention agreement).

“Like-Kind Exchange Matter” means the IRS’s challenge to the position taken by Exelon on its 1999 federal income tax return with respect to the sale of the Borrower’s fossil generating assets and the use of certain of the sale proceeds in a like-kind exchange transaction.

“Majority Lenders” means Lenders having Pro Rata Shares of more than 50%; provided that, for purposes of this definition, (a) neither the Borrower nor any of its Affiliates, if a Lender, shall be included in calculating the amount of any Lender’s Pro Rata Share or the amount of the Commitment Amounts or Outstanding Credit Extensions, as applicable, required to constitute more than 50% of the Pro Rata Shares; and (b) the Pro Rata Share of any Defaulting Lender shall be deemed to be zero (and the Pro Rata Shares of the other Lenders shall be correspondingly increased).

“Material Adverse Change” and “Material Adverse Effect” each means, relative to any occurrence, fact or circumstances of whatsoever nature (including any determination in any litigation, arbitration or governmental investigation or proceeding), (i) any materially adverse change in, or materially adverse effect on, the financial condition, operations, assets or business of the Borrower and its consolidated Subsidiaries, taken as a whole; or (ii) any materially adverse effect on the validity or enforceability against the Borrower of this Agreement.

“Modify” and “Modification” - see Section 2.16.1.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Moody’s Rating” means, at any time, the rating issued by Moody’s and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third-party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from Moody’s for debt securities of such type, then such indicative rating shall be used for determining the “Moody’s Rating”).

“Mortgage” means the Mortgage, dated July 1, 1923, as amended and supplemented by supplemental indentures, including the Supplemental Indenture, dated August 1, 1944, from the Borrower to the trustees, BNY Mellon Trust Company of Illinois (as successor to Harris Trust and Savings Bank) and D.G. Donovan, and any successors thereto; provided that no effect shall be given to any amendment, supplement or refinancing after the date of this Agreement that would broaden the definition of “permitted liens” as defined in the Mortgage as constituted on the date of this Agreement.

“Multiemployer Plan” means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which Exelon or any other member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

“Net Cash Flows From Operating Activities” means, for any period, “Net Cash Flows provided by Operating Activities” as shown on a consolidated statement of cash flows of the Borrower for such period prepared in accordance with GAAP, excluding any “Changes in assets and liabilities” (as shown on such statement of cash flows) taken into account in determining such Net Cash Flows provided by Operating Activities (except for any non-cash changes in assets and liabilities recorded by the Borrower in connection with the Like-Kind Exchange Matter).

“Net Interest Expense” means, for any period, the total of (a) Interest Expense for such period minus (b) Interest Expense to Affiliates for such period to the extent included in the amount referred to in clause (a) and related to (i) interest payments on debt obligations that are subordinated to the obligations of the Borrower under this Agreement, (ii) interest on Nonrecourse Indebtedness or (iii) Transitional Funding Instrument Interest.

“Nonrecourse Indebtedness” means any Debt that finances the acquisition, development, ownership or operation of an asset in respect of which the Person to which such Debt is owed has no recourse whatsoever to the Borrower or any of its Affiliates other than:

(i) recourse to the named obligor with respect to such Debt (the “Debtor”) for amounts limited to the cash flow or net cash flow (other than historic cash flow) from the asset;

(ii) recourse to the Debtor for the purpose only of enabling amounts to be claimed in respect of such Debt in an enforcement of any security interest or lien given by the Debtor over the asset or the income, cash flow or other proceeds deriving from the asset (or given by any shareholder or the like in the Debtor over its shares or like interest in the capital of the Debtor) to secure the Debt, but only if the extent of the recourse to the Debtor is limited solely to the amount of any recoveries made on any such enforcement; and

(iii) recourse to the Debtor generally or indirectly to any Affiliate of the Debtor, under any form of assurance, undertaking or support, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specified way) for a breach of an obligation (other than a payment obligation or an obligation to comply or to procure compliance by another with any financial ratios or other tests of financial condition) by the Person against which such recourse is available.

“Notice of Borrowing” - see Section 2.02(a).

“OECD” means the Organization for Economic Cooperation and Development.

“Outstanding Credit Extensions” means the sum of the aggregate principal amount of all outstanding Advances plus all LC Obligations.

“PBGC” means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

“Permitted Encumbrance” means (a) any right reserved to or vested in any municipality or other governmental or public authority (i) by the terms of any right, power, franchise, grant, license or permit granted or issued to the Borrower or (ii) to purchase or recapture or to designate a purchaser of any property of the Borrower; (b) any easement, restriction, exception or reservation in any property and/or right of way of the Borrower for the purposes of roads, pipelines, transmission lines, distribution lines, transportation lines or removal of minerals or timber or for other like purposes or for the joint or common use of real property, rights of way, facilities and/or equipment, and defects, irregularities and deficiencies in title of any property and/or rights of way, which, in each case described in this clause (b), whether considered individually or collectively with all other items described in this clause (b), do not materially impair the use of the relevant property and/or rights of way for the purposes for which such property and/or rights of way are held by the Borrower; (c) rights reserved to or vested in any municipality or other governmental or public authority to control or regulate any property of the Borrower or to use such property in a manner that does not materially impair the use of such property for the purposes for which it is held by the Borrower; and (d) obligations or duties of the Borrower to any municipality or other governmental or public authority that arise out of any franchise, grant, license or permit and that affect any property of the Borrower.

“Permitted Securitization” means any sale and/or contribution, or series of related sales and/or contributions, by the Borrower or any Subsidiary of the Borrower of accounts receivables, payment intangibles, notes receivable and related rights (collectively, “receivables”) or interests therein to a trust, corporation or other entity, where (a) the purchase of such receivables or interests therein is funded in whole or in part by the incurrence or issuance by the purchaser or any successor purchaser of Debt or securities that are to receive payments from, or that represent interests in, the cash flow derived primarily from such receivables or interests therein, provided, however, that “Debt” as used in this clause (a) shall not include Debt incurred by a Receivables SPC owed to the Borrower or to a Subsidiary of the Borrower which Debt represents all or a portion of the purchase price paid by the Receivables SPC for such receivables or interests therein, (b) any recourse, repurchase, hold harmless, indemnity or similar obligations of the Borrower or any Subsidiary (other than the Receivables SPC that is a party to such transaction) in respect of receivables or interests therein sold, or payments made in respect thereof, are customary for transactions of this type, and do not prevent the characterization of the transaction as a true sale under applicable laws (including debtor relief laws), and (c) any recourse, repurchase, hold harmless, indemnity or similar obligations of a Receivables SPC in respect of receivables or interests therein sold, or payments made in respect thereof, are customary for transactions of this type.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means an employee pension benefit plan that is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Borrower or any other member of the Controlled Group may have any liability.

“Prime Rate” means a rate per annum equal to the prime rate of interest announced by JPMCB (which is not necessarily the lowest rate charged to any customer), changing when and as said prime rate changes.

“Principal Subsidiary” means (a) each Utility Subsidiary (other than Commonwealth Edison Company of Indiana, Inc., so long as it does not qualify as a Principal Subsidiary under the following clause (b)) and (b) each other Subsidiary the assets of which, as of the date of any determination thereof, exceeded \$250,000,000 in book value at any time during the preceding 12-month period. Notwithstanding the foregoing, Principal Subsidiary shall not include any Receivables SPC or Special Purpose Subsidiary.

“Pro Rata Share” means, with respect to a Lender, the percentage that such Lender’s Commitment Amount (or, after the Commitments have terminated, the principal amount of such Lender’s outstanding Advances plus the amount of such Lender’s participation in all LC Obligations) is of the Aggregate Commitment Amount (or, after the Commitments have terminated, the principal amount of all outstanding Advances plus all LC Obligations).

“Receivables SPC” means a special purpose, bankruptcy-remote Person formed for the sole and exclusive purpose of engaging in activities in connection with the purchase, sale and financing of accounts receivable, payment intangibles, accounts or notes receivable and related rights in connection with and pursuant to a Permitted Securitization.

“Register” - see Section 8.07(c).

“Reimbursement Obligations” means the outstanding obligations of the Borrower under Section 2.16 to reimburse the LC Issuer for amounts paid by the LC Issuer in respect of any drawing under a Facility LC.

“Reportable Event” means a reportable event as defined in Section 4043 of ERISA and regulations issued under such section with respect to a Plan, excluding such events as to which the PBGC by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event, provided that a failure to meet the minimum funding standard of Section 412 of the Code and Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waivers in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business and any successor thereto.

“S&P Rating” means, at any time, the rating issued by S&P and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third-party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from S&P for debt securities of such type, then such indicative rating shall be used for determining the “S&P Rating”).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those

administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

“Sanctioned Country” means, at any time, a country or territory which is the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or by the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

“Single Employer Plan” means a Plan other than a Multiemployer Plan maintained by the Borrower or any other member of the Controlled Group for employees of the Borrower or any other member of the Controlled Group.

“SPC” - see Section 8.07(h).

“Special Purpose Subsidiary” means a direct or indirect wholly owned Subsidiary, substantially all of the assets of which are Intangible Transition Property, and proceeds thereof, formed solely for the purpose of holding such assets and issuing Transitional Funding Instruments, and which complies with the requirements customarily imposed on bankruptcy-remote entities in receivables securitizations.

“Subsidiary” means, with respect to any Person, any corporation or unincorporated entity of which more than 50% of the outstanding capital stock (or comparable interest) having ordinary voting power (irrespective of whether or not at the time capital stock, or comparable interests, of any other class or classes of such corporation or entity shall or might have voting power upon the occurrence of any contingency) is at the time directly or indirectly owned by such Person (whether directly or through one or more other Subsidiaries). Unless otherwise indicated, each reference to a “Subsidiary” means a Subsidiary of the Borrower.

“Taxes” - see Section 2.14.

“Transitional Funding Instrument” means any instrument, pass-through certificate, note, debenture, certificate of participation, bond, certificate of beneficial interest or other evidence of indebtedness or instrument evidencing a beneficial interest that (i) (A) is issued pursuant to a “transitional funding order” (as such term is defined in Section 18-102 of the Illinois Public Utilities Act, as amended) issued by the Illinois Commerce Commission at the request of an electric utility and (B) is secured by or otherwise payable solely from non-bypassable cent per kilowatt hour charges authorized pursuant to such order to be applied and invoiced to customers of such utility, or (ii) (A) is issued pursuant to a financing order of a public utilities commission at the request of an electric utility pursuant to state legislation which is enacted to facilitate the recovery of certain specified costs by electric utilities through non-bypassable cent per kilowatt hour charges and/or demand charges authorized pursuant to such order to be applied and invoiced to customers of such utility and (B) is secured by or otherwise payable solely from such non-bypassable charges.

“Transitional Funding Instrument Interest” means, for any period, the portion of Interest Expense for such period that was payable in respect of Transitional Funding Instruments.

“Type” - see the definition of Advance.

“Unfunded Liabilities” means, (i) in the case of any Single Employer Plan, the amount (if any) by which the present value of all vested nonforfeitable benefits under such Plan exceeds the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent evaluation date for such Plan, and (ii) in the case of any Multiemployer Plan, the withdrawal liability that would be incurred by the Controlled Group if all members of the Controlled Group completely withdrew from such Multiemployer Plan.

“Unmatured Event of Default” means any event which (if it continues uncured) will, with lapse of time or notice or both, become an Event of Default.

“Utility Subsidiary” means each Subsidiary that is engaged principally in the transmission or distribution of electricity or gas and is subject to rate regulation as a public utility by federal or state regulatory authorities.

SECTION 1.02 Other Interpretive Provisions. In this Agreement, (a) in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding”; (b) the term “including” means “including without limitation”; and (c) unless otherwise indicated, (i) any reference to an Article, Section, Exhibit or Schedule means an Article or Section hereof or an Exhibit or Schedule hereto; (ii) any reference to a time of day means such time in Chicago, Illinois; (iii) any reference to a law or regulation means such law or regulation as amended, modified or supplemented from time to time and includes all statutory and regulatory provisions consolidating, replacing or interpreting such law or regulation; and (d) any reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented or otherwise modified from time to time.

SECTION 1.03 Accounting Principles.

(a) As used in this Agreement, “GAAP” means generally accepted accounting principles in the United States, applied on a basis consistent with the principles used in preparing the Borrower’s audited consolidated financial statements as of December 31, 2013 and for the fiscal year then ended, as such principles may be revised as a result of changes in GAAP implemented by the Borrower subsequent to such date. In this Agreement, except to the extent, if any, otherwise provided herein, all accounting and financial terms shall have the meanings ascribed to such terms by GAAP, and all computations and determinations as to accounting and financial matters shall be made in accordance with GAAP. In the event that the financial statements generally prepared by the Borrower reflect a change in GAAP that affects the computation of any financial ratio or requirement set forth herein (as contemplated by Section 1.03(b)), the compliance certificate delivered pursuant to Section 5.01(b)(iv) accompanying such financial statements shall include information in reasonable detail reconciling such financial statements which reflect such change in GAAP to financial information that does not reflect such change to the extent relevant to the calculations set forth in such compliance certificate.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth herein and the Borrower or the Majority Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Majority Lenders); provided that, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein.

(c) For purposes of any calculation or determination which is to be made on a consolidated basis (including compliance with Section 5.02(c)), such calculation or determination shall exclude any assets, liabilities, revenues and expenses that are included in Borrower's financial statements from "variable interest entities" as a result of the application of FIN No. 46, Consolidation of Variable Interest Entities – an Interpretation of ARB No. 51, as updated through FIN No. 46-R and as modified by FIN No. 94.

SECTION 1.04 Letter of Credit Amounts. For purposes of determining the stated amount of any Facility LC, (a) if a Facility LC provides for one or more automatic increases in the amount available to be drawn thereunder (as a result of lapse of time, the occurrence of certain events or otherwise), then the stated amount thereof shall be the maximum amount available to be drawn thereunder during the remaining term thereof assuming all such increases take effect, regardless of whether such maximum amount is then available; and (b) if a Facility LC has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of International Standby Practices 1998, then the stated amount of such Facility LC shall be deemed to be the amount remaining available to be drawn thereunder.

ARTICLE II

AMOUNTS AND TERMS OF THE COMMITMENTS

SECTION 2.01 Commitments. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to (a) make Advances to the Borrower and (b) participate in Facility LCs issued upon the request of the Borrower, in each case from time to time during the period from the date hereof to the Commitment Termination Date, in an aggregate amount not to exceed such Lender's Commitment Amount as in effect from time to time; provided that (i) no Advance may be made unless all Lenders have consented thereto as more fully provided in Section 3.02; (ii) no Advance may be made as a Eurodollar Advance unless all Lenders have consented thereto as more fully provided in Section 3.02; (iii) the aggregate principal amount of all Advances by such Lender shall not exceed such Lender's Pro Rata Share of the aggregate principal amount of all outstanding Advances; (iv) such Lender's participation in Facility LCs shall not exceed such Lender's Pro Rata Share of all LC Obligations; and (v) the Outstanding Credit Extensions shall not at any time exceed the Aggregate Commitment Amount. Within the foregoing limits and subject to the other provisions hereof, the Borrower may from time to time borrow, prepay pursuant to Section 2.10 and reborrow hereunder prior to the Commitment Termination Date; provided, further, that for purposes of the foregoing clause (v), at any time there is a Defaulting Lender, the Aggregate Commitment Amount shall be reduced by an amount equal to the remainder of (A) such Defaulting Lender's Commitment Amount minus (B) the sum of (x) the principal amount of such Defaulting Lender's outstanding Advances plus (y) the

amount of cash collateral held by the Administrative Agent for the account of such Defaulting Lender pursuant to Section 2.16.12.

SECTION 2.02 Procedures for Advances; Limitations on Borrowings.

(a) The Borrower may request Advances by giving notice (a “Notice of Borrowing”) to the Administrative Agent (which shall promptly advise each Lender of its receipt thereof) not later than 10:00 A.M. on the third Business Day prior to the date of any proposed borrowing of Eurodollar Advances and on the date of any proposed borrowing of Base Rate Advances. Each Notice of Borrowing shall be sent by facsimile and shall be in substantially the form of Exhibit B, specifying therein (i) the requested date of borrowing (which shall be a Business Day), (ii) the Type of Advances requested, (iii) the aggregate principal amount of the requested Advances and (iv) in the case of a borrowing of Eurodollar Advances, the initial Interest Period therefor. Each Lender shall, before 12:00 noon on the date of such borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 8.02, in same day funds, such Lender’s ratable portion of the requested borrowing. After the Administrative Agent’s receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent’s aforesaid address.

(b) Each Notice of Borrowing shall be irrevocable and binding on the Borrower. If a Notice of Borrowing requests Eurodollar Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the requested borrowing date the applicable conditions set forth in Article III, including any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the requested Advance to be made by such Lender.

(c) Unless the Administrative Agent shall have received notice from a Lender prior to the date of any requested borrowing (or, in the case of a borrowing of Base Rate Advances to be made on the same Business Day as the Administrative Agent’s receipt of the relevant Notice of Borrowing, prior to 10:30 A.M. on such Business Day) that such Lender will not make available to the Administrative Agent such Lender’s ratable portion of such borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the requested borrowing date in accordance with Section 2.02(a) and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Advances made in connection with such borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender’s Advance as part of such Borrowing for purposes of this Agreement.

(d) The failure of any Lender to make the Advance to be made by it on any borrowing date shall not relieve any other Lender of its obligation, if any, hereunder to make its

Advance on such date, but no Lender shall be responsible for the failure of any other Lender to make any Advance to be made by such other Lender.

(e) Each Borrowing of Base Rate Advances shall at all times be in an aggregate amount of \$1,000,000 or an integral multiple thereof; and each Borrowing of Eurodollar Advances shall at all times be in an aggregate amount of \$5,000,000 or a higher integral multiple of \$1,000,000. Notwithstanding anything to the contrary contained herein, the Borrower may not have more than six Borrowings of Eurodollar Advances outstanding at any time.

SECTION 2.03 Facility Fees. The Borrower agrees to pay to the Administrative Agent, for the account of the Lenders (subject to Section 2.13(g)(ii)) according to their Pro Rata Shares, a facility fee for the period from the Closing Date to the Commitment Termination Date (or, if later, the date on which all Outstanding Credit Extensions have been paid in full) in an amount equal to the Facility Fee Rate multiplied by the Aggregate Commitment Amount (or, after the Commitment Termination Date, the principal amount of all Outstanding Credit Extensions), payable on the last day of each March, June, September and December and on the Final Termination Date (and, if applicable, thereafter on demand).

SECTION 2.04 Reduction of Commitment Amounts.

(a) The Borrower shall have the right, upon at least two Business Days' notice to the Administrative Agent, to ratably reduce the respective Commitment Amounts of the Lenders in accordance with their Pro Rata Shares; provided that the Aggregate Commitment Amount may not be reduced to an amount that is less than the Outstanding Credit Extensions; and provided, further, that each partial reduction of the Commitment Amounts shall be in the aggregate amount of \$5,000,000 or a higher integral multiple of \$1,000,000. Any reduction of the Commitment Amounts pursuant to this Section 2.04 shall be permanent, except as expressly provided otherwise herein.

(b) The Borrower may at any time, upon at least two Business Days' notice to the Administrative Agent, terminate the Commitments so long as the Borrower concurrently pays all of its outstanding obligations hereunder.

(c) At any time a Lender is a Designated Lender, the Borrower may terminate in full the Commitment of such Designated Lender by giving notice to such Designated Lender and the Administrative Agent; provided that (i) at the time of such termination, no Event of Default or Unmatured Event of Default exists (or the Majority Lenders consent to such termination); and (ii) concurrently with such termination, (A) the Aggregate Commitment Amount shall be reduced by the Commitment Amount of such Designated Lender (it being understood that the Borrower may not terminate the Commitment of a Designated Lender if, after giving effect to such termination, the Outstanding Credit Extensions would exceed the Aggregate Commitment Amount), (B) the Borrower shall pay all amounts owed to such Designated Lender hereunder, less, solely in the case of a Defaulting Lender, the Borrower's reasonable estimate of the amount (if any) of its claims against such Defaulting Lender as a result of the events or circumstances pursuant to which such Lender became a Defaulting Lender, and (C) the Administrative Agent shall return to such Lender any cash collateral held for the account of such Lender pursuant to Section 2.16.12. The termination of the Commitment of a Defaulting Lender pursuant to this

Section 2.04(c) shall not be deemed to be a waiver of any right that (x) the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against such Defaulting Lender or (y) such Defaulting Lender may have against the Borrower based on the estimate described in clause (B) of the preceding sentence.

SECTION 2.05 Repayment of Advances. The Borrower shall repay all outstanding Advances made by each Lender, and all other obligations of the Borrower to such Lender hereunder, on the Commitment Termination Date.

SECTION 2.06 Interest on Advances. The Borrower shall pay interest on the unpaid principal amount of each Advance from the date of such Advance until such principal amount shall be paid in full, as follows:

(a) At all times such Advance is a Base Rate Advance, a rate per annum equal to the Base Rate plus the Applicable Margin in effect from time to time, payable quarterly on the last day of each March, June, September and December, on the date such Base Rate Advance is converted to a Eurodollar Advance or paid in full and on the Commitment Termination Date (and, if applicable, thereafter on demand).

(b) Subject to Section 2.07, at all times such Advance is a Eurodollar Advance, a rate per annum equal to the sum of the Eurodollar Rate for each applicable Interest Period plus the Applicable Margin in effect from time to time, payable on the last day of each Interest Period for such Eurodollar Advance (and, if any Interest Period for such Advance is six months, on the day that is three months after the first day of such Interest Period) or, if earlier, on the date such Eurodollar Advance is converted to a Base Rate Advance or paid in full and on the Commitment Termination Date (and, if applicable, thereafter on demand).

SECTION 2.07 Additional Interest on Eurodollar Advances. The Borrower shall pay to each Lender, so long as such Lender shall be required under regulations of the Board of Governors of the Federal Reserve System to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Eurodollar Advance of such Lender, from the date of such Advance until such principal amount is paid in full or converted to a Base Rate Advance, at an interest rate per annum equal to the remainder obtained by subtracting (i) the Eurodollar Rate for each Interest Period for such Advance from (ii) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such Advance; provided that no Lender shall be entitled to demand such additional interest more than 90 days following the last day of the Interest Period in respect of which such demand is made; provided, further, that the foregoing proviso shall in no way limit the right of any Lender to demand or receive such additional interest to the extent that such additional interest relates to the retroactive application of the reserve requirements described above if such demand is made within 90 days after the implementation of such retroactive reserve requirements. Such additional interest shall be determined by the applicable Lender and notified to the Borrower through the Administrative Agent, and such determination shall be conclusive and binding for all purposes, absent manifest error.

SECTION 2.08 Interest Rate Determination.

(a) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of each applicable interest rate determined by the Administrative Agent for purposes of Section 2.06(a) or (b).

(b) If, with respect to any Borrowing of Eurodollar Advances, the Majority Lenders notify the Administrative Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Majority Lenders of making, funding or maintaining their respective Eurodollar Advances for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon

(i) each Eurodollar Advance will automatically, on the last day of the then existing Interest Period therefor (unless prepaid or converted to a Base Rate Advance prior to such day), convert into a Base Rate Advance, and

(ii) the obligation of the Lenders to make, continue or convert into Eurodollar Advances shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

SECTION 2.09 Continuation and Conversion of Advances.

(a) The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 10:00 A.M. on the third Business Day prior to the date of any proposed continuation of or conversion into Eurodollar Advances, and on the date of any proposed conversion into Base Rate Advances, and subject to the provisions of Sections 2.08 and 2.12, continue Eurodollar Advances for a new Interest Period or convert a Borrowing of Advances of one Type into Advances of the other Type; provided that (i) any continuation of Eurodollar Advances or conversion of Eurodollar Advances into Base Rate Advances shall be made on, and only on, the last day of an Interest Period for such Eurodollar Advances, unless, in the case of such a conversion, the Borrower shall also reimburse the Lenders pursuant to Section 8.04(b) on the date of such conversion; and (ii) Base Rate Advances may not be converted into Eurodollar Rate Advances unless all Lenders have consented in writing to such conversion. Each such notice of a continuation or conversion shall, within the restrictions specified above, specify (i) the date of such continuation or conversion, (ii) the Advances to be continued or converted, and (iii) in the case of continuation of or conversion into Eurodollar Advances, the duration of the Interest Period for such Advances.

(b) If the Borrower fails to select the Type of any Advance or the duration of any Interest Period for any Borrowing of Eurodollar Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01 and Section 2.09(a), the Administrative Agent will forthwith so notify the Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, convert into Base Rate Advances.

SECTION 2.10 Prepayments.

(a) The Borrower may, upon notice to the Administrative Agent not later than 10:00 A.M. at least three Business Days prior to any prepayment of Eurodollar Advances or on the date of any prepayment of Base Rate Advances, in each case stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Advances made as part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided that (i) each partial prepayment of Base Rate Advances shall be in an aggregate principal amount of \$1,000,000 or an integral multiple thereof (or, if the aggregate amount of Advances made pursuant to Section 2.16 as a result of a drawing under a Facility LC is not an integral multiple of \$1,000,000, then the next prepayment of Base Rate Advances may be in an aggregate amount that causes the aggregate principal amount of all Base Rate Advances to be an integral multiple of \$1,000,000); (ii) each partial prepayment of Eurodollar Advances shall be in the amount of \$1,000,000 or a higher integral multiple thereof; and (iii) in the case of any such prepayment of a Eurodollar Advance, the Borrower shall be obligated to reimburse the Lenders pursuant to Section 8.04(b) on the date of such prepayment.

(b) If a Lender at any time becomes a Defaulting Lender and the Outstanding Credit Extensions at such time exceed an amount equal to the total of (i) the Aggregate Commitment Amount minus (ii) such Defaulting Lender's Commitment Amount plus (iii) the principal amount of such Defaulting Lender's outstanding Advances plus (iv) the amount of cash collateral held by the Administrative Agent for the account of such Defaulting Lender pursuant to Section 2.16.12, then the Borrower shall promptly (and in any event within three Business Days) prepay Advances and/or provide cash collateral for Facility LCs (pursuant to documentation reasonably satisfactory to the Administrative Agent and the Borrower) in an amount sufficient to eliminate such excess. Except for the mandatory nature thereof, any prepayment of Advances pursuant to this Section 2.10(b) shall be subject to the provisions of Section 2.10(a); provided that such prepayment may be in any amount that is an integral multiple of \$1,000,000. If the circumstances giving rise to the requirement that the Borrower provide cash collateral pursuant to this Section 2.10(b) cease to exist, then the Administrative Agent shall promptly return such cash collateral to the Borrower.

SECTION 2.11 Increased Costs.

(a) If on or after the date of this Agreement, any Lender or the LC Issuer determines that any Change in Law shall increase the cost to such Lender or the LC Issuer, as the case may be, of agreeing to make or making, funding or maintaining Eurodollar Advances or of issuing or participating in any Facility LC, then the Borrower shall from time to time, upon demand by such Lender or the LC Issuer (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender or the LC Issuer, as the case may be, additional amounts (without duplication of any amount payable pursuant to Section 2.14) sufficient to compensate such Lender or the LC Issuer for such increased cost; provided that no Lender shall be entitled to demand such compensation more than 90 days following the last day of the Interest Period in respect of which such demand is made and the LC Issuer shall not be entitled to demand such compensation more than 90 days following the expiration or termination (by a drawing or otherwise) of the Facility LC in respect of which such demand is made;

provided, further, that the foregoing proviso shall in no way limit the right of any Lender or the LC Issuer to demand or receive such compensation to the extent that such compensation relates to the retroactive application of any law, regulation, guideline or request described in clause (i) or (ii) above if such demand is made within 90 days after the implementation of such retroactive law, interpretation, guideline or request. A certificate as to the amount of such increased cost, submitted to the Borrower and the Administrative Agent by a Lender or the LC Issuer, shall be conclusive and binding for all purposes, absent manifest error.

(b) If any Lender or the LC Issuer determines that, after the date of this Agreement, any Change in Law regarding capital adequacy requirements affects or would affect the amount of capital required or expected to be maintained by such Lender or the LC Issuer or any Person controlling such Lender or the LC Issuer and that the amount of such capital is increased by or based upon the existence of such Lender's Commitment, the LC Issuer's commitment to issue Facility LCs, the Advances made by such Lender or the Reimbursement Obligations owed to the LC Issuer, as the case may be, then, upon demand by such Lender or the LC Issuer (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender or the LC Issuer, from time to time as specified by such Lender or the LC Issuer, additional amounts sufficient to compensate such Lender, the LC Issuer or such controlling Person, as applicable, in the light of such circumstances, to the extent that such Lender determines such increase in capital to be allocable to the existence of such Lender's Commitment or the Advances made by such Lender or the LC Issuer determines such increase in capital to be allocable to the LC Issuer's commitment to issue Facility LCs or the Reimbursement Obligations owed to the LC Issuer; provided that no Lender shall be entitled to demand such compensation more than one year following the payment to or for the account of such Lender of all other amounts payable hereunder by the Borrower and the termination of such Lender's Commitment and the LC Issuer shall not be entitled to demand such compensation more than one year after the expiration or termination (by drawing or otherwise) of all Facility LCs issued by the LC Issuer and the termination of the LC Issuer's commitment to issue Facility LCs; provided, further, that the foregoing proviso shall in no way limit the right of any Lender or the LC Issuer to demand or receive such compensation to the extent that such compensation relates to the retroactive application of any law, regulation, guideline or request described above if such demand is made within one year after the implementation of such retroactive law, interpretation, guideline or request. A certificate as to such amounts submitted to the Borrower and the Administrative Agent by the applicable Lender or the LC Issuer shall be conclusive and binding, for all purposes, absent manifest error.

(c) Any Lender claiming compensation pursuant to this Section 2.11 shall use reasonable commercial efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such compensation that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

SECTION 2.12 Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that any Change in Law makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for such Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Advances or

to fund or maintain Eurodollar Advances hereunder, (i) the obligation of such Lender to make, continue or convert Advances into Eurodollar Advances shall be suspended (subject to the following paragraph of this Section 2.12) until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist and (ii) all Eurodollar Advances of such Lender then outstanding shall, on the last day of the then applicable Interest Period (or such earlier date as such Lender shall designate upon not less than five Business Days' prior written notice to the Administrative Agent), be automatically converted into Base Rate Advances.

If the obligation of any Lender to make, continue or convert into Eurodollar Advances has been suspended pursuant to the preceding paragraph, then, unless and until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, (i) all Advances that would otherwise be made by such Lender as Eurodollar Advances shall instead be made as Base Rate Advances and (ii) to the extent that Eurodollar Advances of such Lender have been converted into Base Rate Advances pursuant to the preceding paragraph or made instead as Base Rate Advances pursuant to the preceding clause (i), all payments and prepayments of principal that would have otherwise been applied to such Eurodollar Advances of such Lender shall be applied instead to such Base Rate Advances of such Lender.

SECTION 2.13 Payments and Computations.

(a) The Borrower shall make each payment hereunder not later than 10:00 A.M. on the day when due in U.S. dollars to the Administrative Agent at its address referred to in Section 8.02 in same day funds without setoff, counterclaim or other deduction. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal, interest, facility fees and letter of credit fees ratably (other than amounts payable pursuant to Section 2.02(b), 2.04(c), 2.07, 2.11, 2.14 or 8.04(b) or as provided in Section 2.13(g)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(d), from the effective date specified in such Assignment and Acceptance, the Administrative Agent shall make all payments hereunder in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) The Borrower hereby authorizes each Lender, if and to the extent any payment owed to such Lender by the Borrower is not made when due hereunder, to charge from time to time against any of the Borrower's accounts with such Lender any amount so due. Each Lender agrees to notify the Borrower promptly after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

(c) All computations of interest based on the Prime Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made by the Administrative Agent, and all computations of interest pursuant to Section 2.07 shall be made by a Lender, on the basis of a year of 360 days, in each case for the actual number

of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Administrative Agent (or, in the case of Section 2.07, by a Lender) of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(d) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of any interest or fees, as the case may be; provided that if such extension would cause payment of interest on or principal of a Eurodollar Advance to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(e) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due by the Borrower to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

(f) Notwithstanding anything to the contrary contained herein, any amount payable by the Borrower hereunder that is not paid when due (whether at stated maturity, by acceleration or otherwise) shall (to the fullest extent permitted by law) bear interest from the date when due until paid in full at a rate per annum equal at all times to the Base Rate plus the Applicable Margin plus 2%, payable upon demand.

(g) If at any time a Lender is a Defaulting Lender, then, to the extent permitted by applicable law (and notwithstanding any other provision of this Agreement), (i) any payment of principal of or interest on Advances or of reimbursement obligations with respect to Facility LCs (including through sharing of payments pursuant to Section 2.15, but excluding (1) any payment pursuant to Section 2.04(c) and (2) any payment to be made on such Defaulting Lender's Termination Date net of any amount described in Section 2.04(c)(ii)(B)) shall, if the Borrower so directs at the time of making such payment, be applied to amounts owed to Lenders other than such Defaulting Lender, as if the amount owed to such Defaulting Lender hereunder in respect of Advances and reimbursement obligations were zero; (ii) such Defaulting Lender's Pro Rata Share of the Outstanding Credit Extensions shall be excluded for purposes of calculating facility fees pursuant to Section 2.03 in respect of each day on which such Lender is a Defaulting Lender, and such Defaulting Lender shall not be entitled to receive any facility fees for any such day; and (iii) such Defaulting Lender's Pro Rata Share shall be deemed to be zero for purposes of calculating letter of credit fees pursuant to Section 2.16.4 in respect of each day on which such Lender is a Defaulting Lender (and the Pro Rata Shares of the other Lenders shall be correspondingly increased for such purposes), and such Defaulting Lender shall not be entitled to receive any letter of credit fees for any such day. In addition, if any Lender is a Defaulting

Lender at the time any payment is to be made by the Lenders to the LC Issuer pursuant to Section 2.16.5, 2.16.6 or 2.16.10 and such Defaulting Lender fails to make its Pro Rata Share of such payment, then, solely for purposes of determining the amount of the payment to be made by each Lender to the LC Issuer (and without limiting the liability of such Defaulting Lender for its failure to make such payment), the Pro Rata Shares of the other Lenders shall be correspondingly increased so that, subject to the following proviso, the LC Issuer receives the full amount of the payments to which it is entitled from the Lenders; provided that under no circumstances shall any Lender be obligated to make a payment to the LC Issuer pursuant to this sentence that would cause the aggregate principal amount of such Lender's Advances plus such Lender's Pro Rata Share (without giving effect to any adjustment pursuant to the foregoing provisions of this sentence) of all LC Obligations to exceed such Lender's Commitment Amount (or, if the Commitments have terminated, such Lender's Commitment Amount at the time of such termination, adjusted for any assignments by or to such Lender). The provisions of this Section 2.13(g) do not limit, but are in addition to, any other claim or right that the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against a Defaulting Lender.

SECTION 2.14 Taxes.

(a) All payments by or on behalf of the Borrower hereunder shall be made, in accordance with Section 2.13, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender, the LC Issuer and the Administrative Agent, (i) taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Lender, the LC Issuer or the Administrative Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Lender, taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof and (ii) any United States withholding taxes imposed by FATCA (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities, "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender, the LC Issuer or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.14) such Lender, the LC Issuer or the Administrative Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower severally agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies to the extent arising from the execution, delivery or registration of this Agreement (all of the foregoing, "Other Taxes").

(c) No Lender may claim or demand payment or reimbursement in respect of any Taxes or Other Taxes pursuant to this Section 2.14 if such Taxes or Other Taxes, as the case may be, were imposed solely as the result of a voluntary change in the location of the jurisdiction of such Lender's Applicable Lending Office.

(d) The Borrower will indemnify each Lender, the LC Issuer and the Administrative Agent for the full amount of Taxes or Other Taxes (including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.14) paid by such Lender, the LC Issuer or the Administrative Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date such Lender, the LC Issuer or the Administrative Agent (as the case may be) makes written demand therefor.

(e) Prior to the date of an initial borrowing hereunder in the case of each Lender listed on the signature pages hereof, and on the date of the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender, and from time to time thereafter within 30 days from the date of request if requested by the Borrower or the Administrative Agent, each Lender organized under the laws of a jurisdiction outside the United States shall provide the Administrative Agent and the Borrower with the forms prescribed by the Internal Revenue Service of the United States certifying that such Lender is exempt from United States withholding taxes with respect to all payments to be made to such Lender hereunder. If for any reason during the term of this Agreement, any Lender becomes unable to submit the forms referred to above or the information or representations contained therein are no longer accurate in any material respect, such Lender shall notify the Administrative Agent and the Borrower in writing to that effect. Unless the Borrower and the Administrative Agent have received forms or other documents satisfactory to them (as set forth above) indicating that payments hereunder are not subject to United States withholding tax, the Borrower or the Administrative Agent shall withhold taxes from such payments at the applicable statutory rate in the case of payments to or for any Lender organized under the laws of a jurisdiction outside the United States and such Lender may not claim or demand payment or reimbursement for such withheld taxes pursuant to this Section 2.14.

(f) Any Lender claiming any additional amounts payable pursuant to this Section 2.14 shall use reasonable commercial efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts which may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(g) If the Borrower makes any additional payment to any Lender pursuant to this Section 2.14 in respect of any Taxes or Other Taxes, and such Lender determines that it has received (i) a refund of such Taxes or Other Taxes or (ii) a credit against or relief or remission for, or a reduction in the amount of, any tax or other governmental charge attributable solely to any deduction or credit for any Taxes or Other Taxes with respect to which it has received payments under this Section 2.14, such Lender shall, to the extent that it can do so without prejudice to the retention of such refund, credit, relief, remission or reduction, pay to the Borrower such amount as such Lender shall have determined to be attributable to the deduction or withholding of such Taxes or Other Taxes. If such Lender determines that it was not entitled to such refund, credit, relief, remission or reduction to the full extent of any payment made pursuant to the first sentence of this Section 2.14(g), the Borrower shall upon notice and demand of such Lender promptly repay the amount of such overpayment. Any determination made by a

Lender pursuant to this Section 2.14(g) shall in the absence of bad faith or manifest error be conclusive, and nothing in this Section 2.14(g) shall be construed as requiring any Lender to conduct its business or to arrange or alter in any respect its tax or financial affairs (except as required by Section 2.14(f)) so that it is entitled to receive such a refund, credit or reduction or as allowing any Person to inspect any records, including tax returns, of such Lender.

(h) If a payment made to a Lender or the LC Issuer under this Agreement would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender or the LC Issuer were to fail to comply with the applicable reporting requirements of FATCA (including those contained in section 1471(b) or 1472(b) of the Code, as applicable), such Lender or the LC Issuer shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, any other documentation prescribed by applicable law (including as prescribed by section 1471(b)(3)(C)(i) of the Code) or reasonably requested by the Borrower or Administrative Agent that is necessary for such Person to comply with its obligations under FATCA to determine that such Lender or the LC Issuer has or has not complied with its obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.14(h), "FATCA" shall include any amendment made to FATCA after the date of this Agreement, whether or not such amendment is included in the definition set forth in Section 1.01.

(i) Without prejudice to the survival of any other agreement of the Borrower or any Lender hereunder, the agreements and obligations of the Borrower and the Lenders contained in this Section 2.14 shall survive the payment in full of principal and interest hereunder and the termination of this Agreement; provided that no Lender shall be entitled to demand any payment from the Borrower under this Section 2.14 more than one year following the payment to or for the account of such Lender of all other amounts payable by the Borrower hereunder to such Lender and the termination of such Lender's Commitment; provided, further, that the foregoing proviso shall in no way limit the right of any Lender to demand or receive any payment under this Section 2.14 to the extent that such payment relates to the retroactive application of any Taxes or Other Taxes if such demand is made within one year after the implementation of such Taxes or Other Taxes.

SECTION 2.15 Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Advances made by it to the Borrower or its participation interest in any Facility LC issued for the account of the Borrower (other than pursuant to Section 2.02(b), 2.07, 2.11, 2.14, 2.16.7 or 8.04(b)) in excess of its ratable share of payments on account of the Advances to the Borrower and LC Obligations obtained by all Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances and/or LC Obligations as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them, provided that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in

respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

SECTION 2.16 Facility LCs.

SECTION 2.16.1 Issuance. The LC Issuer shall in its sole discretion, on the terms and conditions set forth in this Agreement (including the limitations set forth in Section 2.01), upon the request of the Borrower, issue standby letters of credit and extend, increase or otherwise modify Facility LCs (“Modify,” and each such action a “Modification”), from time to time from the date of this Agreement to the Commitment Termination Date. No Facility LC shall have an expiry date later than the earlier of (a) 364 days after the date of issuance, or of extension or renewal, thereof or (b) 360 days after the scheduled Commitment Termination Date. No Facility LC may be renewed or extended, or increased in amount, after the Commitment Termination Date (but a Facility LC may be decreased in amount or, subject to the following sentence, otherwise amended after such date). The LC Issuer shall not be obligated to issue or Modify any Facility LC if (i) any order, judgment or decree of any court or other governmental authority shall by its terms purport to enjoin or restrain the LC Issuer from issuing such Facility LC or (ii) any applicable law, or any request or directive from any governmental authority having jurisdiction over the LC Issuer, shall prohibit, or request or direct that the LC Issuer refrain from, the issuance of letters of credit generally or of such Facility LC in particular. Facility LCs may be issued for any proper corporate purpose. By their execution of this Agreement, the parties hereto agree that on the Closing Date (without any further action by any Person), each Existing Letter of Credit shall be deemed to have been issued under this Agreement and the rights and obligations of the issuer and the account party thereunder shall be subject to the terms hereof.

SECTION 2.16.2 Participations. Upon the issuance or Modification by the LC Issuer of a Facility LC in accordance with this Section 2.16 (or, in the case of the Existing Letters of Credit, on the Closing Date), the LC Issuer shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably sold to each Lender, and each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the LC Issuer, a participation in such Facility LC (and each Modification thereof) and the related LC Obligations in proportion to its Pro Rata Share.

SECTION 2.16.3 Notice. Subject to Section 2.16.1, the Borrower shall give the LC Issuer notice prior to 10:00 A.M. at least five Business Days (or such lesser time as the LC Issuer may agree) prior to the proposed date of issuance or Modification of each Facility LC, specifying the beneficiary, the proposed date of issuance (or Modification) and the expiry date of such Facility LC, and describing the proposed terms of such Facility LC and the nature of the transactions proposed to be supported thereby. Upon receipt of such notice, the LC Issuer shall promptly notify the Administrative Agent, and the Administrative Agent shall promptly notify each Lender, of the contents thereof and of the amount of such Lender’s participation in such proposed Facility LC. The issuance or Modification by the LC Issuer of any Facility LC shall, in addition to the applicable conditions precedent set forth in Article III (the satisfaction of which

the LC Issuer shall have no duty to ascertain; provided that the LC Issuer shall not issue a Facility LC if the LC Issuer shall have received written notice (which has not been rescinded) from the Administrative Agent or any Lender that any applicable condition precedent to the issuance or modification of such Facility LC has not been satisfied and, in fact, such condition precedent is not satisfied at the requested time of issuance), be subject to the conditions precedent that such Facility LC shall be satisfactory to the LC Issuer and that the Borrower shall have executed and delivered such application agreement and/or such other instruments and agreements relating to such Facility LC as the LC Issuer shall have reasonably requested (each a "Facility LC Application"). In the event of any conflict (including any additional terms requiring the posting of collateral) between the terms of this Agreement and the terms of any Facility LC Application, the terms of this Agreement shall control.

SECTION 2.16.4 LC Fees. The Borrower agrees to pay to the Administrative Agent, for the account of each Lender (subject to Section 2.13(g)(iii)), a letter of credit fee at a rate per annum equal to the LC Fee Rate on such Lender's Pro Rata Share of the undrawn stated amount of all Facility LCs outstanding from time to time, payable in arrears on the last day of each March, June, September and December and on the Final Termination Date (and, if applicable, thereafter on demand). The Borrower also agrees to pay to the LC Issuer for its own account (x) a fronting fee in an amount and at the times agreed upon between the LC Issuer and the Borrower and (y) documentary and processing charges in connection with the issuance or Modification of and draws under Facility LCs in accordance with the LC Issuer's standard schedule for such charges as in effect from time to time.

SECTION 2.16.5 Administration; Reimbursement by Lenders. Upon receipt from the beneficiary of any Facility LC of any demand for payment under such Facility LC, the LC Issuer shall notify the Administrative Agent and the Administrative Agent shall promptly notify the Borrower and each Lender as to the amount to be paid by the LC Issuer as a result of such demand and the proposed payment date (the "LC Payment Date"). The responsibility of the LC Issuer to the Borrower and each Lender shall be only to determine that the documents (including each demand for payment) delivered under each Facility LC in connection with such presentment shall be in conformity in all material respects with such Facility LC. The LC Issuer shall endeavor to exercise the same care in the issuance and administration of the Facility LCs as it does with respect to letters of credit in which no participations are granted, it being understood that in the absence of any gross negligence or willful misconduct by the LC Issuer, each Lender shall be unconditionally and irrevocably liable, without regard to the occurrence of the Commitment Termination Date or the Final Termination Date, the occurrence of any Event of Default or Unmatured Event of Default or any condition precedent whatsoever, to reimburse the LC Issuer on demand for (i) such Lender's Pro Rata Share of the amount of each payment made by the LC Issuer under any Facility LC to the extent such amount is not reimbursed by the Borrower pursuant to Section 2.16.6, plus (ii) interest on the foregoing amount to be reimbursed by such Lender, for each day from the date of the LC Issuer's demand for such reimbursement (or, if such demand is made after 11:00 A.M. on such day, from the next succeeding Business Day) to the date on which such Lender pays the amount to be reimbursed by it, at a rate of interest per annum equal to the Federal Funds Rate for the first three days and, thereafter, at the Base Rate.

SECTION 2.16.6 Reimbursement by Borrower. The Borrower shall be irrevocably and unconditionally obligated to reimburse the LC Issuer on or before the applicable LC Payment Date for any amount to be paid by the LC Issuer upon any drawing under any Facility LC, without presentment, demand, protest or other formalities of any kind; provided that neither the Borrower nor any Lender shall hereby be precluded from asserting any claim for direct (but not consequential) damages suffered by the Borrower or such Lender to the extent, but only to the extent, caused by (i) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC complied with the terms of such Facility LC or (ii) the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. If the Borrower fails to fully reimburse the LC Issuer by 11:00 A.M. on an LC Payment Date, the LC Issuer shall promptly notify the Administrative Agent. Upon receipt of such notice, the Administrative Agent shall promptly notify each Lender of such LC Payment Date, the amount of the unpaid Reimbursement Obligations and such Lender's Pro Rata Share thereof. In such event, the Borrower shall be deemed to have requested Base Rate Advances to be disbursed on the applicable LC Payment Date in an amount equal to the unpaid Reimbursement Obligations, without regard to the minimum and multiples specified for Base Rate Advances in Section 2.02(e), but subject to the conditions set forth in Article III. All Reimbursement Obligations that are not fully refinanced by the making of Base Rate Advances because the Borrower cannot satisfy the conditions set forth in Article III or for any other reason shall bear interest, payable on demand, for each day until paid at a rate per annum equal to the Base Rate plus 2%. The LC Issuer will pay to each Lender ratably in accordance with its Pro Rata Share all amounts received by it from the Borrower for application in payment, in whole or in part, of the Reimbursement Obligations in respect of any Facility LC, but only to the extent such Lender has made payment to the LC Issuer in respect of such Facility LC pursuant to Section 2.16.5. So long as the Commitment Termination Date has not occurred, but subject to the terms and conditions of this Agreement (including the submission of a Notice of Borrowing in compliance with Section 2.02 and the satisfaction of the applicable conditions precedent set forth in Article III), the Borrower may request Advances hereunder for the purpose of satisfying any Reimbursement Obligation.

SECTION 2.16.7 Obligations Absolute. The Borrower's obligations under this Section 2.16 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Borrower may have against the LC Issuer, any Lender or any beneficiary of a Facility LC. The Borrower agrees with the LC Issuer and the Lenders that the LC Issuer and the Lenders shall not be responsible for, and the Reimbursement Obligations in respect of any Facility LC shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, fraudulent or forged, or any dispute between or among the Borrower, any of its Affiliates, the beneficiary of any Facility LC or any financing institution or other party to whom any Facility LC may be transferred or any claims or defenses whatsoever of the Borrower or of any of its Affiliates against the beneficiary of any Facility LC or any such transferee. The LC Issuer shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Facility LC. The Borrower agrees that any action taken or omitted by the LC Issuer or any Lender under or in connection with any Facility LC and the related drafts and documents, if done without gross negligence or willful misconduct, shall be

binding upon the Borrower and shall not put the LC Issuer or any Lender under any liability to the Borrower. Nothing in this Section 2.16.7 is intended to limit the right of the Borrower to make a claim against the LC Issuer for damages as contemplated by the proviso to the first sentence of Section 2.16.6.

SECTION 2.16.8 Actions of LC Issuer. The LC Issuer shall be entitled to rely, and shall be fully protected in relying, upon any Facility LC, draft, writing, resolution, notice, consent, certificate, affidavit, letter, facsimile, message, statement, order or other document believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the LC Issuer. The LC Issuer shall be fully justified in failing or refusing to take any action under this Agreement unless it shall first have received such advice or concurrence of the Majority Lenders as it reasonably deems appropriate or it shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Notwithstanding any other provision of this Section 2.16, the LC Issuer shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon the Lenders and any future holder of a participation in any Facility LC.

SECTION 2.16.9 Indemnification. The Borrower hereby agrees to indemnify and hold harmless each Lender, the LC Issuer and the Administrative Agent, and their respective directors, officers, agents and employees, from and against any claim, damage, loss, liability, cost or expense which such Lender, the LC Issuer or the Administrative Agent may incur (or which may be claimed against such Lender, the LC Issuer or the Administrative Agent by any Person whatsoever) by reason of or in connection with the issuance, execution and delivery or transfer of or payment or failure to pay under any Facility LC or any actual or proposed use of any Facility LC, including any claim, damage, loss, liability, cost or expense which the LC Issuer may incur by reason of or in connection with (i) the failure of any other Lender to fulfill or comply with its obligations to the LC Issuer hereunder (but nothing herein contained shall affect any right the Borrower may have against any Defaulting Lender) or (ii) by reason of or on account of the LC Issuer issuing any Facility LC that specifies that the term "Beneficiary" included therein includes any successor by operation of law of the named Beneficiary, but which Facility LC does not require that any drawing by any such successor Beneficiary be accompanied by a copy of a legal document, satisfactory to the LC Issuer, evidencing the appointment of such successor Beneficiary; provided that the Borrower shall not be required to indemnify any Lender, the LC Issuer or the Administrative Agent for any claim, damage, loss, liability, cost or expense to the extent, but only to the extent, caused by (x) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC complied with the terms of such Facility LC or (y) the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. Nothing in this Section 2.16.9 is intended to limit the obligations of the Borrower under any other provision of this Agreement.

SECTION 2.16.10 Lenders' Indemnification. Each Lender shall, ratably in accordance with its Pro Rata Share, indemnify the LC Issuer, its Affiliates and their respective

directors, officers, agents and employees (to the extent not reimbursed by the Borrower) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such indemnitees' gross negligence or willful misconduct or the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of the Facility LC) that such indemnitees may suffer or incur in connection with this Section 2.16 or any action taken or omitted by such indemnitees hereunder.

SECTION 2.16.11 Rights as a Lender. In its capacity as a Lender, the LC Issuer shall have the same rights and obligations as any other Lender.

SECTION 2.16.12 Rights with Respect to Designated Lenders. If any Lender is a Designated Lender, then the LC Issuer may, by notice to such Designated Lender and the Administrative Agent, require such Designated Lender to (a) deliver to the Administrative Agent, for the account of the LC Issuer, cash collateral in an amount equal to such Designated Lender's Pro Rata Share of the undrawn principal amount of all Facility LCs (the "Reserve Amount") or (b) make other arrangements reasonably satisfactory to the LC Issuer to assure that such Designated Lender will reimburse the LC Issuer for its Pro Rata Share of any payment made by the LC Issuer under any Facility LC. Any such cash collateral (i) shall be held by the Administrative Agent pursuant to arrangements reasonably satisfactory to such Designated Lender, the LC Issuer and the Administrative Agent and (ii) if at any time such Designated Lender becomes obligated to pay any amount to the LC Issuer pursuant to Section 2.16.5 or to make an Advance pursuant to Section 2.16.6, shall be applied (to the extent required) by the Administrative Agent to pay such amount or to make such Advance. Upon the expiration, termination or reduction in amount of any applicable Facility LC, the Administrative Agent shall release (subject to Section 2.13(g) in the case of a Defaulting Lender) to such Designated Lender (or such other Person as may be entitled thereto) any cash collateral held by the Administrative Agent in excess of the Reserve Amount. If any Designated Lender fails to provide cash collateral or make other arrangements as required by the first sentence of this Section 2.16.12, then the Administrative Agent shall retain as cash collateral all amounts otherwise payable to such Designated Lender under this Agreement until the Administrative Agent has retained an amount equal to the Reserve Amount.

SECTION 2.17 Extension of Scheduled Commitment Termination Date. The Borrower may request an extension of the scheduled Commitment Termination Date by submitting a request for an extension to the Administrative Agent (an "Extension Request") no more than 60 days prior to the scheduled Commitment Termination Date then in effect. The Extension Request must specify the new scheduled Commitment Termination Date and the date (which must be at least 30 days after the Extension Request is delivered to the Administrative Agent) as of which the Lenders must respond to the Extension Request (the "Response Date"). The new scheduled Commitment Termination Date shall be 364 days after the scheduled Commitment Termination Date in effect at the time an Extension Request is received, including the scheduled Commitment Termination Date as one of the days in the calculation of the days elapsed. Promptly upon receipt of an Extension Request, the Administrative Agent shall notify each Lender of the contents thereof and shall request each Lender to approve such Extension Request, which approval shall be at the sole discretion of each Lender. Each Lender approving such Extension Request shall deliver its written consent no later than the Response Date. If the

written consent of each of the Lenders (excluding any Person which ceases to be a Lender pursuant to Section 8.07(g)(iii)) is received by the Administrative Agent, the new scheduled Commitment Termination Date specified in the Extension Request shall become effective on the existing scheduled Commitment Termination Date and the Administrative Agent shall promptly notify each Borrower and each Lender of the new scheduled Commitment Termination Date. If all Lenders (including any Person which becomes a Lender pursuant to Section 8.07(g)) do not consent to an Extension Request, the scheduled Commitment Termination Date shall not be extended pursuant to such Extension Request.

ARTICLE III

CONDITIONS PRECEDENT

SECTION 3.01 Conditions Precedent to Effectiveness. This Agreement (including the Commitments of the Lenders and the obligations of the Borrower hereunder) shall become effective if, on or before October 17, 2014, all of the following conditions precedent have been satisfied:

(a) the Administrative Agent shall have received evidence, satisfactory to the Administrative Agent, that the Borrower has paid (or will pay with the proceeds of the initial Credit Extensions) all amounts then payable by the Borrower under the Existing Agreement (after giving effect to the last sentence of Section 2.16.1) and that all commitments to make extensions of credit to the Borrower thereunder have been (or concurrently with the initial Advances will be) terminated;

(b) the Administrative Agent shall have received (i) a counterpart of this Agreement signed on behalf of each party hereto or (ii) written evidence (which may include electronic transmission of a signed signature page of this Agreement) that each party hereto has signed a counterpart of this Agreement and each of the following documents, each dated a date reasonably satisfactory to the Administrative Agent and otherwise in form and substance satisfactory to the Administrative Agent:

(i) Certified copies of resolutions of the Board of Directors or equivalent managing body of the Borrower approving the transactions contemplated by this Agreement and of all documents evidencing other necessary organizational action of the Borrower with respect to this Agreement and the documents contemplated hereby;

(ii) A certificate of the Secretary or an Assistant Secretary of Borrower certifying (A) the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered hereunder; (B) that attached thereto are true and correct copies of the organizational documents of the Borrower, in each case in effect on such date; and (C) that attached thereto are true and correct copies of all governmental and regulatory authorizations and approvals required for the due execution, delivery and performance by the Borrower of this Agreement and the documents contemplated hereby;

(iii) A certificate signed by any of the chief financial officer, principal accounting officer or treasurer of the Borrower stating that (A) the representations and warranties contained in Section 4.01 are correct on and as of the date of such certificate as though made on and as of such date and (B) no Event of Default or Unmatured Event of Default has occurred and is continuing on the date of such certificate; and

(iv) A favorable opinion of Sidley Austin LLP, counsel for the Borrower, substantially in the form of Exhibit D; and

(c) the Administrative Agent shall have received evidence, satisfactory to the Administrative Agent, that the Borrower has paid (or will pay with the proceeds of the initial Credit Extensions) all fees and, to the extent billed, expenses payable by the Borrower hereunder on the Closing Date (including amounts then payable to the Arrangers and the Administrative Agent).

Promptly upon the occurrence thereof, the Administrative Agent shall notify the Borrower, the Lenders and the LC Issuer as to the Closing Date.

SECTION 3.02 Conditions Precedent to All Credit Extensions. The obligation of each Lender to make any Advance and of the LC Issuer to issue or modify any Facility LC shall be subject to the conditions precedent that (a) the Closing Date shall have occurred, (b) in the case of a Borrowing, the Administrative Agent shall have received consents to such Borrowing (and, if such requested Borrowing is to be comprised of Eurodollar Rate Advances, to the making of such Type of Advances), substantially in the form of Exhibit C, from all Lenders, and (c) in the case of all Credit Extensions, on the date of such Credit Extension, the following statements shall be true (and (x) the giving of the applicable Notice of Borrowing and the acceptance by the Borrower of the proceeds of Advances pursuant thereto and (y) the request by the Borrower for the issuance or Modification of a Facility LC (as applicable) shall constitute a representation and warranty by the Borrower that on the date of the making of such Advances or the issuance or Modification of such Facility LC such statements are true):

(A) the representations and warranties of the Borrower contained in Section 4.01 (excluding the representations and warranties set forth in Section 4.01(e)(ii) and the first sentence of Section 4.01(f)) are correct on and as of the date of such Credit Extension, before and after giving effect to such Credit Extension and, in the case of the making of Advances, the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Credit Extension or, in the case of the making of Advances, from the application of the proceeds therefrom, that constitutes an Event of Default or Unmatured Event of Default with respect to the Borrower.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois.

(b) The execution, delivery and performance by the Borrower of this Agreement are within the Borrower's powers, have been duly authorized by all necessary organizational action on the part of the Borrower, and do not and will not contravene (i) the organizational documents of the Borrower, (ii) applicable law or (iii) any contractual or legal restriction binding on or affecting the properties of the Borrower or any Subsidiary.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement, except any order that has been duly obtained and is (x) in full force and effect and (y) sufficient for the purposes hereof.

(d) This Agreement is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as the enforceability thereof may be limited by equitable principles or bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally.

(e) (i) The consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2013 and the related consolidated statements of operations, changes in shareholders' equity and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, certified by PricewaterhouseCoopers LLP, and the unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of June 30, 2014, and the related unaudited statement of operations for the six-month period then ended, copies of which have been furnished to each Lender, fairly present in all material respects (subject, in the case of such balance sheet and statement of operations for the period ended June 30, 2014, to year-end adjustments) the consolidated financial condition of the Borrower and its Subsidiaries as at such dates and the consolidated results of the operations of the Borrower and its Subsidiaries for the periods ended on such dates in accordance with GAAP; and (ii) since December 31, 2013, there has been no Material Adverse Change.

(f) Except as disclosed in the Borrower's Annual, Quarterly or Current Reports, each as filed with the Securities and Exchange Commission and delivered to the Lenders prior to the later of the date of execution and delivery of this Agreement or the date of the most recent extension of the Commitment Termination Date pursuant to Section 2.17, there is no pending or, to the knowledge of the Borrower after due inquiry, threatened action, investigation or proceeding affecting the Borrower or any Subsidiary before any court, governmental agency or arbitrator that may reasonably be anticipated to have a Material Adverse Effect. There is no pending or, to the knowledge of the Borrower after due inquiry, threatened action or proceeding

against the Borrower or any Subsidiary that purports to affect the legality, validity, binding effect or enforceability against the Borrower of this Agreement.

(g) No proceeds of any Advance have been or will be used directly or indirectly in connection with the acquisition of in excess of 5% of any class of equity securities that is registered pursuant to Section 12 of the Exchange Act, except for any cash payments made (or any common stock issued in connection with the terms of the Existing Warrants) in connection with the Existing Warrants or any transaction subject to the requirements of Section 13 or 14 of the Exchange Act.

(h) The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Advance will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock. Not more than 25% of the value of the assets of the Borrower and its Subsidiaries is represented by margin stock.

(i) The Borrower is not required to register as an “investment company” under the Investment Company Act of 1940.

(j) During the twelve consecutive month period prior to the date of the execution and delivery of this Agreement and prior to the date of any Credit Extension, no steps have been taken to terminate any Plan and there is no “accumulated funding deficiency” (as defined in Section 412 of the Code or Section 302 of ERISA) with respect to any Plan. No condition exists or event or transaction has occurred with respect to any Plan (including any Multiemployer Plan) which might result in the incurrence by the Borrower or any other member of the Controlled Group of any material liability (other than to make contributions, pay annual PBGC premiums or pay out benefits in the ordinary course of business), fine or penalty.

(k) The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and Affiliates and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and Affiliates and their respective officers and employees and to the knowledge of the Borrower its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Subsidiary or Affiliate or any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Subsidiary or Affiliate that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds or other transaction contemplated by the Agreement will violate Anti-Corruption Laws or applicable Sanctions.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01 Affirmative Covenants. The Borrower agrees that so long as any amount payable by the Borrower hereunder remains unpaid, any Facility LC remains outstanding or the Commitments have not been irrevocably terminated, the Borrower will, and, in the case of Section 5.01(a), will cause its Principal Subsidiaries to, unless the Majority Lenders shall otherwise consent in writing:

(a) Keep Books; Existence; Maintenance of Properties; Compliance with Laws; Insurance; Taxes.

(i) keep proper books of record and account, all in accordance with generally accepted accounting principles in the United States, consistently applied;

(ii) subject to Section 5.02(b), preserve and keep in full force and effect its existence;

(iii) maintain and preserve all of its properties (except such properties the failure of which to maintain or preserve would not have, individually or in the aggregate, a Material Adverse Effect) which are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted;

(iv) comply in all material respects with the requirements of all applicable laws, rules, regulations and orders (including those of any governmental authority and including with respect to environmental matters) to the extent the failure to so comply, individually or in the aggregate, would have a Material Adverse Effect, including, without limitation, maintaining in effect and enforcing policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and Affiliates and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions;

(v) maintain insurance with responsible and reputable insurance companies or associations, or self-insure, as the case may be, in each case in such amounts and covering such contingencies, casualties and risks as is customarily carried by or self-insured against by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower and its Principal Subsidiaries operate;

(vi) at any reasonable time and from time to time, pursuant to prior notice delivered to the Borrower, permit any Lender, or any agent or representative of any thereof, to examine and, at such Lender's expense, make copies of, and abstracts from the records and books of account of, and visit the properties of, the Borrower and any Principal Subsidiary and to discuss the affairs, finances and accounts of the Borrower and any Principal Subsidiary with any of their respective officers; provided that any non-public information (which has been identified as such by the Borrower or the applicable

Principal Subsidiary) obtained by any Lender or any of its agents or representatives pursuant to this clause (vi) shall be treated confidentially by such Person; provided, further, that such Person may disclose such information to (x) any other party to this Agreement, its examiners, Affiliates, outside auditors, counsel or other professional advisors in connection with this Agreement or (y) if otherwise required to do so by law or regulatory process (it being understood that, unless prevented from doing so by any applicable law or governmental authority, such Person shall use reasonable efforts to notify the Borrower of any demand or request for any such information promptly upon receipt thereof so that the Borrower may seek a protective order or take other appropriate action);

(vii) use the proceeds of the Advances for general corporate purposes (including the making of acquisitions), but in no event for any purpose that would be contrary to Section 4.01(g) or 4.01(h); and

(viii) pay, prior to delinquency, all of its federal income taxes and other material taxes and governmental charges, except to the extent that (a) such taxes or charges are being contested in good faith and by proper proceedings and against which adequate reserves are being maintained or (b) failure to pay such taxes or charges would not reasonably be expected to have a Material Adverse Effect.

(b) Reporting Requirements. Furnish to the Lenders:

(i) as soon as possible, and in any event within five Business Days after the Borrower becomes aware of the existence of any Event of Default or Unmatured Event of Default with respect to the Borrower continuing on the date of such statement, after due inquiry, a statement of an authorized officer of the Borrower setting forth details of such Event of Default or Unmatured Event of Default and the action which the Borrower proposes to take with respect thereto;

(ii) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower, a copy of the Borrower's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission with respect to such quarter (or, if the Borrower is not required to file a Quarterly Report on Form 10-Q, copies of an unaudited consolidated balance sheet of the Borrower as of the end of such quarter and the related consolidated statement of operations of the Borrower for the portion of the Borrower's fiscal year ending on the last day of such quarter, in each case prepared in accordance with GAAP, subject to the absence of footnotes and to year-end adjustments), together with a certificate of an authorized officer of the Borrower stating that no Event of Default or Unmatured Event of Default has occurred and is continuing or, if any such Event of Default or Unmatured Event of Default has occurred and is continuing, a statement as to the nature thereof and the action which the Borrower proposes to take with respect thereto;

(iii) as soon as available and in any event within 105 days after the end of each fiscal year of the Borrower, a copy of the Borrower's Annual Report on Form 10-K filed with the Securities and Exchange Commission with respect to such fiscal year (or, if the

Borrower is not required to file an Annual Report on Form 10-K, the consolidated balance sheet of the Borrower and its subsidiaries as of the last day of such fiscal year and the related consolidated statements of operations, changes in shareholders' equity (if applicable) and cash flows of the Borrower for such fiscal year, certified by PricewaterhouseCoopers LLP or other certified public accountants of recognized national standing), together with a certificate of an authorized officer of the Borrower stating that no Event of Default or Unmatured Event of Default has occurred and is continuing or, if any such Event of Default or Unmatured Event of Default has occurred and is continuing, a statement as to the nature thereof and the action which the Borrower proposes to take with respect thereto;

(iv) concurrently with the delivery of the quarterly and annual reports referred to in Sections 5.01(b)(ii) and 5.01(b)(iii), a compliance certificate in substantially the form set forth in Exhibit E, duly completed and signed by the Chief Financial Officer, Treasurer or an Assistant Treasurer of the Borrower;

(v) except as otherwise provided in clause (ii) or (iii) above, promptly after the sending or filing thereof, copies of all reports that the Borrower sends to any of its security holders, and copies of all Reports on Form 10-K, 10-Q or 8-K, and registration statements (without exhibits) and prospectuses that the Borrower or any Subsidiary files with the Securities and Exchange Commission or any national securities exchange (except to the extent that any such registration statement or prospectus relates solely to the issuance of securities pursuant to employee purchase, benefit or dividend reinvestment plans of the Borrower or a Subsidiary);

(vi) promptly upon becoming aware of the institution of any steps by the Borrower or any other Person to terminate any Plan, or the failure to make a required contribution to any Plan if such failure is sufficient to give rise to a lien under section 430(k) of the Code, or the taking of any action with respect to a Plan which could result in the requirement that the Borrower furnish a bond or other security to the PBGC or such Plan, or the occurrence of any event with respect to any Plan which could result in the incurrance by the Borrower or any other member of the Controlled Group of any material liability, fine or penalty, notice thereof and a statement as to the action the Borrower or such member of the Controlled Group proposes to take with respect thereto;

(vii) promptly upon becoming aware thereof, notice of any change in the Fitch Rating, the Moody's Rating or the S&P Rating; and

(viii) such other information respecting the business, operations or condition, financial or otherwise, of the Borrower or any Subsidiary as any Lender, through the Administrative Agent, may from time to time reasonably request (including any information that any Lender reasonably requests in order to comply with its obligations under any "know your customer" or anti-money laundering laws or regulations).

The Borrower may provide information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to this Section 5.01(b) and all other notices, requests, financial statements, financial and other reports, certificates and other information

materials, but excluding any communication that (i) relates to a request for a Credit Extension, (ii) relates to the payment of any amount due under this Agreement prior to the scheduled date therefor or any reduction of the Commitments, (iii) provides notice of any Event of Default or Unmatured Event of Default, (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement or any Credit Extension hereunder or (v) relates to a request for an extension of the scheduled Commitment Termination Date pursuant to Section 2.17 (any non-excluded communication described above, a "Communication"), electronically (including by posting such documents, or providing a link thereto, on Exelon's Internet website). Notwithstanding the foregoing, the Borrower agrees that, to the extent requested by the Administrative Agent or any Lender, it will continue to provide "hard copies" of Communications to the Administrative Agent or such Lender, as applicable.

The Borrower further agrees that the Administrative Agent may make Communications available to the Lenders by posting such Communications on Intralinks or a substantially similar electronic transmission system (the "Platform").

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE ADMINISTRATIVE AGENT DOES NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY COMMUNICATION OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN ANY COMMUNICATION. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE ADMINISTRATIVE AGENT IN CONNECTION WITH ANY COMMUNICATION OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT HAVE ANY LIABILITY TO THE BORROWER, ANY LENDER OR ANY OTHER PERSON FOR DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF THE BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT SUCH DAMAGES ARE FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM SUCH PERSON'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL THE ADMINISTRATIVE AGENT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF THE PLATFORM OR THE BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET.

Each Lender agrees that notice to it (as provided in the next sentence) specifying that a Communication has been posted to the Platform shall constitute effective delivery of such Communication to such Lender for purposes of this Agreement. Each Lender agrees (i) to notify the Administrative Agent from time to time of the e-mail address to which the foregoing notice may be sent and (ii) that such notice may be sent to such e-mail address.

SECTION 5.02 Negative Covenants. The Borrower agrees that so long as any amount payable by the Borrower hereunder remains unpaid, any Facility LC remains outstanding or the

Commitments have not been irrevocably terminated (except with respect to Section 5.02(a), which shall be applicable only as of the date hereof and at any time any Advance or Facility LC is outstanding or is to be made or issued, as applicable), the Borrower will not, without the written consent of the Majority Lenders:

(a) Limitation on Liens. Create, incur, assume or suffer to exist, or permit any of its Principal Subsidiaries to create, incur, assume or suffer to exist, any Lien on its respective property, revenues or assets, whether now owned or hereafter acquired, except:

(i) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business;

(ii) Liens for taxes, assessments or governmental charges or levies on its property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings;

(iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation;

(iv) Liens incidental to the normal conduct of the business of the Borrower or any Subsidiary or the ownership of its property or the conduct of the ordinary course of its business, including (A) zoning restrictions, easements, rights of way, reservations, restrictions on the use of real property and other minor irregularities of title, (B) rights of lessees under leases, (C) rights of collecting banks having rights of setoff, revocation, refund, chargeback, counterclaim, netting of cash amounts or similar rights with respect to money or instruments of the Borrower or any Subsidiary on deposit with or in the possession of such banks, (D) Liens or deposits to secure the performance of statutory obligations, tenders, bids, leases, progress payments, performance or return-of-money bonds, performance or other similar bonds or other obligations of a similar nature incurred in the ordinary course of business, and (E) Liens required by any contract or statute in order to permit the Borrower or a Subsidiary of the Borrower to perform any contract or subcontract made by it with or pursuant to the requirements of a governmental entity, in each case which are not incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property and which do not in the aggregate impair the use of property in the operation of the business of the Borrower and its Subsidiaries taken as a whole;

(v) Liens securing cash collateralization obligations in respect of defaulting lenders under the Borrower's credit facilities;

(vi) Liens (A) on the capital stock of or any other equity interest in any Subsidiary which is a Debtor, and (B) granted in connection with the financing of generating or transmission facilities (including associated support and ancillary facilities), limited to the facilities so financed or developed by a Debtor or otherwise acquired by a Debtor from a Person other than the Borrower or its Subsidiaries, in each case to secure Nonrecourse Indebtedness issued by such Debtor;

(vii) Liens upon or in any property acquired in the ordinary course of business to secure the purchase price of such property or to secure any obligation incurred solely for the purpose of financing the acquisition of such property;

(viii) Liens existing on property at the time of the acquisition thereof (other than any such Lien created in contemplation of such acquisition unless permitted by the preceding clause (vii));

(ix) Liens on the property, revenues and/or assets of any Person that exist at the time such Person becomes a Subsidiary and the continuation of such Liens in connection with any refinancing or restructuring of the obligations secured by such Liens;

(x) Liens granted in connection with any financing arrangement for the financing of pollution control facilities, limited to the facilities so purchased or financed;

(xi) Liens on any improvements to property securing Indebtedness incurred to provide funds for all or part of the cost of such improvements in a principal amount not exceeding the cost of acquisition or construction of such improvements and incurred within 12 months after completion of such improvements or construction, provided that such Liens do not extend to or cover any property of the Borrower or any Subsidiary other than such improvements;

(xii) Liens arising in connection with sales or transfers of, or financing secured by, accounts receivable or related contracts, including Liens granted by a Receivables SPC to secure Debt arising under a Permitted Securitization; provided that any such sale, transfer or financing shall be on arms' length terms;

(xiii) Permitted Encumbrances;

(xiv) Liens created under the Mortgage and "permitted liens" as defined in the Mortgage as in effect on the date hereof;

(xv) Liens securing the Borrower's notes collateralized solely by mortgage bonds of the Borrower issued under the terms of the Mortgage;

(xvi) Liens arising in connection with sale and leaseback transactions, but only to the extent that (A) except as permitted by the following clause (B), the proceeds received from such sale are immediately applied to retire mortgage bonds of the Borrower issued under the terms of the Mortgage and (B) the aggregate purchase price of all assets sold by the Borrower during the term of this Agreement pursuant to sale and leaseback transactions where such proceeds are not applied as provided in clause (A) does not exceed \$1,000,000,000;

(xvii) Liens incurred or deposits to secure the performance of surety bonds incurred in the ordinary course of business consistent with past practice, provided that such Liens shall cover only the Borrower's or its Subsidiaries' interests in and relating to the contract underlying the transaction for which such surety bonds were issued;

(xviii) Liens on cash or cash equivalents created or existing to secure stay or appeal bonds or otherwise resulting from any litigation or legal proceeding which are being contested in good faith by appropriate action promptly initiated and diligently conducted, including the Lien of any judgment; provided, that the aggregate amount secured by all such Liens does not exceed \$50,000,000;

(xix) agreements for and obligations relating to the joint or common use of property owned solely by the Borrower or any of its Principal Subsidiaries, or owned by the Borrower or any of its Principal Subsidiaries in common or jointly with one or more other parties;

(xx) Liens securing any extension, renewal, replacement or refinancing of Indebtedness secured by any Lien referred to in clauses (viii), (ix), (x), (xi) or (xix) of this Section 5.02(a); provided, that

(A) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property); and

(B) the amount secured by such Lien at such time is not increased to any amount greater than the amount outstanding at the time of such renewal, replacement or refinancing;

(xxi) Liens existing on the date hereof and described in Schedule 5.02(a);

(xxii) Liens granted by a Special Purpose Subsidiary to secure Transitional Funding Instruments of such Special Purpose Subsidiary and Liens granted by Borrower to a Special Purpose Subsidiary on the Intangible Transition Property sold to such Subsidiary as a precaution in case such sales are re-characterized as financings of the Borrower;

(xxiii) Liens on assets held by entities that are required to be included in the Borrower's consolidated financial statements solely as a result of the application of Financial Accounting Standards Board Interpretation No.46R and/or No. 167;

(xxiv) Liens on tax-exempt bonds pledged by the Borrower in connection with a failed remarketing of such bonds; and

(xxv) Liens, other than those described in clauses (i) through (xxiv) of this Section 5.02(a), granted by the Borrower in the ordinary course of business securing Debt; provided that the aggregate amount of all Debt secured by Liens permitted by this clause (xxv) shall not exceed in the aggregate at any one time outstanding \$50,000,000.

(b) Mergers and Consolidations; Disposition of Assets. Merge with or into or consolidate with or into, or sell, assign, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person or permit any Principal Subsidiary to do so, except that (i) any Principal Subsidiary may merge with or into or consolidate with or transfer assets to any other Principal Subsidiary, (ii) any Principal Subsidiary may merge with or into or consolidate with or transfer

assets to the Borrower and (iii) the Borrower or any Principal Subsidiary may merge with or into or consolidate with or transfer assets to any other Person; provided that, in each case, immediately before and after giving effect thereto, no Event of Default or Unmatured Event of Default shall have occurred and be continuing and (A) in the case of any such merger, consolidation or transfer of assets to which the Borrower is a party, either (x) the Borrower shall be the surviving entity or (y) the surviving entity shall be an Eligible Successor and shall have assumed all of the obligations of the Borrower under this Agreement and the Facility LCs pursuant to a written instrument in form and substance satisfactory to the Administrative Agent and the Administrative Agent shall have received an opinion of counsel in form and substance satisfactory to it as to the enforceability of such obligations assumed and (B) subject to clause (A) above, in the case of any such merger, consolidation or transfer of assets to which any Principal Subsidiary is a party, a Principal Subsidiary shall be the surviving entity.

(c) Interest Coverage Ratio. Permit the Interest Coverage Ratio as of the last day of any fiscal quarter to be less than 2.00 to 1.0.

(d) Continuation of Businesses. Engage, or permit any Subsidiary to engage, in any line of business which is material to the Borrower and its Subsidiaries, taken as a whole, other than businesses engaged in by the Borrower and its Subsidiaries as of the date hereof and reasonable extensions thereof.

(e) Subsidiary Dividends. Enter into, or permit any Subsidiary to enter into, any agreement that restricts the ability of any Subsidiary to pay dividends directly or indirectly to the Borrower, except for restrictions on the Borrower relating to the priority of payments on its subordinated debentures contained in the Indenture dated as of September 1, 1995 between the Borrower and Wilmington Trust Company, as trustee, as in effect on the date hereof, or any other indenture that has terms substantially similar to such Indenture and that relates to the issuance of trust preferred securities.

(f) Use of Proceeds. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and shall procure that its Subsidiaries and Affiliates and their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (C) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

ARTICLE VI

EVENTS OF DEFAULT

SECTION 6.01 Events of Default. If any of the following events shall occur and be continuing (any such event an "Event of Default"):

(a) The Borrower shall fail to pay (i) any principal of any Advance when the same becomes due and payable, (ii) any Reimbursement Obligation within one Business Day after the same becomes due and payable or (iii) any interest on any Advance or any other amount payable by the Borrower hereunder within three Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by the Borrower herein or by the Borrower (or any of its officers) pursuant to the terms of this Agreement shall prove to have been incorrect or misleading in any material respect when made; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in Section 5.01(a)(vii), Section 5.01(b)(i) or Section 5.02 or (ii) any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Administrative Agent (which notice shall be given by the Administrative Agent at the written request of any Lender); or

(d) The Borrower or any Principal Subsidiary shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal amount in excess of \$50,000,000 in the aggregate (but excluding Debt hereunder, Nonrecourse Indebtedness, Debt of a Receivables SPC under a Permitted Securitization, and Transitional Funding Instruments) when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any such Debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof, other than any acceleration of any Debt secured by equipment leases or fuel leases of the Borrower or a Principal Subsidiary as a result of the occurrence of any event requiring a prepayment (whether or not characterized as such) thereunder, which prepayment will not result in a Material Adverse Change; or

(e) The Borrower or any Principal Subsidiary 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 the Borrower or any Principal Subsidiary seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its

property,) shall occur; or the Borrower or any Principal Subsidiary shall take any action to authorize or to consent to any of the actions set forth above in this Section 6.01(e); or

(f) One or more judgments or orders for the payment of money in an aggregate amount exceeding \$50,000,000 (excluding any such judgments or orders which are fully covered by insurance, subject to any customary deductible, and under which the applicable insurance carrier has acknowledged such full coverage in writing) shall be rendered against the Borrower or any Principal Subsidiary and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) (i) Any Reportable Event that the Majority Lenders determine in good faith is reasonably likely to result in the termination of any Single Employer Plan or in the appointment by the appropriate United States District Court of a trustee to administer a Single Employer Plan shall have occurred and be continuing 60 days after written notice to such effect shall have been given to the Borrower by the Administrative Agent; (ii) any Single Employer Plan shall be terminated; (iii) a trustee shall be appointed by an appropriate United States District Court to administer any Single Employer Plan; (iv) the PBGC shall institute proceedings to terminate any Single Employer Plan or to appoint a trustee to administer any Single Employer Plan; or (v) the Borrower or any other member of the Controlled Group withdraws from any Multiemployer Plan; provided that on the date of any event described in clauses (i) through (v) above, the Borrower has received notice assessing the liability of the Borrower with respect to the applicable Plan and such liability exceeds \$50,000,000; or

(h) The outstanding capital stock of the Borrower shall fail to be at least 85% owned, directly or indirectly, by Exelon (other than as a result of Exelon distributing to Exelon's shareholders generally the capital stock of the Borrower or the capital stock of a subsidiary of Exelon that is the Borrower's direct or indirect parent company);

then, and in any such event, the Administrative Agent shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, (i) declare the respective Commitments of the Lenders and the commitment of the LC Issuer to issue Facility LCs to be terminated, whereupon the same shall forthwith terminate, and/or (ii) declare the outstanding principal amount of the Advances, all interest thereon and all other amounts payable under this Agreement by the Borrower (including all contingent LC Obligations) to be forthwith due and payable, whereupon the outstanding principal amount of the Advances, all such interest and all such other amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided that in the event of an Event of Default under Section 6.01(e), (A) the obligation of each Lender to make any Advance to the Borrower and the obligation of the LC Issuer to issue Facility LCs shall automatically be terminated and (B) the outstanding principal amount of all Advances, all interest thereon and all other amounts payable by the Borrower hereunder (including all contingent LC Obligations) shall automatically and immediately become due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII

THE ADMINISTRATIVE AGENT

SECTION 7.01 Authorization and Action.

SECTION 7.01.1 Each Lender hereby appoints and authorizes the Administrative Agent to take such action as administrative agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including enforcement or collection of the obligations of the Borrower hereunder), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions shall be binding upon all Lenders; provided that the Administrative Agent shall not be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or applicable law. The Administrative Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement.

SECTION 7.01.2 The Administrative Agent may perform any and all of its duties and exercise its rights hereunder by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights hereunder through its respective Affiliates, directors, officers, employees, agents and advisors (collectively, the "Related Parties"). The provisions of this Article VII shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent.

SECTION 7.02 Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their respective own gross negligence or willful misconduct. Without limiting the generality of the foregoing: (i) the Administrative Agent may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) the Administrative Agent makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (iii) the Administrative Agent shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrower or to inspect the property (including the books and records) of the Borrower; (iv) the Administrative Agent shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (v) the Administrative Agent shall not incur any liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 7.03 Administrative Agent and Affiliates. With respect to its Commitment, Advances and other rights and obligations hereunder in its capacity as a Lender, JPMCB shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Administrative Agent; and the term “Lender” or “Lenders” shall include JPMCB in its individual capacity. JPMCB and its affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any Affiliate thereof and any Person who may do business with or own securities of the Borrower or any such Affiliate, all as if it were not Administrative Agent and without any duty to account therefor to the Lenders.

SECTION 7.04 Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on the financial statements referred to in Section 4.01(e) and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 7.05 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower), ratably according to their respective Pro Rata Shares, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent under this Agreement, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent’s gross negligence or willful misconduct. Without limiting the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its Pro Rata Share of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that such expenses are reimbursable by the Borrower but for which the Administrative Agent is not reimbursed by the Borrower.

SECTION 7.06 Successor Administrative Agent. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Majority Lenders. Upon any such resignation or removal, the Majority Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent’s giving of notice of resignation or the Majority Lenders’ removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank described in clause (i) or (ii) of the definition of “Eligible Assignee” having a combined capital and surplus of at least \$150,000,000. Upon the acceptance of any appointment as Administrative Agent

hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. Notwithstanding the foregoing, if no Event of Default or Unmatured Event of Default shall have occurred and be continuing, then no successor Administrative Agent shall be appointed under this Section 7.06 without the prior written consent of the Borrower, which consent shall not be unreasonably withheld or delayed.

SECTION 7.07 Arrangers. The title "Arranger" is purely honorific, and no Person designated as an "Arranger" shall have any duties or responsibilities in such capacity.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders and, in the case of an amendment, the Borrower, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that no amendment, waiver or consent shall, unless in writing and signed by all Lenders (other than any Lender that is the Borrower or an Affiliate thereof), do any of the following: (a) waive or amend any of the conditions specified in Section 3.01 or 3.02, (b) increase or extend the Commitments of the Lenders (other than pursuant to Section 2.17) or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, any Advance, any Reimbursement Obligation or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, any Advance, any Reimbursement Obligation or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder, (f) amend this Section 8.01 or (g) waive or amend any provision regarding pro rata sharing or otherwise relates to the distribution of payments among Lenders; provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent, in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement; and (ii) no amendment, waiver or consent shall, unless in writing and signed by the LC Issuer, in addition to the Lenders required above to take such action, affect the rights or duties of the LC Issuer under this Agreement.

SECTION 8.02 Notices, Etc. All notices and other communications provided for hereunder shall be in writing (including facsimile transmission) and mailed, sent by facsimile or delivered, if to the Borrower, at 10 S. Dearborn, 52nd Floor, Chicago, IL 60603, Attention: Treasurer, facsimile: (312) 394-4082; if to any Lender, at its Domestic Lending Office specified in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender; and if to the Administrative Agent, at its address at 1111 Fannin St., 10th

Floor, Houston, TX 77002, Attention: Kimberly Brown, facsimile: (713) 750-2782 or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and communications shall be effective (a) if mailed, three Business Days after being deposited in the U.S. mail, postage prepaid, (b) if sent by facsimile, when the sender receives electronic confirmation of receipt, and (c) otherwise, when delivered, except that notices and communications to the Administrative Agent pursuant to Article II or VII shall not be effective until received by the Administrative Agent.

SECTION 8.03 No Waiver; Remedies. No failure on the part of any Lender, the LC Issuer or the Administrative Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04 Costs and Expenses; Indemnification.

(a) The Borrower agrees to pay on demand all costs and expenses incurred by the Administrative Agent, the LC Issuer and the Arrangers in connection with the preparation, execution, delivery, administration, syndication, modification and amendment of this Agreement and the other documents to be delivered hereunder, including the reasonable fees, internal charges and out-of-pocket expenses of counsel (including in-house counsel) for the Administrative Agent, the LC Issuer and the Arrangers with respect thereto and with respect to advising the Administrative Agent, the LC Issuer and the Arrangers as to their respective rights and responsibilities under this Agreement. The Borrower further agrees to pay on demand all costs and expenses, if any (including counsel fees and expenses of outside counsel and of internal counsel), incurred by the Administrative Agent, the LC Issuer or any Lender in connection with the collection and enforcement (whether through negotiations, legal proceedings or otherwise) of the Borrower's obligations under this Agreement and the other documents to be delivered by the Borrower hereunder, including reasonable counsel fees and expenses in connection with the enforcement of rights under this Section 8.04(a).

(b) If any payment of principal of, or any conversion of, any Eurodollar Advance is made other than on the last day of the Interest Period for such Advance, as a result of a payment or conversion pursuant to Section 2.09 or 2.12 or acceleration of the maturity of the Advances pursuant to Section 6.01 or for any other reason, the Borrower shall, upon demand by any Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amount required to compensate such Lender for any additional loss, cost or expense which it may reasonably incur as a result of such payment or conversion, including any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(c) The Borrower agrees to indemnify and hold each Lender, the LC Issuer, the Administrative Agent and each of their respective Affiliates, officers, directors and employees (each, an "Indemnified Person") harmless from and against any claim, damage, loss, liability, cost or expense (including reasonable attorney's fees and expenses, whether or not such Indemnified Person is named as a party to any proceeding or is otherwise subjected to judicial or legal process arising from any such proceeding) that any of them may pay or incur arising out of

or relating to this Agreement or the transactions contemplated hereby, or the use by the Borrower or any Subsidiary of the proceeds of any Advance; provided that the Borrower shall not be liable for any portion of any such claim, damage, loss, liability, cost or expense resulting from such Indemnified Person's gross negligence or willful misconduct. The Borrower's obligations under this Section 8.04(c) shall survive the repayment of all amounts owing by the Borrower to the Lenders and the Administrative Agent under this Agreement and the termination of the Commitments. If and to the extent that the obligations of the Borrower under this Section 8.04(c) are unenforceable for any reason, the Borrower agrees to make the maximum contribution to the payment and satisfaction thereof which is permissible under applicable law.

SECTION 8.05 Right of Set-off. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Administrative Agent to declare the Advances due and payable pursuant to the provisions of Section 6.01, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement, whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Each Lender agrees to notify the Borrower promptly after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender under this Section 8.05 are in addition to other rights and remedies (including other rights of set-off) that such Lender may have.

SECTION 8.06 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent and each Lender and their respective successors and assigns, provided that (except as permitted by Section 5.02(b)(iii)) the Borrower shall not have the right to assign rights hereunder or any interest herein without the prior written consent of all Lenders.

SECTION 8.07 Assignments and Participations.

(a) Each Lender may, with the prior written consent of the Borrower, the LC Issuer and the Administrative Agent (which consents shall not be unreasonably withheld or delayed), and if demanded by the Borrower pursuant to Section 8.07(g) shall to the extent required by such Section, assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment, the Advances owing to it and its participation in Facility LCs); provided that (i) each such assignment shall be of a constant, and not a varying, percentage of all of the assigning Lender's rights and obligations under this Agreement, (ii) the Commitment Amount of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$500,000 or, if less, the entire amount of such Lender's Commitment, and shall be an integral multiple of \$100,000 or such Lender's entire Commitment, (iii) each such assignment shall be to an Eligible Assignee, (iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with a

processing and recordation fee of \$3,500 (which shall be payable by one or more of the parties to the Assignment and Acceptance, and not by the Borrower (except in the case of a demand under Section 8.07(g)), and shall not be payable if the assignee is a Federal Reserve Bank), (v) the consent of the Borrower shall not be required after the occurrence and during the continuance of any Event of Default under Section 6.01(a), Section 6.01(c)(i) (with respect to a breach of Section 5.02(c) only) or Section 6.01(e) and (vi) the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five Business Days after having received notice thereof. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto (although an assigning Lender shall continue to be entitled to indemnification pursuant to Section 8.04(c)). Notwithstanding anything contained in this Section 8.07(a) to the contrary, (A) the consent of the Borrower, the LC Issuer and the Administrative Agent shall not be required with respect to any assignment by any Lender to an Affiliate of such Lender or to another Lender and (B) any Lender may at any time, without the consent of the Borrower, the LC Issuer or the Administrative Agent, and without any requirement to have an Assignment and Acceptance executed, assign all or any part of its rights under this Agreement to a Federal Reserve Bank, provided that no such assignment shall release the transferor Lender from any of its obligations hereunder.

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01(e) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such

powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(c) The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment Amount of, and principal amount of the Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit A, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(e) Each Lender may sell participations to one or more banks or other entities (each, a "Participant") in or to all or a portion of its rights and/or obligations under this Agreement (including all or a portion of its Commitment, the Advances owing to it and its participation in Facility LCs); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (iv) such Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of this Agreement, other than any such amendment, modification or waiver with respect to any Advance or Commitment in which such Participant has an interest that forgives principal, interest or fees or reduces the interest rate or fees payable with respect to any such Advance or Commitment, postpones any date fixed for any regularly scheduled payment of principal of, or interest or fees on, any such Advance or Commitment, extends any Commitment, releases any guarantor of any such Advance or releases any substantial portion of collateral, if any, securing any such Advance.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower received by it from such Lender (subject to customary exceptions regarding regulatory requirements, compliance with legal process and other requirements of law).

(g) If any Lender (i) shall make demand for payment under Section 2.11(a), 2.11(b) or 2.14, (ii) shall deliver any notice to the Administrative Agent pursuant to Section 2.12 resulting in the suspension of certain obligations of the Lenders with respect to Eurodollar Advances, (iii) does not consent to, or revokes its consent to, an extension of the scheduled Commitment Termination Date pursuant to Section 2.17, (iv) does not consent to an amendment or waiver that requires the consent of all Lenders and has been approved by the Majority Lenders or (v) is a Designated Lender, then (A) in the case of clause (i), within 60 days after such demand (if, but only if, the payment demanded under Section 2.11(a), 2.11(b) or 2.14 has been made by the Borrower), (B) in the case of clause (ii), within 60 days after such notice (if such suspension is still in effect), (C) in the case of clause (iii), no later than five days prior to the then effective scheduled Commitment Termination Date, (D) in the case of clause (iv), within 60 days after the date the Majority Lenders approve the applicable amendment or waiver, or (E) in the case of clause (v), at any time so long as such Lender continues to be a Designated Lender, as the case may be, the Borrower may demand that such Lender assign in accordance with this Section 8.07 to one or more Eligible Assignees designated by the Borrower and reasonably acceptable to the Administrative Agent and the LC Issuer all (but not less than all) of such Lender's Commitment, the Advances owing to it, its participation in the Facility LCs and all of its other rights and obligations hereunder within the next succeeding 30 days (or, in the case of clause (iii), (iv) or (v), five days). If any such Eligible Assignee designated by the Borrower shall fail to consummate such assignment on terms acceptable to such Lender, or if the Borrower shall fail to designate any such Eligible Assignee for all of such Lender's Commitment, Advances and participation in Facility LCs, then such Lender may (but shall not be required to) assign such Commitment and Advances to any other Eligible Assignee in accordance with this Section 8.07 during such period. No replacement of a Defaulting Lender pursuant to this Section 8.07(g) shall be deemed to be a waiver of any right that the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against such Defaulting Lender. Concurrently with any Designated Lender making an assignment pursuant to this Section 8.07(g), the Administrative Agent shall return to such Lender any cash collateral held for the account of such Lender pursuant to Section 2.16.12.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Bank") may grant to a special purpose funding vehicle (an "SPC"), identified as such in writing from time to time by the Granting Bank to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Advance that such Granting Bank would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any Advance, (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Advance, the Granting Bank shall be obligated to make such Advance pursuant to the terms hereof. The making of an Advance by an SPC hereunder shall utilize the Commitment of the Granting Bank to the same extent, and as if, such Advance were made by such Granting Bank. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Bank). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person in instituting against, such SPC any

bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 8.07, any SPC may (i) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Advance to the Granting Bank or to any financial institution (consented to by the Borrower and Administrative Agent, which consents shall not be unreasonably withheld or delayed) providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of Advances and (ii) disclose on a confidential basis any non-public information relating to its Advances to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC. This Section 8.07(h) may not be amended in any manner which adversely affects a Granting Bank or an SPC without the written consent of such Granting Bank or SPC.

SECTION 8.08 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS.

SECTION 8.09 Consent to Jurisdiction; Certain Waivers. (a) THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS SITTING IN COOK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF ILLINOIS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVE ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION.

(b) EXCEPT AS PROHIBITED BY LAW, EACH PARTY HERETO HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES.

SECTION 8.10 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK

TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 8.11 Execution in Counterparts; Integration. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understandings, oral or written, relating to the subject matter hereof.

SECTION 8.12 USA PATRIOT ACT NOTIFICATION. The following notification is provided to the Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrower: When the Borrower opens an account, the Administrative Agent and the Lenders will ask for the Borrower's name, tax identification number and business address and other information that will allow the Administrative Agent and the Lenders to identify the Borrower. The Administrative Agent and the Lenders may also ask to see the Borrower's legal organizational documents or other identifying documents.

SECTION 8.13 No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby; (ii) (A) the Administrative Agent, each Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent, any Arranger nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein; and (iii) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent, any Arranger nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the

Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

SECTION 8.14 Termination of Existing Agreement. The Borrower and each Lender that is a party to the Existing Agreement (which Lenders constitute "Majority Lenders" under and as defined in the Existing Agreement) agree that concurrently with the effectiveness hereof pursuant to Section 3.01, all commitments to extend credit to the Borrower under the Existing Agreement shall terminate and be of no further force or effect (without regard to any requirement in the Existing Agreement for prior notice of termination of such commitments).

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

COMMONWEALTH EDISON COMPANY

By: _____
Name: Joseph R. Trpik, Jr
Title: Senior Vice President, Chief Financial Officer
and Treasurer

THE LENDERS

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent, as LC Issuer and as a
Lender

By: _____
Name: _____
Title: _____

SEAWAY BANK AND TRUST COMPANY,
as a Lender

By: _____
Name:
Title:

**FIRST NATIONAL BANK AND TRUST
COMPANY, as a Lender**

By: _____
Name:
Title:

FIRST BANK OF HIGHLAND PARK,
as a Lender

By: _____
Name:
Title:

BEVERLY BANK & TRUST COMPANY N.A.,
as a Lender

By: _____
Name:
Title:

URBAN PARTNERSHIP BANK,
as a Lender

By: _____
Name:
Title:

THE HARBOR BANK OF MARYLAND,
as a Lender

By: _____
Name:
Title:

RIVERSIDE COMMUNITY BANK,
as a Lender

By: _____
Name:
Title:

INTERNATIONAL BANK OF CHICAGO,
as a Lender

By: _____
Name:
Title:

FIRST EAGLE BANK,
as a Lender

By: _____
Name:
Title:

ALPINE BANK AND TRUST CO.,
as a Lender

By: _____
Name:
Title:

FIRST INDEPENDENCE BANK,
as a Lender

By: _____
Name:
Title:

UNITED BANK OF PHILADELPHIA,
as a Lender

By: _____
Name:
Title:

**WILMINGTON SAVINGS FUND SOCIETY,
FSB,**
as a Lender

By: _____
Name:
Title:

**ILLINOIS SERVICE FEDERAL SAVINGS
AND LOAN ASSOCIATION OF CHICAGO,**
as a Lender

By: _____
Name:
Title:

NORTH MILWAUKEE STATE BANK,
as a Lender

By: _____
Name:
Title:

BANKFINANCIAL F.S.B.,
as a Lender

By: _____
Name:
Title:

GATEWAY COMMUNITY BANK,
as a Lender

By: _____
Name:
Title:

HIGHLAND COMMUNITY BANK,
as a Lender

By: _____
Name:
Title:

REPUBLIC BANK OF CHICAGO,
as a Lender

By: _____
Name:
Title:

PACIFIC GLOBAL BANK,
as a Lender

By: _____
Name:
Title:

SCHEDULE I
 PRICING SCHEDULE

The “Applicable Margin,” the “LC Fee Rate,” and the “Facility Fee Rate” for any day are the respective percentages set forth below in the applicable row under the column corresponding to the Status that exists on such day:

Status	Applicable Margin for Eurodollar Advances and LC Fee Rate	Applicable Margin for Base Rate Advances	Applicable Facility Fee Rate
Level I	0.900%	0.000%	0.100%
Level II	1.000%	0.000%	0.125%
Level III	1.075%	0.075%	0.175%
Level IV	1.275%	0.275%	0.225%
Level V	1.475%	0.475%	0.275%
Level VI	1.650%	0.650%	0.350%

The Applicable Margin, the LC Fee Rate, and the Facility Fee Rate shall be determined in accordance with the table above based on the Status in effect from time to time. The Status in effect on any date for purposes of this Pricing Schedule is based on the applicable Fitch Rating, Moody’s Rating and S&P Rating in effect at the close of business on such date.

For the purposes of the foregoing (but subject to the final paragraph of this Pricing Schedule):

“Debt Rating” means, as of any date of determination, the Fitch Rating, the Moody’s Rating or the S&P Rating.

“Level I Status” exists at any date if, on such date, the Fitch Rating is A or better, the Moody’s Rating is A2 or better or the S&P Rating is A or better.

“Level II Status” exists at any date if, on such date, (i) Level I Status does not exist and (ii) the Fitch Rating is A- or better, the Moody’s Rating is A3 or better or the S&P Rating is A- or better.

“Level III Status” exists at any date if, on such date, (i) neither Level I Status nor Level II Status exists and (ii) the Fitch Rating is BBB+ or better, the Moody’s Rating is Baa1 or better or the S&P Rating is BBB+ or better.

“Level IV Status” exists at any date if, on such date, (i) none of Level I Status, Level II Status or Level III Status exists and (ii) the Fitch Rating is BBB or better, the Moody’s Rating is Baa2 or better or the S&P Rating is BBB or better.

“Level V Status” exists at any date if, on such date, (i) none of Level I Status, Level II Status, Level III Status or Level IV Status exists and (ii) the Fitch Rating is BBB- or better, the Moody’s Rating is Baa3 or better or the S&P Rating is BBB- or better.

“Level VI Status” exists at any date if, on such date, none of Level I Status, Level II Status, Level III Status, Level IV Status or Level V Status exists.

“Status” means Level I Status, Level II Status, Level III Status, Level IV Status, Level V Status or Level VI Status.

For purposes of the foregoing, (x) at any time that Debt Ratings are available from each of S&P, Moody’s and Fitch and there is a split among such Debt Ratings, then (i) if any two of such Debt Ratings are in the same level, such level shall apply or (ii) if each of such Debt Ratings is in a different level, the level that is the middle level shall apply and (y) at any time that Debt Ratings are available only from any two of S&P, Moody’s and Fitch and there is a split in such Debt Ratings, then the higher* of such Debt Ratings shall apply, unless there is a split in Debt Ratings of more than one level, in which case the level that is one level higher than the lower Debt Rating shall apply. The Debt Ratings shall be determined from the most recent public announcement of any changes in the Debt Ratings. If the rating system of S&P, Moody’s or Fitch shall change, the Borrower and the Administrative Agent shall negotiate in good faith to amend the definition of “Debt Rating” to reflect such changed rating system and, pending the effectiveness of such amendment (which shall require the approval of the Majority Lenders), the Debt Rating shall be determined by reference to the rating most recently in effect prior to such change. If the Borrower has no Fitch Rating, no Moody’s Rating and no S&P Rating, Level VI Status shall apply.

*It being understood and agreed, by way of example, that a Debt Rating of A- is one level higher than a Debt Rating of BBB+.

SCHEDULE II
 COMMITMENTS

Lender	Commitment
Seaway Bank and Trust Company	\$4,500,000
First National Bank and Trust Company	\$7,500,000
First Bank of Highland Park	\$2,050,000
Beverly Bank & Trust Company N.A.	\$1,200,000
Urban Partnership Bank	\$4,250,000
The Harbor Bank of Maryland	\$1,050,000
Riverside Community Bank	\$4,000,000
International Bank of Chicago	\$1,000,000
First Eagle Bank	\$1,000,000
Alpine Bank and Trust Co.	\$1,000,000
First Independence Bank	\$100,000
United Bank of Philadelphia	\$400,000
Wilmington Savings Fund Society, FSB	\$1,250,000
Illinois Service Federal Savings and Loan Association of Chicago	\$900,000
North Milwaukee State Bank	\$150,000
BankFinancial F.S.B.	\$500,000
Gateway Community Bank	\$1,500,000
Highland Community Bank	\$150,000
Republic Bank of Chicago	\$1,000,000
Pacific Global Bank	\$500,000
TOTAL	\$34,000,000

SCHEDULE III
EXISTING LETTERS OF CREDIT

<u>LOC #</u>	<u>EXPIRATION</u>	<u>AMOUNT</u>
S-342928	October 17, 2014	\$74,631
S-379082	October 17, 2014	\$26,290
S-634962.	October 17, 2014	\$17,100,000
S-899566	October 17, 2014	\$300,000
S-929559	October 17, 2014	\$85,260
S-963860.	October 17, 2014	\$110,000

SCHEDULE 5.02(a)
EXISTING LIENS

None.

5.02(a)-1

CHI:2864035.2

EXHIBIT A
FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including without limitation any letters of credit, guaranties and swingline loans included in such facilities and, to the extent permitted to be assigned under applicable law, all claims (including without limitation contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity), suits, causes of action and any other right of the Assignor against any Person whether known or unknown arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby) other than claims for indemnification or reimbursement with respect to any period prior to Effective Date (the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____ [and is an Affiliate of Assignor]
3. Borrower: Commonwealth Edison Company
4. Administrative Agent: JPMorgan Chase Bank, N.A.
5. Credit Agreement: Credit Agreement, dated as of October 17, 2014, among the Borrower, the Lenders party thereto, and the Administrative Agent.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/ Outstanding Credit Exposure for all Lenders*	Amount of Commitment/ Outstanding Credit Exposure Assigned*	Percentage Assigned of Commitment/ Outstanding Credit Exposure ¹
_____	\$ _____	\$ _____	_____%
_____	\$ _____	\$ _____	_____%
_____	\$ _____	\$ _____	_____%

7. Trade Date:²
 Effective Date: _____, 20__ [TO BE INSERTED BY THE ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER BY THE ADMINISTRATIVE AGENT.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
 [NAME OF ASSIGNOR]

By: _____
 Title: _____

ASSIGNEE
 [NAME OF ASSIGNEE]

By: _____
 Title: _____

[Consented to and]³ Accepted:
 JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: _____
 Title: _____

[Consented to:]⁴
 [NAME OF RELEVANT PARTY]

By: _____
 Title: _____

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

1 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

2 Insert if satisfaction of minimum amounts is to be determined as of the Trade Date.

3 To be added only if the consent of the Administrative Agent is required by the Terms of the Credit Agreement.

4 To be added only if the consent of the Borrowers and/or other parties (e.g. LC Issuer) is required by the terms of the credit Agreement.

ANNEX 1
**TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1. Assignor. The Assignor represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby. Neither the Assignor nor any of its officers, directors, employees, agents or attorneys shall be responsible for (i) any statements, warranties or representations made in or in connection with the Credit Agreement, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency, perfection, priority, collectibility, or value of the Credit Agreement or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of the Credit Agreement, (iv) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under the Credit Agreement, (v) inspecting any of the property, books or records of the Company, or any guarantor, or (vi) any mistake, error of judgment, or action taken or omitted to be taken in connection with the Credit Extensions or the Credit Agreement.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iii) agrees that its payment instructions and notice instructions are as set forth in Schedule 1 to this Assignment and Assumption, (iv) confirms that none of the funds, monies, assets or other consideration being used to make the purchase and assumption hereunder are "plan assets" as defined under ERISA and that its rights, benefits and interests in and under the Credit Agreement will not be "plan assets" under ERISA, (v) agrees to indemnify and hold the Assignor harmless against all losses, costs and expenses (including, without limitation, reasonable attorneys' fees) and liabilities incurred by the Assignor in connection with or arising in any manner from the Assignee's non-performance of the obligations assumed under this Assignment and Assumption, (vi) it has received a copy of the Credit Agreement, together with copies of financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (vii) attached as Schedule 1 to this Assignment and Assumption is any documentation required to be delivered by the Assignee with respect to its tax status pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, and (ii) it will perform in accordance

with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

2. Payments. The Assignee shall pay the Assignor, on the Effective Date, the amount agreed to by the Assignor and the Assignee. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, Reimbursement Obligations, fees and other amounts) to the Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by facsimile shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of Illinois.

ADMINISTRATIVE QUESTIONNAIRE

(Schedule to be supplied by Closing Unit or Trading Documentation Unit)

US AND NON-US TAX INFORMATION REPORTING REQUIREMENTS

(Schedule to be supplied by Closing Unit or Trading Documentation Unit)

EXHIBIT B

FORM OF NOTICE OF BORROWING

[Date]

JPMorgan Chase Bank, N.A.,
as Administrative Agent,
and the Lenders that are parties to
the Credit Agreement referred to below
1111 Fannin St., 10th Floor
Houston, TX 77002
Attention: Utilities Department
North American Finance Group

Ladies and Gentlemen:

The undersigned, Commonwealth Edison Company (the "Borrower"), refers to the Credit Agreement, dated as of October 17, 2014, among the Borrower, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"), and hereby gives you notice, irrevocably, pursuant to Section 2.02(a) of the Credit Agreement that the undersigned requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required by Section 2.02(a) of the Credit Agreement:

- (i) The Business Day of the Proposed Borrowing is ____, 20__.
- (ii) The Type of Advances to be made in connection with the Proposed Borrowing is [Base Rate Advances] [Eurodollar Advances].
- (iii) The aggregate amount of the Proposed Borrowing is \$_____.
- (iv) The Interest Period for each Eurodollar Advance made as part of the Proposed Borrowing is [__ month[s]].

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties of the undersigned contained in Section 4.01 of the Credit Agreement (excluding the representations and warranties set forth in Section 4.01(e)(ii) and the first sentence of Section 4.01(f) of the Credit Agreement) are correct, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date;

(B) no event has occurred and is continuing, or would result from the Proposed Borrowing or from the application of the proceeds therefrom, that constitutes an Event of Default or Unmatured Event of Default; and

(C) after giving effect to the Proposed Borrowing, the undersigned will not have exceeded any limitation on its ability to incur indebtedness (including any limitation imposed by any governmental or regulatory authority).

Very truly yours,

Commonwealth Edison Company

By _____
Name:
Title:

EXHIBIT C

FORM OF CONSENT TO BORROWING

_____, 20____

Please refer to the Credit Agreement, dated as of October 17, 2014 among Commonwealth Edison Company, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"). Capitalized terms used but not defined herein have the respective meanings given thereto in the Credit Agreement.

Pursuant to Section 3.02 of the Credit Agreement, the undersigned [(a)] consents to a Borrowing in the aggregate amount of \$[] on [date] [and (b) agrees that such Borrowing may consist of Eurodollar Rate Advances].

The forgoing consent and agreement shall become effective when the Administrative Agent has received counterparts hereof signed by all Lenders.

[Lender]

By _____
Name:
Title:

EXHIBIT D

FORM OF OPINION LETTER OF SIDLEY AUSTIN LLP

[See attached.]

EXHIBIT E

FORM OF ANNUAL AND QUARTERLY COMPLIANCE CERTIFICATE

_____, 20____

Pursuant to the Credit Agreement, dated as of October 17, 2014, among Commonwealth Edison Company (the "Borrower"), various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"), the undersigned, being _____ of the Borrower, hereby certifies on behalf of the Borrower as follows:

1. [Delivered] [Posted concurrently]* herewith are the financial statements prepared pursuant to Section 5.01(b)(ii)/(iii) of the Credit Agreement for the fiscal _____ ended _____, 20__. All such financial statements comply with the applicable requirements of the Credit Agreement.

*Applicable language to be used based on method of delivery.

2. Schedule I hereto sets forth in reasonable detail the information and calculations necessary to establish the Borrower's compliance with the provisions of Section 5.02(c) of the Credit Agreement as of the end of the fiscal period referred to in paragraph 1 above.

3. (Check one and only one:)

No Event of Default or Unmatured Event of Default has occurred and is continuing.

An Event of Default or Unmatured Event of Default has occurred and is continuing, and the document(s) attached hereto as Schedule II specify in detail the nature and period of existence of such Event of Default or Unmatured Event of Default as well as any and all actions with respect thereto taken or contemplated to be taken by the Borrower.

4. The undersigned has personally reviewed the Credit Agreement, and this certificate was based on an examination made by or under the supervision of the undersigned sufficient to assure that this certificate is accurate.

5. Capitalized terms used in this certificate and not otherwise defined shall have the meanings given in the Credit Agreement.

COMMONWEALTH EDISON COMPANY

By _____
Name: _____
Title: _____

Date: _____

\$34,000,000

CREDIT AGREEMENT

dated as of October 18, 2013

among

**COMMONWEALTH EDISON COMPANY,
as Borrower,**

**VARIOUS FINANCIAL INSTITUTIONS,
as Lenders,**

and

**JPMORGAN CHASE BANK, N.A.,
as Administrative Agent**

**SEAWAY BANK AND TRUST COMPANY
and
RIVERSIDE COMMUNITY BANK**

Co-Arrangers

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this "Agreement") dated as of October 18, 2013 is among COMMONWEALTH EDISON COMPANY, the banks listed on the signature pages hereof, and JPMORGAN CHASE BANK, N.A., as Administrative Agent. The parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01 Certain Defined Terms. As used in this Agreement, each of the following terms shall have the meaning set forth below (each such meaning to be equally applicable to both the singular and plural forms of the term defined):

"Adjusted Funds From Operations" means, for any period, Net Cash Flows From Operating Activities for such period plus Interest Expense for such period minus (x) the portion (but not less than zero) of Net Cash Flows From Operating Activities for such period attributable to any consolidated Subsidiary that has no Debt other than Nonrecourse Indebtedness and (y) After-Tax Transitional Funding Instrument Revenue for such period.

"Administrative Agent" means JPMCB in its capacity as administrative agent for the Lenders pursuant to Article VII, and not in its individual capacity as a Lender, and any successor Administrative Agent appointed pursuant to Section 7.06.

"Administrative Questionnaire" means an administrative questionnaire, substantially in the form supplied by the Administrative Agent, completed by a Lender and furnished to the Administrative Agent in connection with this Agreement.

"Advance" means an advance by a Lender to the Borrower hereunder. An Advance may be a Base Rate Advance or a Eurodollar Advance, each of which shall be a "Type" of Advance.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person.

"After-Tax Transitional Funding Instrument Revenue" means, for any period, the portion of consolidated revenue for such period attributable to charges invoiced to customers in respect of Transitional Funding Instruments, after deducting applicable income taxes.

"Agreement" - see the Preamble.

"Aggregate Commitment Amount" means the total of the Commitment Amounts of all Lenders as in effect from time to time.

"Applicable Lending Office" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance and such Lender's Eurodollar Lending Office in the case of a Eurodollar Advance.

"Applicable Margin" - see Schedule I.

"Arranger" means each of Seaway Bank and Trust Company and Riverside Community Bank.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit A.

"Base Rate" means, for any day, a rate per annum equal to the highest of:

- (a) the Prime Rate as in effect on such day;
- (b) the sum of 0.5% per annum plus the Federal Funds Rate as in effect on such day; and
- (c) the Eurodollar Rate that would be applicable for an Interest Period of one month beginning on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.0%.

“Base Rate Advance” means an Advance that bears interest as provided in Section 2.06(a).

“Borrower” means Commonwealth Edison Company, an Illinois corporation, or any Eligible Successor thereof.

“Borrowing” means a group of Advances of the same Type made, continued or converted on the same day by the Lenders ratably according to their Pro Rata Shares and, in the case of a Borrowing of Eurodollar Advances, having the same Interest Period.

“Business Day” means a day on which banks are not required or authorized to close in Chicago, Illinois or New York, New York, and, if the applicable Business Day relates to any Eurodollar Advance, on which dealings are carried on in the London interbank market.

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

“Closing Date” means the date on which all conditions precedent set forth in Section 3.01 have been satisfied.

“Code” means the Internal Revenue Code of 1986.

“Commitment” means, for any Lender, such Lender’s commitment to make Advances and participate in Facility LCs hereunder.

“Commitment Amount” means, for any Lender at any time, the amount set forth opposite such Lender’s name on Schedule II attached hereto or, if such Lender has entered into any Assignment and Acceptance, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 8.07(c), as such amount may be reduced pursuant to Section 2.04.

“Commitment Termination Date” means the earlier of (i) October 17, 2014 or such later date to which the scheduled Commitment Termination Date may be extended pursuant to Section 2.17 (or, if any such date is not a Business Day, the next preceding Business Day) or (ii) the date of termination in whole of the Commitments pursuant to Section 2.04 or 6.01.

“Controlled Group” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control that, together with the Borrower, are treated as a single employer under Section 414(b) or 414(c) of the Code.

“Credit Extension” means the making of an Advance or the issuance or modification of a Facility LC hereunder.

“Debt” means (i) indebtedness for borrowed money, (ii) obligations evidenced by bonds, debentures, notes or other similar instruments, (iii) obligations to pay the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business), (iv) obligations as lessee under leases that shall have been or are required to be, in accordance with GAAP, recorded as capital leases, (v) obligations (contingent or otherwise) under reimbursement or similar agreements with respect to the issuance of letters of credit (other than obligations in respect of documentary letters of credit opened to provide for the payment of goods or services purchased in the ordinary course of business) and (vi) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (v) above.

“Defaulting Lender” means any Lender that (a) has not made available to the Administrative Agent such Lender’s ratable portion of a requested Borrowing or has not reimbursed the LC Issuer for such Lender’s Pro Rata Share of the amount of a payment made by the LC Issuer under a Facility LC, in each case within three Business Days after the date due therefor in accordance with Section 2.02(a) or 2.16.5, as applicable; (b) has notified the Borrower or the Administrative Agent that it does not intend to comply with its obligations under Section 2.02(a) or 2.16.5; or (c) is the subject of a bankruptcy, insolvency or similar proceeding.

“Designated Lender” means a Defaulting Lender or a Downgraded Lender.

“Domestic Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Domestic Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Downgraded Lender” means any Lender that (a) has a non-investment grade rating from Moody’s, S&P or another nationally-recognized rating agency; or (b) is a Subsidiary of a Person that is the subject of a bankruptcy, insolvency or similar proceeding.

“Eligible Assignee” means (i) a commercial bank organized under the laws of the United States, or any State thereof; (ii) a commercial bank organized under the laws of any other country that is a member of the OECD or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow, or a political subdivision of any such country, provided that such bank is acting through a branch or agency located in the United States; (iii) a finance company, insurance company or other financial institution or fund (whether a corporation, partnership or other entity) engaged generally in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business; (iv) the central bank of any country that is a member of the OECD; (v) any Lender; or (vi) any Affiliate (excluding any individual) of a Lender; provided that, unless otherwise agreed by the Borrower and the Administrative Agent in their sole discretion, (A) any Person described in clause (i), (ii) or (iii) above shall also (x) have outstanding unsecured long-term debt that is rated BBB- or better by S&P and Baa3 or better by Moody’s (or an equivalent rating by another nationally recognized credit rating agency of similar standing if either such corporation is no longer in the business of rating unsecured indebtedness of entities engaged in such businesses) and (y) have combined capital and surplus (as established in its most recent report of condition to its primary regulator) of not less than \$100,000,000 (or its equivalent in foreign currency), and (B) any Person described in clause (ii), (iii), (iv), (v) or (vi) above shall, on the date on which it is to become a Lender hereunder, be entitled to receive payments hereunder without deduction or withholding of any United States Federal income taxes (as contemplated by Section 2.14(e)).

“Eligible Successor” means a Person that (i) is a corporation, limited liability company or business trust duly incorporated or organized, validly existing and in good standing under the laws of one of the states of the United States or the District of Columbia, (ii) as a result of a contemplated acquisition, consolidation or merger, will succeed to all or substantially all of the consolidated business and assets of the Borrower or Exelon, as applicable, (iii) upon giving effect to such contemplated acquisition, consolidation or merger, will have all or substantially all of its consolidated business and assets conducted and located in the United States and (iv) in the case of the Borrower, is acceptable to the Majority Lenders as a credit matter.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“Eurocurrency Liabilities” has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System.

“Eurodollar Advance” means any Advance that bears interest as provided in Section 2.06(b).

“Eurodollar Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Eurodollar Lending Office” in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Eurodollar Rate” means, for each Interest Period for each Eurodollar Advance made as part of a Borrowing, the applicable British Bankers’ Association LIBOR rate for deposits in U.S. dollars having a maturity equal to such Interest Period, as reported by any generally recognized financial information service as of 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period; provided that if no such British Bankers’ Association LIBOR rate is available to the Administrative Agent, the Eurodollar Rate for such Interest Period shall instead be the rate determined by the Administrative Agent to be the rate at which JPMCB or one of its Affiliate banks offers to place deposits in U.S. dollars with first class banks in the London interbank market at approximately 11:00 A.M. (London time) two Business Days prior to the first day of such Interest Period, in the approximate amount of JPMCB’s relevant Eurodollar Advance and having a maturity equal to such Interest Period.

“Eurodollar Rate Reserve Percentage” of any Lender for any Interest Period means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

“Event of Default” - see Section 6.01.

“Exchange Act” means the Securities Exchange Act of 1934.

“Exelon” means Exelon Corporation, a Pennsylvania corporation, or any Eligible Successor thereof.

“Existing Agreement” means the \$34,000,000 Credit Agreement dated as of October 19, 2012 among the Borrower, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent.

“Existing Warrants” means the presently outstanding Common Stock Purchase Warrants (1971 Warrants and Series B Warrants) previously issued by the Borrower.

“Existing Letter of Credit” means each letter of credit listed on Schedule III.

“Facility Fee Rate” - see Schedule I.

“Facility LC” means any letter of credit issued pursuant to Section 2.16 and any Existing Letter of Credit.

“Facility LC Application” - see Section 2.16.3.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement, and any current or future regulations or official interpretations thereof; provided that “FATCA” shall also include any amendments to Sections 1471 through 1474 of the Code that are substantively comparable, but only if the requirements in such amended version for avoiding the withholding are not materially more onerous than the requirements in the current version.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Final Termination Date” means the earlier of (i) the date on or after the Commitment Termination Date on which all of the Borrower’s obligations hereunder have been paid in full and all Facility LCs have expired or been terminated and (ii) the date on which all of the Borrower’s obligations hereunder have become due and payable (pursuant to Section 6.01 or otherwise).

“Fitch” means Fitch, Inc. and any successor thereto.

“Fitch Rating” means, at any time, the rating issued by Fitch and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from Fitch for debt securities of such type, then such indicative rating shall be used for determining the “Fitch Rating”).

“GAAP” - see Section 1.03.

“Granting Bank” - see Section 8.07(h).

“Intangible Transition Property” means (i) “intangible transition property,” as defined in Section 18-102 of the Illinois Public Utilities Act, and (ii) any property created pursuant to an order of the Illinois Commerce Commission issued pursuant to state legislation described in clause (ii) of the definition of “Transitional Funding Instruments,” which consists primarily of the right to impose non-bypassable charges to customers of a utility in order to facilitate the utility’s recovery of specified costs and/or deferred rates.

“Interest Coverage Ratio” means, for any period of four consecutive fiscal quarters of the Borrower, the ratio of Adjusted Funds From Operations for such period to Net Interest Expense for such period.

“Interest Expense” means, for any period, “interest expense” as shown on a consolidated statement of income of the Borrower for such period prepared in accordance with GAAP, excluding any non-cash interest expense recorded as “interest expense” on a consolidated statement of income of the Borrower in connection with the Like-Kind Exchange Matter, plus Interest Expense to Affiliates for such period.

“Interest Expense to Affiliates” means, for any period, “Interest Expense to Affiliates” as shown on a consolidated statement of operations of the Borrower for such period.

“Interest Period” means, for each Eurodollar Advance, the period commencing on the date such Eurodollar Advance is made or is converted from a Base Rate Advance and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be 1, 2, 3 or 6 months, as the Borrower may select in accordance with Section 2.02 or 2.09; provided that:

- (i) the Borrower may not select any Interest Period that ends after the scheduled Commitment Termination Date;
- (ii) Interest Periods commencing on the same date for Advances made as part of the same Borrowing shall be of the same duration;

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, unless such extension would cause the last day of such Interest Period to occur in the next following calendar month, in which case the last day of such Interest Period shall occur on the next preceding Business Day; and

(iv) if there is no day in the appropriate calendar month at the end of such Interest Period numerically corresponding to the first day of such Interest Period, then such Interest Period shall end on the last Business Day of such appropriate calendar month.

“JPMCB” means JPMorgan Chase Bank, N.A., a national banking association.

“LC Fee Rate” - see Schedule I.

“LC Issuer” means JPMCB (or an Affiliate of JPMCB) in its capacity as issuer of Facility LCs hereunder.

“LC Obligations” means, at any time, the sum, without duplication, of (i) the aggregate undrawn stated amount under all Facility LCs outstanding at such time plus (ii) the aggregate unpaid amount at such time of all Reimbursement Obligations.

“LC Payment Date” - see Section 2.16.5.

“Lenders” means each of the financial institutions listed on the signature pages hereof and each Eligible Assignee that shall become a party hereto pursuant to Section 8.07.

“Lien” means any lien (statutory or other), mortgage, pledge, security interest or other charge or encumbrance, or any other type of preferential arrangement (including the interest of a vendor or lessor under any conditional sale, capitalized lease or other title retention agreement).

“Like-Kind Exchange Matter” means the IRS’s challenge to the position taken by Exelon on its 1999 federal income tax return with respect to the sale of the Borrower’s fossil generating assets and the use of certain of the sale proceeds in a like-kind exchange transaction.

“Majority Lenders” means Lenders having Pro Rata Shares of more than 50%; provided that, for purposes of this definition, (a) neither the Borrower nor any of its Affiliates, if a Lender, shall be included in calculating the amount of any Lender’s Pro Rata Share or the amount of the Commitment Amounts or Outstanding Credit Extensions, as applicable, required to constitute more than 50% of the Pro Rata Shares; and (b) the Pro Rata Share of any Defaulting Lender shall be deemed to be zero (and the Pro Rata Shares of the other Lenders shall be correspondingly increased).

“Material Adverse Change” and “Material Adverse Effect” each means, relative to any occurrence, fact or circumstances of whatsoever nature (including any determination in any litigation, arbitration or governmental investigation or proceeding), (i) any materially adverse change in, or materially adverse effect on, the financial condition, operations, assets or business of the Borrower and its consolidated Subsidiaries, taken as a whole; or (ii) any materially adverse effect on the validity or enforceability against the Borrower of this Agreement.

“Modify” and “Modification” - see Section 2.16.1.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Moody’s Rating” means, at any time, the rating issued by Moody’s and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third-party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from Moody’s for debt securities of such type, then such indicative rating shall be used for determining the “Moody’s Rating”).

“Mortgage” means the Mortgage, dated July 1, 1923, as amended and supplemented by supplemental indentures, including the Supplemental Indenture, dated August 1, 1944, from the Borrower to the trustees, BNY Mellon Trust Company of Illinois (as successor to Harris Trust and Savings Bank) and D.G. Donovan, and any successors thereto; provided that no effect shall be given to any amendment, supplement or refinancing after the date of this Agreement that would broaden the definition of “permitted liens” as defined in the Mortgage as constituted on the date of this Agreement.

“Multiemployer Plan” means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which Exelon or any other member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

“Net Cash Flows From Operating Activities” means, for any period, “Net Cash Flows provided by Operating Activities” as shown on a consolidated statement of cash flows of the Borrower for such period prepared in accordance with GAAP, excluding any “Changes in assets and liabilities” (as shown on such statement of cash flows) taken into account in determining such Net Cash Flows provided by Operating Activities (except for any non-cash changes in assets and liabilities recorded by the Borrower in connection with the Like-Kind Exchange Matter).

“Net Interest Expense” means, for any period, the total of (a) Interest Expense for such period minus (b) Interest Expense to Affiliates for such period to the extent included in the amount referred to in clause (a) and related to (i) interest payments on debt obligations that are subordinated to the obligations of the Borrower under this Agreement, (ii) interest on Nonrecourse Indebtedness or (iii) Transitional Funding Instrument Interest.

“Nonrecourse Indebtedness” means any Debt that finances the acquisition, development, ownership or operation of an asset in respect of which the Person to which such Debt is owed has no recourse whatsoever to the Borrower or any of its Affiliates other than:

(i) recourse to the named obligor with respect to such Debt (the “Debtor”) for amounts limited to the cash flow or net cash flow (other than historic cash flow) from the asset;

(ii) recourse to the Debtor for the purpose only of enabling amounts to be claimed in respect of such Debt in an enforcement of any security interest or lien given by the Debtor over the asset or the income, cash flow or other proceeds deriving from the asset (or given by any shareholder or the like in the Debtor over its shares or like interest in the capital of the Debtor) to secure the Debt, but only if the extent of the recourse to the Debtor is limited solely to the amount of any recoveries made on any such enforcement; and

(iii) recourse to the Debtor generally or indirectly to any Affiliate of the Debtor, under any form of assurance, undertaking or support, which recourse is limited to a claim for damages (other than liquidated damages and damages required to be calculated in a specified way) for a breach of an obligation (other than a payment obligation or an obligation to comply or to procure compliance by another with any financial ratios or other tests of financial condition) by the Person against which such recourse is available.

“Notice of Borrowing” - see Section 2.02(a).

“OECD” means the Organization for Economic Cooperation and Development.

“Outstanding Credit Extensions” means the sum of the aggregate principal amount of all outstanding Advances plus all LC Obligations.

“PBGC” means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

“Permitted Encumbrance” means (a) any right reserved to or vested in any municipality or other governmental or public authority (i) by the terms of any right, power, franchise, grant, license or permit granted or issued to the Borrower or (ii) to purchase or recapture or to designate a purchaser of any property of the Borrower; (b) any easement, restriction, exception or reservation in any property and/or right of way of the Borrower for the purposes of roads, pipelines, transmission lines, distribution lines, transportation lines or removal of minerals or timber or for other like purposes or for the joint or common use of real property, rights of way, facilities and/or equipment, and defects, irregularities and deficiencies in title of any property and/or rights of way, which, in each case described in this clause (b), whether considered individually or collectively with all other items described in this clause (b), do not materially impair the use of the relevant property and/or rights of way for the purposes for which such property and/or rights of way are held by the Borrower; (c) rights reserved to or vested in any municipality or other governmental or public authority to control or regulate any property of the Borrower or to use such property in a manner that does not materially impair the use of such property for the purposes for which it is held by the Borrower; and (d) obligations or duties of the Borrower to any municipality or other governmental or public authority that arise out of any franchise, grant, license or permit and that affect any property of the Borrower.

“Permitted Securitization” means any sale and/or contribution, or series of related sales and/or contributions, by the Borrower or any Subsidiary of the Borrower of accounts receivables, payment intangibles, notes receivable and related rights (collectively, “receivables”) or interests therein to a trust, corporation or other entity, where (a) the purchase of such receivables or interests therein is funded in whole or in part by the incurrence or issuance by the purchaser or any successor purchaser of Debt or securities that are to receive payments from, or that represent interests in, the cash flow derived primarily from such receivables or interests therein, provided, however, that “Debt” as used in this clause (a) shall not include Debt incurred by a Receivables SPC owed to the Borrower or to a Subsidiary of the Borrower which Debt represents all or a portion of the purchase price paid by the Receivables SPC for such receivables or interests therein, (b) any recourse, repurchase, hold harmless, indemnity or similar obligations of the Borrower or any Subsidiary (other than the Receivables SPC that is a party to such transaction) in respect of receivables or interests therein sold, or payments made in respect thereof, are customary for transactions of this type, and do not prevent the characterization of the transaction as a true sale under applicable laws (including debtor relief laws), and (c) any recourse, repurchase, hold harmless, indemnity or similar obligations of a Receivables SPC in respect of receivables or interests therein sold, or payments made in respect thereof, are customary for transactions of this type.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means an employee pension benefit plan that is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Borrower or any other member of the Controlled Group may have any liability.

“Prime Rate” means a rate per annum equal to the prime rate of interest announced by JPMCB (which is not necessarily the lowest rate charged to any customer), changing when and as said prime rate changes.

“Principal Subsidiary” means (a) each Utility Subsidiary (other than Commonwealth Edison Company of Indiana, Inc., so long as it does not qualify as a Principal Subsidiary under the following clause (b)) and (b) each other Subsidiary the assets of which, as of the date of any determination thereof, exceeded \$250,000,000 in book

value at any time during the preceding 12-month period. Notwithstanding the foregoing, Principal Subsidiary shall not include any Receivables SPC or Special Purpose Subsidiary.

“Pro Rata Share” means, with respect to a Lender, the percentage that such Lender’s Commitment Amount (or, after the Commitments have terminated, the principal amount of such Lender’s outstanding Advances plus the amount of such Lender’s participation in all LC Obligations) is of the Aggregate Commitment Amount (or, after the Commitments have terminated, the principal amount of all outstanding Advances plus all LC Obligations).

“Receivables SPC” means a special purpose, bankruptcy-remote Person formed for the sole and exclusive purpose of engaging in activities in connection with the purchase, sale and financing of accounts receivable, payment intangibles, accounts or notes receivable and related rights in connection with and pursuant to a Permitted Securitization.

“Register” - see Section 8.07(c).

“Reimbursement Obligations” means the outstanding obligations of the Borrower under Section 2.16 to reimburse the LC Issuer for amounts paid by the LC Issuer in respect of any drawing under a Facility LC.

“Reportable Event” means a reportable event as defined in Section 4043 of ERISA and regulations issued under such section with respect to a Plan, excluding such events as to which the PBGC by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event, provided that a failure to meet the minimum funding standard of Section 412 of the Code and Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waivers in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business and any successor thereto.

“S&P Rating” means, at any time, the rating issued by S&P and then in effect with respect to the Borrower’s senior unsecured long-term public debt securities without third-party credit enhancement (it being understood that if the Borrower does not have any outstanding debt securities of the type described above but has an indicative rating from S&P for debt securities of such type, then such indicative rating shall be used for determining the “S&P Rating”).

“Single Employer Plan” means a Plan other than a Multiemployer Plan maintained by the Borrower or any other member of the Controlled Group for employees of the Borrower or any other member of the Controlled Group.

“SPC” - see Section 8.07(h).

“Special Purpose Subsidiary” means a direct or indirect wholly owned Subsidiary, substantially all of the assets of which are Intangible Transition Property, and proceeds thereof, formed solely for the purpose of holding such assets and issuing Transitional Funding Instruments, and which complies with the requirements customarily imposed on bankruptcy-remote entities in receivables securitizations.

“Subsidiary” means, with respect to any Person, any corporation or unincorporated entity of which more than 50% of the outstanding capital stock (or comparable interest) having ordinary voting power (irrespective of whether or not at the time capital stock, or comparable interests, of any other class or classes of such corporation or entity shall or might have voting power upon the occurrence of any contingency) is at the time directly or indirectly owned by such Person (whether directly or through one or more other Subsidiaries). Unless otherwise indicated, each reference to a “Subsidiary” means a Subsidiary of the Borrower.

“Taxes” - see Section 2.14.

“Transitional Funding Instrument” means any instrument, pass-through certificate, note, debenture, certificate of participation, bond, certificate of beneficial interest or other evidence of indebtedness or instrument

evidencing a beneficial interest that (i) (A) is issued pursuant to a “transitional funding order” (as such term is defined in Section 18-102 of the Illinois Public Utilities Act, as amended) issued by the Illinois Commerce Commission at the request of an electric utility and (B) is secured by or otherwise payable solely from non-bypassable cent per kilowatt hour charges authorized pursuant to such order to be applied and invoiced to customers of such utility, or (ii) (A) is issued pursuant to a financing order of a public utilities commission at the request of an electric utility pursuant to state legislation which is enacted to facilitate the recovery of certain specified costs by electric utilities through non-bypassable cent per kilowatt hour charges and/or demand charges authorized pursuant to such order to be applied and invoiced to customers of such utility and (B) is secured by or otherwise payable solely from such non-bypassable charges.

“Transitional Funding Instrument Interest” means, for any period, the portion of Interest Expense for such period that was payable in respect of Transitional Funding Instruments.

“Type” - see the definition of Advance.

“Unfunded Liabilities” means, (i) in the case of any Single Employer Plan, the amount (if any) by which the present value of all vested nonforfeitable benefits under such Plan exceeds the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent evaluation date for such Plan, and (ii) in the case of any Multiemployer Plan, the withdrawal liability that would be incurred by the Controlled Group if all members of the Controlled Group completely withdrew from such Multiemployer Plan.

“Unmatured Event of Default” means any event which (if it continues uncured) will, with lapse of time or notice or both, become an Event of Default.

“Utility Subsidiary” means each Subsidiary that is engaged principally in the transmission or distribution of electricity or gas and is subject to rate regulation as a public utility by federal or state regulatory authorities.

SECTION 1.02 Other Interpretive Provisions. In this Agreement, (a) in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding”; (b) the term “including” means “including without limitation”; and (c) unless otherwise indicated, (i) any reference to an Article, Section, Exhibit or Schedule means an Article or Section hereof or an Exhibit or Schedule hereto; (ii) any reference to a time of day means such time in Chicago, Illinois; (iii) any reference to a law or regulation means such law or regulation as amended, modified or supplemented from time to time and includes all statutory and regulatory provisions consolidating, replacing or interpreting such law or regulation; and (d) any reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented or otherwise modified from time to time.

SECTION 1.03 Accounting Principles.

(a) As used in this Agreement, “GAAP” means generally accepted accounting principles in the United States, applied on a basis consistent with the principles used in preparing the Borrower’s audited consolidated financial statements as of December 31, 2012 and for the fiscal year then ended, as such principles may be revised as a result of changes in GAAP implemented by the Borrower subsequent to such date. In this Agreement, except to the extent, if any, otherwise provided herein, all accounting and financial terms shall have the meanings ascribed to such terms by GAAP, and all computations and determinations as to accounting and financial matters shall be made in accordance with GAAP. In the event that the financial statements generally prepared by the Borrower reflect a change in GAAP that affects the computation of any financial ratio or requirement set forth herein (as contemplated by Section

1.03(b)), the compliance certificate delivered pursuant to Section 5.01(b)(iv) accompanying such financial statements shall include information in reasonable detail reconciling such financial statements which reflect such change in GAAP to financial information that does not reflect such change to the extent relevant to the calculations set forth in such compliance certificate.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth herein and the Borrower or the Majority Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Majority Lenders); provided that, until so amended, such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein.

(c) For purposes of any calculation or determination which is to be made on a consolidated basis (including compliance with Section 5.02(c)), such calculation or determination shall exclude any assets, liabilities, revenues and expenses that are included in Borrower's financial statements from "variable interest entities" as a result of the application of FIN No. 46, Consolidation of Variable Interest Entities – an Interpretation of ARB No. 51, as updated through FIN No. 46-R and as modified by FIN No. 94.

SECTION 1.04 Letter of Credit Amounts. For purposes of determining the stated amount of any Facility LC, (a) if a Facility LC provides for one or more automatic increases in the amount available to be drawn thereunder (as a result of lapse of time, the occurrence of certain events or otherwise), then the stated amount thereof shall be the maximum amount available to be drawn thereunder during the remaining term thereof assuming all such increases take effect, regardless of whether such maximum amount is then available; and (b) if a Facility LC has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of International Standby Practices 1998, then the stated amount of such Facility LC shall be deemed to be the amount remaining available to be drawn thereunder.

ARTICLE II

AMOUNTS AND TERMS OF THE COMMITMENTS

SECTION 2.01 Commitments. Each Lender severally agrees, on the terms and conditions hereinafter set forth, to (a) make Advances to the Borrower and (b) participate in Facility LCs issued upon the request of the Borrower, in each case from time to time during the period from the date hereof to the Commitment Termination Date, in an aggregate amount not to exceed such Lender's Commitment Amount as in effect from time to time; provided that (i) no Advance may be made unless all Lenders have consented thereto as more fully provided in Section 3.02; (ii) no Advance may be made as a Eurodollar Advance unless all Lenders have consented thereto as more fully provided in Section 3.02; (iii) the aggregate principal amount of all Advances by such Lender shall not exceed such Lender's Pro Rata Share of the aggregate principal amount of all outstanding Advances; (iv) such Lender's participation in Facility LCs shall not exceed such Lender's Pro Rata Share of all LC Obligations; and (v) the Outstanding Credit Extensions shall not at any time exceed the Aggregate Commitment Amount. Within the foregoing limits and subject to the other provisions hereof, the Borrower may from time to time

borrow, prepay pursuant to Section 2.10 and reborrow hereunder prior to the Commitment Termination Date; provided, further, that for purposes of the foregoing clause (v), at any time there is a Defaulting Lender, the Aggregate Commitment Amount shall be reduced by an amount equal to the remainder of (A) such Defaulting Lender's Commitment Amount minus (B) the sum of (x) the principal amount of such Defaulting Lender's outstanding Advances plus (y) the amount of cash collateral held by the Administrative Agent for the account of such Defaulting Lender pursuant to Section 2.16.12.

SECTION 2.02 Procedures for Advances; Limitations on Borrowings.

(a) The Borrower may request Advances by giving notice (a "Notice of Borrowing") to the Administrative Agent (which shall promptly advise each Lender of its receipt thereof) not later than 10:00 A.M. on the third Business Day prior to the date of any proposed borrowing of Eurodollar Advances and on the date of any proposed borrowing of Base Rate Advances. Each Notice of Borrowing shall be sent by facsimile and shall be in substantially the form of Exhibit B, specifying therein (i) the requested date of borrowing (which shall be a Business Day), (ii) the Type of Advances requested, (iii) the aggregate principal amount of the requested Advances and (iv) in the case of a borrowing of Eurodollar Advances, the initial Interest Period therefor. Each Lender shall, before 12:00 noon on the date of such borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 8.02, in same day funds, such Lender's ratable portion of the requested borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address.

(b) Each Notice of Borrowing shall be irrevocable and binding on the Borrower. If a Notice of Borrowing requests Eurodollar Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the requested borrowing date the applicable conditions set forth in Article III, including any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the requested Advance to be made by such Lender.

(c) Unless the Administrative Agent shall have received notice from a Lender prior to the date of any requested borrowing (or, in the case of a borrowing of Base Rate Advances to be made on the same Business Day as the Administrative Agent's receipt of the relevant Notice of Borrowing, prior to 10:30 A.M. on such Business Day) that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the requested borrowing date in accordance with Section 2.02(a) and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Advances made in connection with such borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender

shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's Advance as part of such Borrowing for purposes of this Agreement.

(d) The failure of any Lender to make the Advance to be made by it on any borrowing date shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on such date, but no Lender shall be responsible for the failure of any other Lender to make any Advance to be made by such other Lender.

(e) Each Borrowing of Base Rate Advances shall at all times be in an aggregate amount of \$1,000,000 or an integral multiple thereof; and each Borrowing of Eurodollar Advances shall at all times be in an aggregate amount of \$5,000,000 or a higher integral multiple of \$1,000,000. Notwithstanding anything to the contrary contained herein, the Borrower may not have more than six Borrowings of Eurodollar Advances outstanding at any time.

SECTION 2.03 Facility Fees. The Borrower agrees to pay to the Administrative Agent, for the account of the Lenders (subject to Section 2.13(g)(ii)) according to their Pro Rata Shares, a facility fee for the period from the Closing Date to the Commitment Termination Date (or, if later, the date on which all Outstanding Credit Extensions have been paid in full) in an amount equal to the Facility Fee Rate multiplied by the Aggregate Commitment Amount (or, after the Commitment Termination Date, the principal amount of all Outstanding Credit Extensions), payable on the last day of each March, June, September and December and on the Final Termination Date (and, if applicable, thereafter on demand).

SECTION 2.04 Reduction of Commitment Amounts.

(a) The Borrower shall have the right, upon at least two Business Days' notice to the Administrative Agent, to ratably reduce the respective Commitment Amounts of the Lenders in accordance with their Pro Rata Shares; provided that the Aggregate Commitment Amount may not be reduced to an amount that is less than the Outstanding Credit Extensions; and provided, further, that each partial reduction of the Commitment Amounts shall be in the aggregate amount of \$5,000,000 or a higher integral multiple of \$1,000,000. Any reduction of the Commitment Amounts pursuant to this Section 2.04 shall be permanent, except as expressly provided otherwise herein.

(b) The Borrower may at any time, upon at least two Business Days' notice to the Administrative Agent, terminate the Commitments so long as the Borrower concurrently pays all of its outstanding obligations hereunder.

(c) At any time a Lender is a Designated Lender, the Borrower may terminate in full the Commitment of such Designated Lender by giving notice to such Designated Lender and the Administrative Agent; provided that (i) at the time of such termination, no Event of Default or Unmatured Event of Default exists (or the Majority Lenders consent to such termination); and (ii) concurrently with such termination, (A) the Aggregate Commitment Amount shall be reduced by the Commitment Amount of such Designated Lender (it being understood that the Borrower may not terminate the Commitment of a Designated Lender if, after giving effect to such termination, the Outstanding Credit Extensions would exceed the Aggregate Commitment Amount), (B) the Borrower shall pay all amounts owed to such Designated Lender hereunder,

less, solely in the case of a Defaulting Lender, the Borrower's reasonable estimate of the amount (if any) of its claims against such Defaulting Lender as a result of the events or circumstances pursuant to which such Lender became a Defaulting Lender, and (C) the Administrative Agent shall return to such Lender any cash collateral held for the account of such Lender pursuant to Section 2.16.12. The termination of the Commitment of a Defaulting Lender pursuant to this Section 2.04(c) shall not be deemed to be a waiver of any right that (x) the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against such Defaulting Lender or (y) such Defaulting Lender may have against the Borrower based on the estimate described in clause (B) of the preceding sentence.

SECTION 2.05 Repayment of Advances. The Borrower shall repay all outstanding Advances made by each Lender, and all other obligations of the Borrower to such Lender hereunder, on the Commitment Termination Date.

SECTION 2.06 Interest on Advances. The Borrower shall pay interest on the unpaid principal amount of each Advance from the date of such Advance until such principal amount shall be paid in full, as follows:

(a) At all times such Advance is a Base Rate Advance, a rate per annum equal to the Base Rate plus the Applicable Margin in effect from time to time, payable quarterly on the last day of each March, June, September and December, on the date such Base Rate Advance is converted to a Eurodollar Advance or paid in full and on the Commitment Termination Date (and, if applicable, thereafter on demand).

(b) Subject to Section 2.07, at all times such Advance is a Eurodollar Advance, a rate per annum equal to the sum of the Eurodollar Rate for each applicable Interest Period plus the Applicable Margin in effect from time to time, payable on the last day of each Interest Period for such Eurodollar Advance (and, if any Interest Period for such Advance is six months, on the day that is three months after the first day of such Interest Period) or, if earlier, on the date such Eurodollar Advance is converted to a Base Rate Advance or paid in full and on the Commitment Termination Date (and, if applicable, thereafter on demand).

SECTION 2.07 Additional Interest on Eurodollar Advances. The Borrower shall pay to each Lender, so long as such Lender shall be required under regulations of the Board of Governors of the Federal Reserve System to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Eurodollar Advance of such Lender, from the date of such Advance until such principal amount is paid in full or converted to a Base Rate Advance, at an interest rate per annum equal to the remainder obtained by subtracting (i) the Eurodollar Rate for each Interest Period for such Advance from (ii) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such Advance; provided that no Lender shall be entitled to demand such additional interest more than 90 days following the last day of the Interest Period in respect of which such demand is made; provided, further, that the foregoing proviso shall in no way limit the right of any Lender to demand or receive such additional interest to the extent that such additional interest relates to the retroactive application of the reserve requirements described above if such demand is made within 90 days

after the implementation of such retroactive reserve requirements. Such additional interest shall be determined by the applicable Lender and notified to the Borrower through the Administrative Agent, and such determination shall be conclusive and binding for all purposes, absent manifest error.

SECTION 2.08 Interest Rate Determination.

(a) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of each applicable interest rate determined by the Administrative Agent for purposes of Section 2.06(a) or (b).

(b) If, with respect to any Borrowing of Eurodollar Advances, the Majority Lenders notify the Administrative Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Majority Lenders of making, funding or maintaining their respective Eurodollar Advances for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon

(i) each Eurodollar Advance will automatically, on the last day of the then existing Interest Period therefor (unless prepaid or converted to a Base Rate Advance prior to such day), convert into a Base Rate Advance, and

(ii) the obligation of the Lenders to make, continue or convert into Eurodollar Advances shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

SECTION 2.09 Continuation and Conversion of Advances.

(a) The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 10:00 A.M. on the third Business Day prior to the date of any proposed continuation of or conversion into Eurodollar Advances, and on the date of any proposed conversion into Base Rate Advances, and subject to the provisions of Sections 2.08 and 2.12, continue Eurodollar Advances for a new Interest Period or convert a Borrowing of Advances of one Type into Advances of the other Type; provided that (i) any continuation of Eurodollar Advances or conversion of Eurodollar Advances into Base Rate Advances shall be made on, and only on, the last day of an Interest Period for such Eurodollar Advances, unless, in the case of such a conversion, the Borrower shall also reimburse the Lenders pursuant to Section 8.04(b) on the date of such conversion; and (ii) Base Rate Advances may not be converted into Eurodollar Rate Advances unless all Lenders have consented in writing to such conversion. Each such notice of a continuation or conversion shall, within the restrictions specified above, specify (i) the date of such continuation or conversion, (ii) the Advances to be continued or converted, and (iii) in the case of continuation of or conversion into Eurodollar Advances, the duration of the Interest Period for such Advances.

(b) If the Borrower fails to select the Type of any Advance or the duration of any Interest Period for any Borrowing of Eurodollar Advances in accordance with the provisions

contained in the definition of "Interest Period" in Section 1.01 and Section 2.09(a), the Administrative Agent will forthwith so notify the Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, convert into Base Rate Advances.

SECTION 2.10 Prepayments.

(a) The Borrower may, upon notice to the Administrative Agent not later than 10:00 A.M. at least three Business Days prior to any prepayment of Eurodollar Advances or on the date of any prepayment of Base Rate Advances, in each case stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Advances made as part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided that (i) each partial prepayment of Base Rate Advances shall be in an aggregate principal amount of \$1,000,000 or an integral multiple thereof (or, if the aggregate amount of Advances made pursuant to Section 2.16 as a result of a drawing under a Facility LC is not an integral multiple of \$1,000,000, then the next prepayment of Base Rate Advances may be in an aggregate amount that causes the aggregate principal amount of all Base Rate Advances to be an integral multiple of \$1,000,000); (ii) each partial prepayment of Eurodollar Advances shall be in the amount of \$1,000,000 or a higher integral multiple thereof; and (iii) in the case of any such prepayment of a Eurodollar Advance, the Borrower shall be obligated to reimburse the Lenders pursuant to Section 8.04(b) on the date of such prepayment.

(b) If a Lender at any time becomes a Defaulting Lender and the Outstanding Credit Extensions at such time exceed an amount equal to the total of (i) the Aggregate Commitment Amount minus (ii) such Defaulting Lender's Commitment Amount plus (iii) the principal amount of such Defaulting Lender's outstanding Advances plus (iv) the amount of cash collateral held by the Administrative Agent for the account of such Defaulting Lender pursuant to Section 2.16.12, then the Borrower shall promptly (and in any event within three Business Days) prepay Advances and/or provide cash collateral for Facility LCs (pursuant to documentation reasonably satisfactory to the Administrative Agent and the Borrower) in an amount sufficient to eliminate such excess. Except for the mandatory nature thereof, any prepayment of Advances pursuant to this Section 2.10(b) shall be subject to the provisions of Section 2.10(a); provided that such prepayment may be in any amount that is an integral multiple of \$1,000,000. If the circumstances giving rise to the requirement that the Borrower provide cash collateral pursuant to this Section 2.10(b) cease to exist, then the Administrative Agent shall promptly return such cash collateral to the Borrower.

SECTION 2.11 Increased Costs.

(a) If on or after the date of this Agreement, any Lender or the LC Issuer determines that any Change in Law shall increase the cost to such Lender or the LC Issuer, as the case may be, of agreeing to make or making, funding or maintaining Eurodollar Advances or of issuing or participating in any Facility LC, then the Borrower shall from time to time, upon demand by such Lender or the LC Issuer (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender or the LC Issuer, as the case may be, additional amounts (without duplication of any amount payable pursuant to Section 2.14)

sufficient to compensate such Lender or the LC Issuer for such increased cost; provided that no Lender shall be entitled to demand such compensation more than 90 days following the last day of the Interest Period in respect of which such demand is made and the LC Issuer shall not be entitled to demand such compensation more than 90 days following the expiration or termination (by a drawing or otherwise) of the Facility LC in respect of which such demand is made; provided, further, that the foregoing proviso shall in no way limit the right of any Lender or the LC Issuer to demand or receive such compensation to the extent that such compensation relates to the retroactive application of any law, regulation, guideline or request described in clause (i) or (ii) above if such demand is made within 90 days after the implementation of such retroactive law, interpretation, guideline or request. A certificate as to the amount of such increased cost, submitted to the Borrower and the Administrative Agent by a Lender or the LC Issuer, shall be conclusive and binding for all purposes, absent manifest error.

(b) If any Lender or the LC Issuer determines that, after the date of this Agreement, any Change in Law regarding capital adequacy requirements affects or would affect the amount of capital required or expected to be maintained by such Lender or the LC Issuer or any Person controlling such Lender or the LC Issuer and that the amount of such capital is increased by or based upon the existence of such Lender's Commitment, the LC Issuer's commitment to issue Facility LCs, the Advances made by such Lender or the Reimbursement Obligations owed to the LC Issuer, as the case may be, then, upon demand by such Lender or the LC Issuer (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender or the LC Issuer, from time to time as specified by such Lender or the LC Issuer, additional amounts sufficient to compensate such Lender, the LC Issuer or such controlling Person, as applicable, in the light of such circumstances, to the extent that such Lender determines such increase in capital to be allocable to the existence of such Lender's Commitment or the Advances made by such Lender or the LC Issuer determines such increase in capital to be allocable to the LC Issuer's commitment to issue Facility LCs or the Reimbursement Obligations owed to the LC Issuer; provided that no Lender shall be entitled to demand such compensation more than one year following the payment to or for the account of such Lender of all other amounts payable hereunder by the Borrower and the termination of such Lender's Commitment and the LC Issuer shall not be entitled to demand such compensation more than one year after the expiration or termination (by drawing or otherwise) of all Facility LCs issued by the LC Issuer and the termination of the LC Issuer's commitment to issue Facility LCs; provided, further, that the foregoing proviso shall in no way limit the right of any Lender or the LC Issuer to demand or receive such compensation to the extent that such compensation relates to the retroactive application of any law, regulation, guideline or request described above if such demand is made within one year after the implementation of such retroactive law, interpretation, guideline or request. A certificate as to such amounts submitted to the Borrower and the Administrative Agent by the applicable Lender or the LC Issuer shall be conclusive and binding, for all purposes, absent manifest error.

(c) Any Lender claiming compensation pursuant to this Section 2.11 shall use reasonable commercial efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such compensation that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

SECTION 2.12 Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that any Change in Law makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for such Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Advances or to fund or maintain Eurodollar Advances hereunder, (i) the obligation of such Lender to make, continue or convert Advances into Eurodollar Advances shall be suspended (subject to the following paragraph of this Section 2.12) until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist and (ii) all Eurodollar Advances of such Lender then outstanding shall, on the last day of the then applicable Interest Period (or such earlier date as such Lender shall designate upon not less than five Business Days' prior written notice to the Administrative Agent), be automatically converted into Base Rate Advances.

If the obligation of any Lender to make, continue or convert into Eurodollar Advances has been suspended pursuant to the preceding paragraph, then, unless and until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist, (i) all Advances that would otherwise be made by such Lender as Eurodollar Advances shall instead be made as Base Rate Advances and (ii) to the extent that Eurodollar Advances of such Lender have been converted into Base Rate Advances pursuant to the preceding paragraph or made instead as Base Rate Advances pursuant to the preceding clause (i), all payments and prepayments of principal that would have otherwise been applied to such Eurodollar Advances of such Lender shall be applied instead to such Base Rate Advances of such Lender.

SECTION 2.13 Payments and Computations.

(a) The Borrower shall make each payment hereunder not later than 10:00 A.M. on the day when due in U.S. dollars to the Administrative Agent at its address referred to in Section 8.02 in same day funds without setoff, counterclaim or other deduction. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal, interest, facility fees and letter of credit fees ratably (other than amounts payable pursuant to Section 2.02(b), 2.04(c), 2.07, 2.11, 2.14 or 8.04(b)) or as provided in Section 2.13(g) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(d), from the effective date specified in such Assignment and Acceptance, the Administrative Agent shall make all payments hereunder in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) The Borrower hereby authorizes each Lender, if and to the extent any payment owed to such Lender by the Borrower is not made when due hereunder, to charge from time to time against any of the Borrower's accounts with such Lender any amount so due. Each Lender agrees to notify the Borrower promptly after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

(c) All computations of interest based on the Prime Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made by the Administrative Agent, and all computations of interest pursuant to Section 2.07 shall be made by a Lender, on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Administrative Agent (or, in the case of Section 2.07, by a Lender) of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(d) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of any interest or fees, as the case may be; provided that if such extension would cause payment of interest on or principal of a Eurodollar Advance to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(e) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due by the Borrower to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

(f) Notwithstanding anything to the contrary contained herein, any amount payable by the Borrower hereunder that is not paid when due (whether at stated maturity, by acceleration or otherwise) shall (to the fullest extent permitted by law) bear interest from the date when due until paid in full at a rate per annum equal at all times to the Base Rate plus the Applicable Margin plus 2%, payable upon demand.

(g) If at any time a Lender is a Defaulting Lender, then, to the extent permitted by applicable law (and notwithstanding any other provision of this Agreement), (i) any payment of principal of or interest on Advances or of reimbursement obligations with respect to Facility LCs (including through sharing of payments pursuant to Section 2.15, but excluding (1) any payment pursuant to Section 2.04(c) and (2) any payment to be made on such Defaulting Lender's Termination Date net of any amount described in Section 2.04(c)(ii)(B)) shall, if the Borrower so directs at the time of making such payment, be applied to amounts owed to Lenders other than such Defaulting Lender, as if the amount owed to such Defaulting Lender hereunder in respect of Advances and reimbursement obligations were zero; (ii) such Defaulting Lender's Pro Rata Share of the Outstanding Credit Extensions shall be excluded for purposes of calculating facility fees pursuant to Section 2.03 in respect of each day on which such Lender is a Defaulting Lender, and such Defaulting Lender shall not be entitled to receive any facility fees for any such

day; and (iii) such Defaulting Lender's Pro Rata Share shall be deemed to be zero for purposes of calculating letter of credit fees pursuant to Section 2.16.4 in respect of each day on which such Lender is a Defaulting Lender (and the Pro Rata Shares of the other Lenders shall be correspondingly increased for such purposes), and such Defaulting Lender shall not be entitled to receive any letter of credit fees for any such day. In addition, if any Lender is a Defaulting Lender at the time any payment is to be made by the Lenders to the LC Issuer pursuant to Section 2.16.5, 2.16.6 or 2.16.10 and such Defaulting Lender fails to make its Pro Rata Share of such payment, then, solely for purposes of determining the amount of the payment to be made by each Lender to the LC Issuer (and without limiting the liability of such Defaulting Lender for its failure to make such payment), the Pro Rata Shares of the other Lenders shall be correspondingly increased so that, subject to the following proviso, the LC Issuer receives the full amount of the payments to which it is entitled from the Lenders; provided that under no circumstances shall any Lender be obligated to make a payment to the LC Issuer pursuant to this sentence that would cause the aggregate principal amount of such Lender's Advances plus such Lender's Pro Rata Share (without giving effect to any adjustment pursuant to the foregoing provisions of this sentence) of all LC Obligations to exceed such Lender's Commitment Amount (or, if the Commitments have terminated, such Lender's Commitment Amount at the time of such termination, adjusted for any assignments by or to such Lender). The provisions of this Section 2.13(g) do not limit, but are in addition to, any other claim or right that the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against a Defaulting Lender.

SECTION 2.14 Taxes.

(a) All payments by or on behalf of the Borrower hereunder shall be made, in accordance with Section 2.13, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender, the LC Issuer and the Administrative Agent, (i) taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Lender, the LC Issuer or the Administrative Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Lender, taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof and (ii) any United States withholding taxes imposed by FATCA (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities, "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Lender, the LC Issuer or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.14) such Lender, the LC Issuer or the Administrative Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower severally agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies to the extent arising from the execution, delivery or registration of this Agreement (all of the foregoing, "Other Taxes").

(c) No Lender may claim or demand payment or reimbursement in respect of any Taxes or Other Taxes pursuant to this Section 2.14 if such Taxes or Other Taxes, as the case may be, were imposed solely as the result of a voluntary change in the location of the jurisdiction of such Lender's Applicable Lending Office.

(d) The Borrower will indemnify each Lender, the LC Issuer and the Administrative Agent for the full amount of Taxes or Other Taxes (including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.14) paid by such Lender, the LC Issuer or the Administrative Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date such Lender, the LC Issuer or the Administrative Agent (as the case may be) makes written demand therefor.

(e) Prior to the date of an initial borrowing hereunder in the case of each Lender listed on the signature pages hereof, and on the date of the Assignment and Acceptance pursuant to which it became a Lender in the case of each other Lender, and from time to time thereafter within 30 days from the date of request if requested by the Borrower or the Administrative Agent, each Lender organized under the laws of a jurisdiction outside the United States shall provide the Administrative Agent and the Borrower with the forms prescribed by the Internal Revenue Service of the United States certifying that such Lender is exempt from United States withholding taxes with respect to all payments to be made to such Lender hereunder. If for any reason during the term of this Agreement, any Lender becomes unable to submit the forms referred to above or the information or representations contained therein are no longer accurate in any material respect, such Lender shall notify the Administrative Agent and the Borrower in writing to that effect. Unless the Borrower and the Administrative Agent have received forms or other documents satisfactory to them (as set forth above) indicating that payments hereunder are not subject to United States withholding tax, the Borrower or the Administrative Agent shall withhold taxes from such payments at the applicable statutory rate in the case of payments to or for any Lender organized under the laws of a jurisdiction outside the United States and such Lender may not claim or demand payment or reimbursement for such withheld taxes pursuant to this Section 2.14.

(f) Any Lender claiming any additional amounts payable pursuant to this Section 2.14 shall use reasonable commercial efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts which may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(g) If the Borrower makes any additional payment to any Lender pursuant to this Section 2.14 in respect of any Taxes or Other Taxes, and such Lender determines that it has received (i) a refund of such Taxes or Other Taxes or (ii) a credit against or relief or remission for, or a reduction in the amount of, any tax or other governmental charge attributable solely to any deduction or credit for any Taxes or Other Taxes with respect to which it has received payments under this Section 2.14, such Lender shall, to the extent that it can do so without prejudice to the retention of such refund, credit, relief, remission or reduction, pay to the

Borrower such amount as such Lender shall have determined to be attributable to the deduction or withholding of such Taxes or Other Taxes. If such Lender determines that it was not entitled to such refund, credit, relief, remission or reduction to the full extent of any payment made pursuant to the first sentence of this Section 2.14(g), the Borrower shall upon notice and demand of such Lender promptly repay the amount of such overpayment. Any determination made by a Lender pursuant to this Section 2.14(g) shall in the absence of bad faith or manifest error be conclusive, and nothing in this Section 2.14(g) shall be construed as requiring any Lender to conduct its business or to arrange or alter in any respect its tax or financial affairs (except as required by Section 2.14(f)) so that it is entitled to receive such a refund, credit or reduction or as allowing any Person to inspect any records, including tax returns, of such Lender.

(h) If a payment made to a Lender or the LC Issuer under this Agreement would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender or the LC Issuer were to fail to comply with the applicable reporting requirements of FATCA (including those contained in section 1471(b) or 1472(b) of the Code, as applicable), such Lender or the LC Issuer shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, any other documentation prescribed by applicable law (including as prescribed by section 1471(b)(3)(C)(i) of the Code) or reasonably requested by the Borrower or Administrative Agent that is necessary for such Person to comply with its obligations under FATCA to determine that such Lender or the LC Issuer has or has not complied with its obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.14(h), "FATCA" shall include any amendment made to FATCA after the date of this Agreement, whether or not such amendment is included in the definition set forth in Section 1.01.

(i) Without prejudice to the survival of any other agreement of the Borrower or any Lender hereunder, the agreements and obligations of the Borrower and the Lenders contained in this Section 2.14 shall survive the payment in full of principal and interest hereunder and the termination of this Agreement; provided that no Lender shall be entitled to demand any payment from the Borrower under this Section 2.14 more than one year following the payment to or for the account of such Lender of all other amounts payable by the Borrower hereunder to such Lender and the termination of such Lender's Commitment; provided, further, that the foregoing proviso shall in no way limit the right of any Lender to demand or receive any payment under this Section 2.14 to the extent that such payment relates to the retroactive application of any Taxes or Other Taxes if such demand is made within one year after the implementation of such Taxes or Other Taxes.

SECTION 2.15 Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Advances made by it to the Borrower or its participation interest in any Facility LC issued for the account of the Borrower (other than pursuant to Section 2.02(b), 2.07, 2.11, 2.14, 2.16.7 or 8.04(b)) in excess of its ratable share of payments on account of the Advances to the Borrower and LC Obligations obtained by all Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the Advances and/or LC Obligations as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them, provided that if all or any portion of such excess payment is thereafter recovered from

such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.15 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

SECTION 2.16 Facility LCs.

SECTION 2.16.1 Issuance. The LC Issuer agrees, on the terms and conditions set forth in this Agreement (including the limitations set forth in Section 2.01), upon the request of the Borrower, to issue standby letters of credit and to extend, increase or otherwise modify Facility LCs ("Modify," and each such action a "Modification"), from time to time from the date of this Agreement to the Commitment Termination Date. No Facility LC shall have an expiry date later than the earlier of (a) 364 days after the date of issuance, or of extension or renewal, thereof or (b) 360 days after the scheduled Commitment Termination Date. No Facility LC may be renewed or extended, or increased in amount, after the Commitment Termination Date (but a Facility LC may be decreased in amount or, subject to the following sentence, otherwise amended after such date). The LC Issuer shall not be obligated to issue or Modify any Facility LC if (i) any order, judgment or decree of any court or other governmental authority shall by its terms purport to enjoin or restrain the LC Issuer from issuing such Facility LC or (ii) any applicable law, or any request or directive from any governmental authority having jurisdiction over the LC Issuer, shall prohibit, or request or direct that the LC Issuer refrain from, the issuance of letters of credit generally or of such Facility LC in particular. Facility LCs may be issued for any proper corporate purpose. By their execution of this Agreement, the parties hereto agree that on the Closing Date (without any further action by any Person), each Existing Letter of Credit shall be deemed to have been issued under this Agreement and the rights and obligations of the issuer and the account party thereunder shall be subject to the terms hereof.

SECTION 2.16.2 Participations. Upon the issuance or Modification by the LC Issuer of a Facility LC in accordance with this Section 2.16 (or, in the case of the Existing Letters of Credit, on the Closing Date), the LC Issuer shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably sold to each Lender, and each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the LC Issuer, a participation in such Facility LC (and each Modification thereof) and the related LC Obligations in proportion to its Pro Rata Share.

SECTION 2.16.3 Notice. Subject to Section 2.16.1, the Borrower shall give the LC Issuer notice prior to 10:00 A.M. at least five Business Days (or such lesser time as the LC Issuer may agree) prior to the proposed date of issuance or Modification of each Facility LC, specifying the beneficiary, the proposed date of issuance (or Modification) and the expiry date of such Facility LC, and describing the proposed terms of such Facility LC and the nature of the transactions proposed to be supported thereby. Upon receipt of such notice, the LC Issuer shall

promptly notify the Administrative Agent, and the Administrative Agent shall promptly notify each Lender, of the contents thereof and of the amount of such Lender's participation in such proposed Facility LC. The issuance or Modification by the LC Issuer of any Facility LC shall, in addition to the applicable conditions precedent set forth in Article III (the satisfaction of which the LC Issuer shall have no duty to ascertain; provided that the LC Issuer shall not issue a Facility LC if the LC Issuer shall have received written notice (which has not been rescinded) from the Administrative Agent or any Lender that any applicable condition precedent to the issuance or modification of such Facility LC has not been satisfied and, in fact, such condition precedent is not satisfied at the requested time of issuance), be subject to the conditions precedent that such Facility LC shall be satisfactory to the LC Issuer and that the Borrower shall have executed and delivered such application agreement and/or such other instruments and agreements relating to such Facility LC as the LC Issuer shall have reasonably requested (each a "Facility LC Application"). In the event of any conflict (including any additional terms requiring the posting of collateral) between the terms of this Agreement and the terms of any Facility LC Application, the terms of this Agreement shall control.

SECTION 2.16.4 LC Fees. The Borrower agrees to pay to the Administrative Agent, for the account of each Lender (subject to Section 2.13(g)(iii)), a letter of credit fee at a rate per annum equal to the LC Fee Rate on such Lender's Pro Rata Share of the undrawn stated amount of all Facility LCs outstanding from time to time, payable in arrears on the last day of each March, June, September and December and on the Final Termination Date (and, if applicable, thereafter on demand). The Borrower also agrees to pay to the LC Issuer for its own account (x) a fronting fee in an amount and at the times agreed upon between the LC Issuer and the Borrower and (y) documentary and processing charges in connection with the issuance or Modification of and draws under Facility LCs in accordance with the LC Issuer's standard schedule for such charges as in effect from time to time.

SECTION 2.16.5 Administration; Reimbursement by Lenders. Upon receipt from the beneficiary of any Facility LC of any demand for payment under such Facility LC, the LC Issuer shall notify the Administrative Agent and the Administrative Agent shall promptly notify the Borrower and each Lender as to the amount to be paid by the LC Issuer as a result of such demand and the proposed payment date (the "LC Payment Date"). The responsibility of the LC Issuer to the Borrower and each Lender shall be only to determine that the documents (including each demand for payment) delivered under each Facility LC in connection with such presentment shall be in conformity in all material respects with such Facility LC. The LC Issuer shall endeavor to exercise the same care in the issuance and administration of the Facility LCs as it does with respect to letters of credit in which no participations are granted, it being understood that in the absence of any gross negligence or willful misconduct by the LC Issuer, each Lender shall be unconditionally and irrevocably liable, without regard to the occurrence of the Commitment Termination Date or the Final Termination Date, the occurrence of any Event of Default or Unmatured Event of Default or any condition precedent whatsoever, to reimburse the LC Issuer on demand for (i) such Lender's Pro Rata Share of the amount of each payment made by the LC Issuer under any Facility LC to the extent such amount is not reimbursed by the Borrower pursuant to Section 2.16.6, plus (ii) interest on the foregoing amount to be reimbursed by such Lender, for each day from the date of the LC Issuer's demand for such reimbursement (or, if such demand is made after 11:00 A.M. on such day, from the next succeeding Business Day) to the date on which such Lender pays the amount to be reimbursed by it, at a rate of

interest per annum equal to the Federal Funds Rate for the first three days and, thereafter, at the Base Rate.

SECTION 2.16.6 Reimbursement by Borrower. The Borrower shall be irrevocably and unconditionally obligated to reimburse the LC Issuer on or before the applicable LC Payment Date for any amount to be paid by the LC Issuer upon any drawing under any Facility LC, without presentment, demand, protest or other formalities of any kind; provided that neither the Borrower nor any Lender shall hereby be precluded from asserting any claim for direct (but not consequential) damages suffered by the Borrower or such Lender to the extent, but only to the extent, caused by (i) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC complied with the terms of such Facility LC or (ii) the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. If the Borrower fails to fully reimburse the LC Issuer by 11:00 A.M. on an LC Payment Date, the LC Issuer shall promptly notify the Administrative Agent. Upon receipt of such notice, the Administrative Agent shall promptly notify each Lender of such LC Payment Date, the amount of the unpaid Reimbursement Obligations and such Lender's Pro Rata Share thereof. In such event, the Borrower shall be deemed to have requested Base Rate Advances to be disbursed on the applicable LC Payment Date in an amount equal to the unpaid Reimbursement Obligations, without regard to the minimum and multiples specified for Base Rate Advances in Section 2.02(e), but subject to the conditions set forth in Article III. All Reimbursement Obligations that are not fully refinanced by the making of Base Rate Advances because the Borrower cannot satisfy the conditions set forth in Article III or for any other reason shall bear interest, payable on demand, for each day until paid at a rate per annum equal to the Base Rate plus 2%. The LC Issuer will pay to each Lender ratably in accordance with its Pro Rata Share all amounts received by it from the Borrower for application in payment, in whole or in part, of the Reimbursement Obligations in respect of any Facility LC, but only to the extent such Lender has made payment to the LC Issuer in respect of such Facility LC pursuant to Section 2.16.5. So long as the Commitment Termination Date has not occurred, but subject to the terms and conditions of this Agreement (including the submission of a Notice of Borrowing in compliance with Section 2.02 and the satisfaction of the applicable conditions precedent set forth in Article III), the Borrower may request Advances hereunder for the purpose of satisfying any Reimbursement Obligation.

SECTION 2.16.7 Obligations Absolute. The Borrower's obligations under this Section 2.16 shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment which the Borrower may have against the LC Issuer, any Lender or any beneficiary of a Facility LC. The Borrower agrees with the LC Issuer and the Lenders that the LC Issuer and the Lenders shall not be responsible for, and the Reimbursement Obligations in respect of any Facility LC shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, fraudulent or forged, or any dispute between or among the Borrower, any of its Affiliates, the beneficiary of any Facility LC or any financing institution or other party to whom any Facility LC may be transferred or any claims or defenses whatsoever of the Borrower or of any of its Affiliates against the beneficiary of any Facility LC or any such transferee. The LC Issuer shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Facility LC. The Borrower agrees that any action

taken or omitted by the LC Issuer or any Lender under or in connection with any Facility LC and the related drafts and documents, if done without gross negligence or willful misconduct, shall be binding upon the Borrower and shall not put the LC Issuer or any Lender under any liability to the Borrower. Nothing in this Section 2.16.7 is intended to limit the right of the Borrower to make a claim against the LC Issuer for damages as contemplated by the proviso to the first sentence of Section 2.16.6.

SECTION 2.16.8 Actions of LC Issuer. The LC Issuer shall be entitled to rely, and shall be fully protected in relying, upon any Facility LC, draft, writing, resolution, notice, consent, certificate, affidavit, letter, facsimile, message, statement, order or other document believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the LC Issuer. The LC Issuer shall be fully justified in failing or refusing to take any action under this Agreement unless it shall first have received such advice or concurrence of the Majority Lenders as it reasonably deems appropriate or it shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Notwithstanding any other provision of this Section 2.16, the LC Issuer shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon the Lenders and any future holder of a participation in any Facility LC.

SECTION 2.16.9 Indemnification. The Borrower hereby agrees to indemnify and hold harmless each Lender, the LC Issuer and the Administrative Agent, and their respective directors, officers, agents and employees, from and against any claim, damage, loss, liability, cost or expense which such Lender, the LC Issuer or the Administrative Agent may incur (or which may be claimed against such Lender, the LC Issuer or the Administrative Agent by any Person whatsoever) by reason of or in connection with the issuance, execution and delivery or transfer of or payment or failure to pay under any Facility LC or any actual or proposed use of any Facility LC, including any claim, damage, loss, liability, cost or expense which the LC Issuer may incur by reason of or in connection with (i) the failure of any other Lender to fulfill or comply with its obligations to the LC Issuer hereunder (but nothing herein contained shall affect any right the Borrower may have against any Defaulting Lender) or (ii) by reason of or on account of the LC Issuer issuing any Facility LC that specifies that the term "Beneficiary" included therein includes any successor by operation of law of the named Beneficiary, but which Facility LC does not require that any drawing by any such successor Beneficiary be accompanied by a copy of a legal document, satisfactory to the LC Issuer, evidencing the appointment of such successor Beneficiary; provided that the Borrower shall not be required to indemnify any Lender, the LC Issuer or the Administrative Agent for any claim, damage, loss, liability, cost or expense to the extent, but only to the extent, caused by (x) the willful misconduct or gross negligence of the LC Issuer in determining whether a request presented under any Facility LC complied with the terms of such Facility LC or (y) the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of such Facility LC. Nothing in this Section 2.16.9 is intended to limit the obligations of the Borrower under any other provision of this Agreement.

SECTION 2.16.10 Lenders' Indemnification. Each Lender shall, ratably in accordance with its Pro Rata Share, indemnify the LC Issuer, its Affiliates and their respective directors, officers, agents and employees (to the extent not reimbursed by the Borrower) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such indemnitees' gross negligence or willful misconduct or the LC Issuer's failure to pay under any Facility LC after the presentation to it of a request strictly complying with the terms and conditions of the Facility LC) that such indemnitees may suffer or incur in connection with this Section 2.16 or any action taken or omitted by such indemnitees hereunder.

SECTION 2.16.11 Rights as a Lender. In its capacity as a Lender, the LC Issuer shall have the same rights and obligations as any other Lender.

SECTION 2.16.12 Rights with Respect to Designated Lenders. If any Lender is a Designated Lender, then the LC Issuer may, by notice to such Designated Lender and the Administrative Agent, require such Designated Lender to (a) deliver to the Administrative Agent, for the account of the LC Issuer, cash collateral in an amount equal to such Designated Lender's Pro Rata Share of the undrawn principal amount of all Facility LCs (the "Reserve Amount") or (b) make other arrangements reasonably satisfactory to the LC Issuer to assure that such Designated Lender will reimburse the LC Issuer for its Pro Rata Share of any payment made by the LC Issuer under any Facility LC. Any such cash collateral (i) shall be held by the Administrative Agent pursuant to arrangements reasonably satisfactory to such Designated Lender, the LC Issuer and the Administrative Agent and (ii) if at any time such Designated Lender becomes obligated to pay any amount to the LC Issuer pursuant to Section 2.16.5 or to make an Advance pursuant to Section 2.16.6, shall be applied (to the extent required) by the Administrative Agent to pay such amount or to make such Advance. Upon the expiration, termination or reduction in amount of any applicable Facility LC, the Administrative Agent shall release (subject to Section 2.13(g) in the case of a Defaulting Lender) to such Designated Lender (or such other Person as may be entitled thereto) any cash collateral held by the Administrative Agent in excess of the Reserve Amount. If any Designated Lender fails to provide cash collateral or make other arrangements as required by the first sentence of this Section 2.16.12, then the Administrative Agent shall retain as cash collateral all amounts otherwise payable to such Designated Lender under this Agreement until the Administrative Agent has retained an amount equal to the Reserve Amount.

SECTION 2.17 Extension of Scheduled Commitment Termination Date. The Borrower may request an extension of the scheduled Commitment Termination Date by submitting a request for an extension to the Administrative Agent (an "Extension Request") no more than 60 days prior to the scheduled Commitment Termination Date then in effect. The Extension Request must specify the new scheduled Commitment Termination Date and the date (which must be at least 30 days after the Extension Request is delivered to the Administrative Agent) as of which the Lenders must respond to the Extension Request (the "Response Date"). The new scheduled Commitment Termination Date shall be 364 days after the scheduled Commitment Termination Date in effect at the time an Extension Request is received, including the scheduled Commitment Termination Date as one of the days in the calculation of the days elapsed. Promptly upon receipt of an Extension Request, the Administrative Agent shall notify each Lender of the contents thereof and shall request each Lender to approve such Extension Request,

which approval shall be at the sole discretion of each Lender. Each Lender approving such Extension Request shall deliver its written consent no later than the Response Date. If the written consent of each of the Lenders (excluding any Person which ceases to be a Lender pursuant to Section 8.07(g)(iii)) is received by the Administrative Agent, the new scheduled Commitment Termination Date specified in the Extension Request shall become effective on the existing scheduled Commitment Termination Date and the Administrative Agent shall promptly notify each Borrower and each Lender of the new scheduled Commitment Termination Date. If all Lenders (including any Person which becomes a Lender pursuant to Section 8.07(g)) do not consent to an Extension Request, the scheduled Commitment Termination Date shall not be extended pursuant to such Extension Request.

ARTICLE III

CONDITIONS PRECEDENT

SECTION 3.01 Conditions Precedent to Effectiveness. This Agreement (including the Commitments of the Lenders and the obligations of the Borrower hereunder) shall become effective if, on or before October 18, 2013, all of the following conditions precedent have been satisfied:

(a) the Administrative Agent shall have received evidence, satisfactory to the Administrative Agent, that the Borrower has paid (or will pay with the proceeds of the initial Credit Extensions) all amounts then payable by the Borrower under the Existing Agreement (after giving effect to the last sentence of Section 2.16.1) and that all commitments to make extensions of credit to the Borrower thereunder have been (or concurrently with the initial Advances will be) terminated;

(b) the Administrative Agent shall have received (i) a counterpart of this Agreement signed on behalf of each party hereto or (ii) written evidence (which may include electronic transmission of a signed signature page of this Agreement) that each party hereto has signed a counterpart of this Agreement and each of the following documents, each dated a date reasonably satisfactory to the Administrative Agent and otherwise in form and substance satisfactory to the Administrative Agent:

(i) Certified copies of resolutions of the Board of Directors or equivalent managing body of the Borrower approving the transactions contemplated by this Agreement and of all documents evidencing other necessary organizational action of the Borrower with respect to this Agreement and the documents contemplated hereby;

(ii) A certificate of the Secretary or an Assistant Secretary of Borrower certifying (A) the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the other documents to be delivered hereunder; (B) that attached thereto are true and correct copies of the organizational documents of the Borrower, in each case in effect on such date; and (C) that attached thereto are true and correct copies of all governmental and regulatory authorizations and approvals

required for the due execution, delivery and performance by the Borrower of this Agreement and the documents contemplated hereby;

(iii) A certificate signed by any of the chief financial officer, principal accounting officer or treasurer of the Borrower stating that (A) the representations and warranties contained in Section 4.01 are correct on and as of the date of such certificate as though made on and as of such date and (B) no Event of Default or Unmatured Event of Default has occurred and is continuing on the date of such certificate; and

(iv) A favorable opinion of Sidley Austin LLP, counsel for the Borrower, substantially in the form of Exhibit D; and

(c) the Administrative Agent shall have received evidence, satisfactory to the Administrative Agent, that the Borrower has paid (or will pay with the proceeds of the initial Credit Extensions) all fees and, to the extent billed, expenses payable by the Borrower hereunder on the Closing Date (including amounts then payable to the Arrangers and the Administrative Agent).

Promptly upon the occurrence thereof, the Administrative Agent shall notify the Borrower, the Lenders and the LC Issuer as to the Closing Date.

SECTION 3.02 Conditions Precedent to All Credit Extensions. The obligation of each Lender to make any Advance and of the LC Issuer to issue or modify any Facility LC shall be subject to the conditions precedent that (a) the Closing Date shall have occurred, (b) in the case of a Borrowing, the Administrative Agent shall have received consents to such Borrowing (and, if such requested Borrowing is to be comprised of Eurodollar Rate Advances, to the making of such Type of Advances), substantially in the form of Exhibit C, from all Lenders, and (c) in the case of all Credit Extensions, on the date of such Credit Extension, the following statements shall be true (and (x) the giving of the applicable Notice of Borrowing and the acceptance by the Borrower of the proceeds of Advances pursuant thereto and (y) the request by the Borrower for the issuance or Modification of a Facility LC (as applicable) shall constitute a representation and warranty by the Borrower that on the date of the making of such Advances or the issuance or Modification of such Facility LC such statements are true):

(A) the representations and warranties of the Borrower contained in Section 4.01 (excluding the representations and warranties set forth in Section 4.01(e)(ii) and the first sentence of Section 4.01(f)) are correct on and as of the date of such Credit Extension, before and after giving effect to such Credit Extension and, in the case of the making of Advances, the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Credit Extension or, in the case of the making of Advances, from the application of the proceeds therefrom, that constitutes an Event of Default or Unmatured Event of Default with respect to the Borrower.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

(a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois.

(b) The execution, delivery and performance by the Borrower of this Agreement are within the Borrower's powers, have been duly authorized by all necessary organizational action on the part of the Borrower, and do not and will not contravene (i) the organizational documents of the Borrower, (ii) applicable law or (iii) any contractual or legal restriction binding on or affecting the properties of the Borrower or any Subsidiary.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement, except any order that has been duly obtained and is (x) in full force and effect and (y) sufficient for the purposes hereof.

(d) This Agreement is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as the enforceability thereof may be limited by equitable principles or bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally.

(e) (i) The consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2012 and the related consolidated statements of operations, changes in shareholders' equity and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, certified by PricewaterhouseCoopers LLP, and the unaudited consolidated balance sheet of the Borrower and its Subsidiaries as of June 30, 2013, and the related unaudited statement of operations for the six-month period then ended, copies of which have been furnished to each Lender, fairly present in all material respects (subject, in the case of such balance sheet and statement of operations for the period ended June 30, 2013, to year-end adjustments) the consolidated financial condition of the Borrower and its Subsidiaries as at such dates and the consolidated results of the operations of the Borrower and its Subsidiaries for the periods ended on such dates in accordance with GAAP; and (ii) since December 31, 2012, there has been no Material Adverse Change.

(f) Except as disclosed in the Borrower's Annual, Quarterly or Current Reports, each as filed with the Securities and Exchange Commission and delivered to the Lenders prior to the later of the date of execution and delivery of this Agreement or the date of the most recent extension of the Commitment Termination Date pursuant to Section 2.17, there is no pending or, to the knowledge of the Borrower after due inquiry, threatened action, investigation or proceeding affecting the Borrower or any Subsidiary before any court, governmental agency or arbitrator that may reasonably be anticipated to have a Material Adverse Effect. There is no pending or, to the knowledge of the Borrower after due inquiry, threatened action or proceeding

against the Borrower or any Subsidiary that purports to affect the legality, validity, binding effect or enforceability against the Borrower of this Agreement.

(g) No proceeds of any Advance have been or will be used directly or indirectly in connection with the acquisition of in excess of 5% of any class of equity securities that is registered pursuant to Section 12 of the Exchange Act, except for any cash payments made (or any common stock issued in connection with the terms of the Existing Warrants) in connection with the Existing Warrants or any transaction subject to the requirements of Section 13 or 14 of the Exchange Act.

(h) The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Advance will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock. Not more than 25% of the value of the assets of the Borrower and its Subsidiaries is represented by margin stock.

(i) The Borrower is not required to register as an “investment company” under the Investment Company Act of 1940.

(j) During the twelve consecutive month period prior to the date of the execution and delivery of this Agreement and prior to the date of any Credit Extension, no steps have been taken to terminate any Plan and there is no “accumulated funding deficiency” (as defined in Section 412 of the Code or Section 302 of ERISA) with respect to any Plan. No condition exists or event or transaction has occurred with respect to any Plan (including any Multiemployer Plan) which might result in the incurrence by the Borrower or any other member of the Controlled Group of any material liability (other than to make contributions, pay annual PBGC premiums or pay out benefits in the ordinary course of business), fine or penalty.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01 Affirmative Covenants. The Borrower agrees that so long as any amount payable by the Borrower hereunder remains unpaid, any Facility LC remains outstanding or the Commitments have not been irrevocably terminated, the Borrower will, and, in the case of Section 5.01(a), will cause its Principal Subsidiaries to, unless the Majority Lenders shall otherwise consent in writing:

(a) Keep Books; Existence; Maintenance of Properties; Compliance with Laws; Insurance; Taxes.

(i) keep proper books of record and account, all in accordance with generally accepted accounting principles in the United States, consistently applied;

(ii) subject to Section 5.02(b), preserve and keep in full force and effect its existence;

(iii) maintain and preserve all of its properties (except such properties the failure of which to maintain or preserve would not have, individually or in the aggregate, a Material Adverse Effect) which are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted;

(iv) comply in all material respects with the requirements of all applicable laws, rules, regulations and orders (including those of any governmental authority and including with respect to environmental matters) to the extent the failure to so comply, individually or in the aggregate, would have a Material Adverse Effect;

(v) maintain insurance with responsible and reputable insurance companies or associations, or self-insure, as the case may be, in each case in such amounts and covering such contingencies, casualties and risks as is customarily carried by or self-insured against by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower and its Principal Subsidiaries operate;

(vi) at any reasonable time and from time to time, pursuant to prior notice delivered to the Borrower, permit any Lender, or any agent or representative of any thereof, to examine and, at such Lender's expense, make copies of, and abstracts from the records and books of account of, and visit the properties of, the Borrower and any Principal Subsidiary and to discuss the affairs, finances and accounts of the Borrower and any Principal Subsidiary with any of their respective officers; provided that any non-public information (which has been identified as such by the Borrower or the applicable Principal Subsidiary) obtained by any Lender or any of its agents or representatives pursuant to this clause (vi) shall be treated confidentially by such Person; provided, further, that such Person may disclose such information to (x) any other party to this Agreement, its examiners, Affiliates, outside auditors, counsel or other professional advisors in connection with this Agreement or (y) if otherwise required to do so by law or regulatory process (it being understood that, unless prevented from doing so by any applicable law or governmental authority, such Person shall use reasonable efforts to notify the Borrower of any demand or request for any such information promptly upon receipt thereof so that the Borrower may seek a protective order or take other appropriate action);

(vii) use the proceeds of the Advances for general corporate purposes (including the making of acquisitions), but in no event for any purpose that would be contrary to Section 4.01(g) or 4.01(h); and

(viii) pay, prior to delinquency, all of its federal income taxes and other material taxes and governmental charges, except to the extent that (a) such taxes or charges are being contested in good faith and by

proper proceedings and against which adequate reserves are being maintained or (b) failure to pay such taxes or charges would not reasonably be expected to have a Material Adverse Effect.

(b) Reporting Requirements. Furnish to the Lenders:

(i) as soon as possible, and in any event within five Business Days after the Borrower becomes aware of the existence of any Event of Default or Unmatured Event of Default with respect to the Borrower continuing on the date of such statement, after due inquiry, a statement of an authorized officer of the Borrower setting forth details of such Event of Default or Unmatured Event of Default and the action which the Borrower proposes to take with respect thereto;

(ii) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower, a copy of the Borrower's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission with respect to such quarter (or, if the Borrower is not required to file a Quarterly Report on Form 10-Q, copies of an unaudited consolidated balance sheet of the Borrower as of the end of such quarter and the related consolidated statement of operations of the Borrower for the portion of the Borrower's fiscal year ending on the last day of such quarter, in each case prepared in accordance with GAAP, subject to the absence of footnotes and to year-end adjustments), together with a certificate of an authorized officer of the Borrower stating that no Event of Default or Unmatured Event of Default has occurred and is continuing or, if any such Event of Default or Unmatured Event of Default has occurred and is continuing, a statement as to the nature thereof and the action which the Borrower proposes to take with respect thereto;

(iii) as soon as available and in any event within 105 days after the end of each fiscal year of the Borrower, a copy of the Borrower's Annual Report on Form 10-K filed with the Securities and Exchange Commission with respect to such fiscal year (or, if the Borrower is not required to file an Annual Report on Form 10-K, the consolidated balance sheet of the Borrower and its subsidiaries as of the last day of such fiscal year and the related consolidated statements of operations, changes in shareholders' equity (if applicable) and cash flows of the Borrower for such fiscal year, certified by PricewaterhouseCoopers LLP or other certified public accountants of recognized national standing), together with a certificate of an authorized officer of the Borrower stating that no Event of Default or Unmatured Event of Default has occurred and is continuing or, if any such Event of Default or Unmatured Event of Default has occurred and is continuing, a statement as to the nature thereof and the action which the Borrower proposes to take with respect thereto;

(iv) concurrently with the delivery of the quarterly and annual reports referred to in Sections 5.01(b)(ii) and 5.01(b)(iii), a compliance certificate in substantially the form set forth in Exhibit E, duly completed and signed by the Chief Financial Officer, Treasurer or an Assistant Treasurer of the Borrower;

(v) except as otherwise provided in clause (ii) or (iii) above, promptly after the sending or filing thereof, copies of all reports that the Borrower sends to any of its security holders, and copies of all Reports on Form 10-K, 10-Q or 8-K, and registration statements (without exhibits) and prospectuses that the Borrower or any Subsidiary files with the Securities and Exchange Commission or any national securities exchange (except to the extent that any such registration statement or prospectus relates solely to the issuance of securities pursuant to employee purchase, benefit or dividend reinvestment plans of the Borrower or a Subsidiary);

(vi) promptly upon becoming aware of the institution of any steps by the Borrower or any other Person to terminate any Plan, or the failure to make a required contribution to any Plan if such failure is sufficient to give rise to a lien under section 430(k) of the Code, or the taking of any action with respect to a Plan which could result in the requirement that the Borrower furnish a bond or other security to the PBGC or such Plan, or the occurrence of any event with respect to any Plan which could result in the incurrence by the Borrower or any other member of the Controlled Group of any material liability, fine or penalty, notice thereof and a statement as to the action the Borrower or such member of the Controlled Group proposes to take with respect thereto;

(vii) promptly upon becoming aware thereof, notice of any change in the Fitch Rating, the Moody's Rating or the S&P Rating; and

(viii) such other information respecting the business, operations or condition, financial or otherwise, of the Borrower or any Subsidiary as any Lender, through the Administrative Agent, may from time to time reasonably request (including any information that any Lender reasonably requests in order to comply with its obligations under any "know your customer" or anti-money laundering laws or regulations).

The Borrower may provide information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to this Section 5.01(b) and all other notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any communication that (i) relates to a request for a Credit Extension, (ii) relates to the payment of any amount due under this Agreement prior to the scheduled date therefor or any reduction of the Commitments, (iii) provides notice of any Event of Default or Unmatured Event of Default, (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement or any Credit Extension hereunder or (v) relates to a request for an extension of the scheduled Commitment Termination Date pursuant to Section 2.17 (any

non-excluded communication described above, a "Communication"), electronically (including by posting such documents, or providing a link thereto, on Exelon's Internet website). Notwithstanding the foregoing, the Borrower agrees that, to the extent requested by the Administrative Agent or any Lender, it will continue to provide "hard copies" of Communications to the Administrative Agent or such Lender, as applicable.

The Borrower further agrees that the Administrative Agent may make Communications available to the Lenders by posting such Communications on Intralinks or a substantially similar electronic transmission system (the "Platform").

THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE ADMINISTRATIVE AGENT DOES NOT WARRANT THE ACCURACY OR COMPLETENESS OF ANY COMMUNICATION OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN ANY COMMUNICATION. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE ADMINISTRATIVE AGENT IN CONNECTION WITH ANY COMMUNICATION OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT HAVE ANY LIABILITY TO THE BORROWER, ANY LENDER OR ANY OTHER PERSON FOR DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF THE BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT SUCH DAMAGES ARE FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED FROM SUCH PERSON'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL THE ADMINISTRATIVE AGENT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF THE PLATFORM OR THE BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET.

Each Lender agrees that notice to it (as provided in the next sentence) specifying that a Communication has been posted to the Platform shall constitute effective delivery of such Communication to such Lender for purposes of this Agreement. Each Lender agrees (i) to notify the Administrative Agent from time to time of the e-mail address to which the foregoing notice may be sent and (ii) that such notice may be sent to such e-mail address.

SECTION 5.02 Negative Covenants. The Borrower agrees that so long as any amount payable by the Borrower hereunder remains unpaid, any Facility LC remains outstanding or the Commitments have not been irrevocably terminated (except with respect to Section 5.02(a), which shall be applicable only as of the date hereof and at any time any Advance or Facility LC is outstanding or is to be made or issued, as applicable), the Borrower will not, without the written consent of the Majority Lenders:

(a) Limitation on Liens. Create, incur, assume or suffer to exist, or permit any of its Principal Subsidiaries to create, incur, assume or suffer to exist, any Lien on its respective property, revenues or assets, whether now owned or hereafter acquired, except:

(i) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business;

(ii) Liens for taxes, assessments or governmental charges or levies on its property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings;

(iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation;

(iv) Liens incidental to the normal conduct of the business of the Borrower or any Subsidiary or the ownership of its property or the conduct of the ordinary course of its business, including (A) zoning restrictions, easements, rights of way, reservations, restrictions on the use of real property and other minor irregularities of title, (B) rights of lessees under leases, (C) rights of collecting banks having rights of setoff, revocation, refund, chargeback, counterclaim, netting of cash amounts or similar rights with respect to money or instruments of the Borrower or any Subsidiary on deposit with or in the possession of such banks, (D) Liens or deposits to secure the performance of statutory obligations, tenders, bids, leases, progress payments, performance or return-of-money bonds, performance or other similar bonds or other obligations of a similar nature incurred in the ordinary course of business, and (E) Liens required by any contract or statute in order to permit the Borrower or a Subsidiary of the Borrower to perform any contract or subcontract made by it with or pursuant to the requirements of a governmental entity, in each case which are not incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property and which do not in the aggregate impair the use of property in the operation of the business of the Borrower and its Subsidiaries taken as a whole;

(v) Liens securing cash collateralization obligations in respect of defaulting lenders under the Borrower's credit facilities;

(vi) Liens (A) on the capital stock of or any other equity interest in any Subsidiary which is a Debtor, and (B) granted in connection with the financing of generating or transmission facilities (including associated support and ancillary facilities), limited to the facilities so financed or developed by a Debtor or otherwise acquired by a Debtor from a Person

other than the Borrower or its Subsidiaries, in each case to secure Nonrecourse Indebtedness issued by such Debtor;

(vii) Liens upon or in any property acquired in the ordinary course of business to secure the purchase price of such property or to secure any obligation incurred solely for the purpose of financing the acquisition of such property;

(viii) Liens existing on property at the time of the acquisition thereof (other than any such Lien created in contemplation of such acquisition unless permitted by the preceding clause (vii));

(ix) Liens on the property, revenues and/or assets of any Person that exist at the time such Person becomes a Subsidiary and the continuation of such Liens in connection with any refinancing or restructuring of the obligations secured by such Liens;

(x) Liens granted in connection with any financing arrangement for the financing of pollution control facilities, limited to the facilities so purchased or financed;

(xi) Liens on any improvements to property securing Indebtedness incurred to provide funds for all or part of the cost of such improvements in a principal amount not exceeding the cost of acquisition or construction of such improvements and incurred within 12 months after completion of such improvements or construction, provided that such Liens do not extend to or cover any property of the Borrower or any Subsidiary other than such improvements;

(xii) Liens arising in connection with sales or transfers of, or financing secured by, accounts receivable or related contracts, including Liens granted by a Receivables SPC to secure Debt arising under a Permitted Securitization; provided that any such sale, transfer or financing shall be on arms' length terms;

(xiii) Permitted Encumbrances;

(xiv) Liens created under the Mortgage and "permitted liens" as defined in the Mortgage as in effect on the date hereof;

(xv) Liens securing the Borrower's notes collateralized solely by mortgage bonds of the Borrower issued under the terms of the Mortgage;

(xvi) Liens arising in connection with sale and leaseback transactions, but only to the extent that (A) except as permitted by the following clause (B), the proceeds received from such sale are immediately applied to retire mortgage bonds of the Borrower issued

under the terms of the Mortgage and (B) the aggregate purchase price of all assets sold by the Borrower during the term of this Agreement pursuant to sale and leaseback transactions where such proceeds are not applied as provided in clause (A) does not exceed \$1,000,000,000;

(xvii) Liens incurred or deposits to secure the performance of surety bonds incurred in the ordinary course of business consistent with past practice, provided that such Liens shall cover only the Borrower's or its Subsidiaries' interests in and relating to the contract underlying the transaction for which such surety bonds were issued;

(xviii) Liens on cash or cash equivalents created or existing to secure stay or appeal bonds or otherwise resulting from any litigation or legal proceeding which are being contested in good faith by appropriate action promptly initiated and diligently conducted, including the Lien of any judgment; provided, that the aggregate amount secured by all such Liens does not exceed \$50,000,000;

(xix) agreements for and obligations relating to the joint or common use of property owned solely by the Borrower or any of its Principal Subsidiaries, or owned by the Borrower or any of its Principal Subsidiaries in common or jointly with one or more other parties;

(xx) Liens securing any extension, renewal, replacement or refinancing of Indebtedness secured by any Lien referred to in clauses (viii), (ix), (x), (xi) or (xix) of this Section 5.02(a); provided, that

(A) such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property); and

(B) the amount secured by such Lien at such time is not increased to any amount greater than the amount outstanding at the time of such renewal, replacement or refinancing;

(xxi) Liens existing on the date hereof and described in Schedule 5.02(a);

(xxii) Liens granted by a Special Purpose Subsidiary to secure Transitional Funding Instruments of such Special Purpose Subsidiary and Liens granted by Borrower to a Special Purpose Subsidiary on the Intangible Transition Property sold to such Subsidiary as a precaution in case such sales are re-characterized as financings of the Borrower;

(xxiii) Liens on assets held by entities that are required to be included in the Borrower's consolidated financial statements solely as a result of the application of Financial Accounting Standards Board Interpretation No.46R and/or No. 167;

(xxiv) Liens on tax-exempt bonds pledged by the Borrower in connection with a failed remarketing of such bonds; and

(xxv) Liens, other than those described in clauses (i) through (xxiv) of this Section 5.02(a), granted by the Borrower in the ordinary course of business securing Debt; provided that the aggregate amount of all Debt secured by Liens permitted by this clause (xxv) shall not exceed in the aggregate at any one time outstanding \$50,000,000.

(b) Mergers and Consolidations; Disposition of Assets. Merge with or into or consolidate with or into, or sell, assign, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person or permit any Principal Subsidiary to do so, except that (i) any Principal Subsidiary may merge with or into or consolidate with or transfer assets to any other Principal Subsidiary, (ii) any Principal Subsidiary may merge with or into or consolidate with or transfer assets to the Borrower and (iii) the Borrower or any Principal Subsidiary may merge with or into or consolidate with or transfer assets to any other Person; provided that, in each case, immediately before and after giving effect thereto, no Event of Default or Unmatured Event of Default shall have occurred and be continuing and (A) in the case of any such merger, consolidation or transfer of assets to which the Borrower is a party, either (x) the Borrower shall be the surviving entity or (y) the surviving entity shall be an Eligible Successor and shall have assumed all of the obligations of the Borrower under this Agreement and the Facility LCs pursuant to a written instrument in form and substance satisfactory to the Administrative Agent and the Administrative Agent shall have received an opinion of counsel in form and substance satisfactory to it as to the enforceability of such obligations assumed and (B) subject to clause (A) above, in the case of any such merger, consolidation or transfer of assets to which any Principal Subsidiary is a party, a Principal Subsidiary shall be the surviving entity.

(c) Interest Coverage Ratio. Permit the Interest Coverage Ratio as of the last day of any fiscal quarter to be less than 2.00 to 1.0.

(d) Continuation of Businesses. Engage, or permit any Subsidiary to engage, in any line of business which is material to the Borrower and its Subsidiaries, taken as a whole, other than businesses engaged in by the Borrower and its Subsidiaries as of the date hereof and reasonable extensions thereof.

(e) Subsidiary Dividends. Enter into, or permit any Subsidiary to enter into, any agreement that restricts the ability of any Subsidiary to pay dividends directly or indirectly to the Borrower, except for restrictions on the Borrower relating to the priority of payments on its subordinated debentures contained in the Indenture dated as of September 1, 1995 between the Borrower and Wilmington Trust Company, as trustee, as in effect on the date hereof, or any other indenture that has terms substantially similar to such Indenture and that relates to the issuance of trust preferred securities.

ARTICLE VI

EVENTS OF DEFAULT

SECTION 6.01 Events of Default. If any of the following events shall occur and be continuing (any such event an “Event of Default”):

(a) The Borrower shall fail to pay (i) any principal of any Advance when the same becomes due and payable, (ii) any Reimbursement Obligation within one Business Day after the same becomes due and payable or (iii) any interest on any Advance or any other amount payable by the Borrower hereunder within three Business Days after the same becomes due and payable; or

(b) Any representation or warranty made by the Borrower herein or by the Borrower (or any of its officers) pursuant to the terms of this Agreement shall prove to have been incorrect or misleading in any material respect when made; or

(c) The Borrower shall fail to perform or observe (i) any term, covenant or agreement contained in Section 5.01(a)(vii), Section 5.01(b)(i) or Section 5.02 or (ii) any other term, covenant or agreement contained in this Agreement on its part to be performed or observed if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Administrative Agent (which notice shall be given by the Administrative Agent at the written request of any Lender); or

(d) The Borrower or any Principal Subsidiary shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal amount in excess of \$50,000,000 in the aggregate (but excluding Debt hereunder, Nonrecourse Indebtedness, Debt of a Receivables SPC under a Permitted Securitization, and Transitional Funding Instruments) when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Debt; or any such Debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof, other than any acceleration of any Debt secured by equipment leases or fuel leases of the Borrower or a Principal Subsidiary as a result of the occurrence of any event requiring a prepayment (whether or not characterized as such) thereunder, which prepayment will not result in a Material Adverse Change; or

(e) The Borrower or any Principal Subsidiary 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 the Borrower or any Principal Subsidiary seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or

composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property,) shall occur; or the Borrower or any Principal Subsidiary shall take any action to authorize or to consent to any of the actions set forth above in this Section 6.01(e); or

(f) One or more judgments or orders for the payment of money in an aggregate amount exceeding \$50,000,000 (excluding any such judgments or orders which are fully covered by insurance, subject to any customary deductible, and under which the applicable insurance carrier has acknowledged such full coverage in writing) shall be rendered against the Borrower or any Principal Subsidiary and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) (i) Any Reportable Event that the Majority Lenders determine in good faith is reasonably likely to result in the termination of any Single Employer Plan or in the appointment by the appropriate United States District Court of a trustee to administer a Single Employer Plan shall have occurred and be continuing 60 days after written notice to such effect shall have been given to the Borrower by the Administrative Agent; (ii) any Single Employer Plan shall be terminated; (iii) a trustee shall be appointed by an appropriate United States District Court to administer any Single Employer Plan; (iv) the PBGC shall institute proceedings to terminate any Single Employer Plan or to appoint a trustee to administer any Single Employer Plan; or (v) the Borrower or any other member of the Controlled Group withdraws from any Multiemployer Plan; provided that on the date of any event described in clauses (i) through (v) above, the Borrower has received notice assessing the liability of the Borrower with respect to the applicable Plan and such liability exceeds \$50,000,000; or

(h) The outstanding capital stock of the Borrower shall fail to be at least 85% owned, directly or indirectly, by Exelon (other than as a result of Exelon distributing to Exelon's shareholders generally the capital stock of the Borrower or the capital stock of a subsidiary of Exelon that is the Borrower's direct or indirect parent company);

then, and in any such event, the Administrative Agent shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, (i) declare the respective Commitments of the Lenders and the commitment of the LC Issuer to issue Facility LCs to be terminated, whereupon the same shall forthwith terminate, and/or (ii) declare the outstanding principal amount of the Advances, all interest thereon and all other amounts payable under this Agreement by the Borrower (including all contingent LC Obligations) to be forthwith due and payable, whereupon the outstanding principal amount of the Advances, all such interest and all such other amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided that in the event of an Event of Default under Section 6.01(e), (A) the

obligation of each Lender to make any Advance to the Borrower and the obligation of the LC Issuer to issue Facility LCs shall automatically be terminated and (B) the outstanding principal amount of all Advances, all interest thereon and all other amounts payable by the Borrower hereunder (including all contingent LC Obligations) shall automatically and immediately become due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII

THE ADMINISTRATIVE AGENT

SECTION 7.01 Authorization and Action.

SECTION 7.01.1 Each Lender hereby appoints and authorizes the Administrative Agent to take such action as administrative agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including enforcement or collection of the obligations of the Borrower hereunder), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions shall be binding upon all Lenders; provided that the Administrative Agent shall not be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or applicable law. The Administrative Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement.

SECTION 7.01.2 The Administrative Agent may perform any and all of its duties and exercise its rights hereunder by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights hereunder through its respective Affiliates, directors, officers, employees, agents and advisors (collectively, the "Related Parties"). The provisions of this Article VII shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent.

SECTION 7.02 Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their respective own gross negligence or willful misconduct. Without limiting the generality of the foregoing: (i) the Administrative Agent may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (ii) the Administrative Agent makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (iii) the Administrative Agent shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on

the part of the Borrower or to inspect the property (including the books and records) of the Borrower; (iv) the Administrative Agent shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (v) the Administrative Agent shall not incur any liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 7.03 Administrative Agent and Affiliates. With respect to its Commitment, Advances and other rights and obligations hereunder in its capacity as a Lender, JPMCB shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Administrative Agent; and the term “Lender” or “Lenders” shall include JPMCB in its individual capacity. JPMCB and its affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any Affiliate thereof and any Person who may do business with or own securities of the Borrower or any such Affiliate, all as if it were not Administrative Agent and without any duty to account therefor to the Lenders.

SECTION 7.04 Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on the financial statements referred to in Section 4.01(e) and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 7.05 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower), ratably according to their respective Pro Rata Shares, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent under this Agreement, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent’s gross negligence or willful misconduct. Without limiting the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its Pro Rata Share of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that such expenses are reimbursable by the Borrower but for which the Administrative Agent is not reimbursed by the Borrower.

SECTION 7.06 Successor Administrative Agent. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Majority Lenders. Upon any such resignation

or removal, the Majority Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Majority Lenders' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank described in clause (i) or (ii) of the definition of "Eligible Assignee" having a combined capital and surplus of at least \$150,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement. Notwithstanding the foregoing, if no Event of Default or Unmatured Event of Default shall have occurred and be continuing, then no successor Administrative Agent shall be appointed under this Section 7.06 without the prior written consent of the Borrower, which consent shall not be unreasonably withheld or delayed.

SECTION 7.07 Arrangers. The title "Arranger" is purely honorific, and no Person designated as an "Arranger" shall have any duties or responsibilities in such capacity.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders and, in the case of an amendment, the Borrower, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that no amendment, waiver or consent shall, unless in writing and signed by all Lenders (other than any Lender that is the Borrower or an Affiliate thereof), do any of the following: (a) waive or amend any of the conditions specified in Section 3.01 or 3.02, (b) increase or extend the Commitments of the Lenders (other than pursuant to Section 2.17) or subject the Lenders to any additional obligations, (c) reduce the principal of, or interest on, any Advance, any Reimbursement Obligation or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, any Advance, any Reimbursement Obligation or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder, (f) amend this Section 8.01 or (g) waive or amend any provision regarding pro rata sharing or otherwise relates to the distribution of payments among Lenders; provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent, in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement; and (ii) no amendment, waiver or consent shall, unless in writing

and signed by the LC Issuer, in addition to the Lenders required above to take such action, affect the rights or duties of the LC Issuer under this Agreement.

SECTION 8.02 Notices, Etc. All notices and other communications provided for hereunder shall be in writing (including facsimile transmission) and mailed, sent by facsimile or delivered, if to the Borrower, at 10 S. Dearborn, 52nd Floor, Chicago, IL 60603, Attention: Treasurer, facsimile: (312) 394-4082; if to any Lender, at its Domestic Lending Office specified in its Administrative Questionnaire or in the Assignment and Acceptance pursuant to which it became a Lender; and if to the Administrative Agent, at its address at 1111 Fannin St., 10th Floor, Houston, TX 77002, Attention: Kimberly Brown, facsimile: (713) 750-2782 or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and communications shall be effective (a) if mailed, three Business Days after being deposited in the U.S. mail, postage prepaid, (b) if sent by facsimile, when the sender receives electronic confirmation of receipt, and (c) otherwise, when delivered, except that notices and communications to the Administrative Agent pursuant to Article II or VII shall not be effective until received by the Administrative Agent.

SECTION 8.03 No Waiver; Remedies. No failure on the part of any Lender, the LC Issuer or the Administrative Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04 Costs and Expenses; Indemnification.

(a) The Borrower agrees to pay on demand all costs and expenses incurred by the Administrative Agent, the LC Issuer and the Arrangers in connection with the preparation, execution, delivery, administration, syndication, modification and amendment of this Agreement and the other documents to be delivered hereunder, including the reasonable fees, internal charges and out-of-pocket expenses of counsel (including in-house counsel) for the Administrative Agent, the LC Issuer and the Arrangers with respect thereto and with respect to advising the Administrative Agent, the LC Issuer and the Arrangers as to their respective rights and responsibilities under this Agreement. The Borrower further agrees to pay on demand all costs and expenses, if any (including counsel fees and expenses of outside counsel and of internal counsel), incurred by the Administrative Agent, the LC Issuer or any Lender in connection with the collection and enforcement (whether through negotiations, legal proceedings or otherwise) of the Borrower's obligations under this Agreement and the other documents to be delivered by the Borrower hereunder, including reasonable counsel fees and expenses in connection with the enforcement of rights under this Section 8.04(a).

(b) If any payment of principal of, or any conversion of, any Eurodollar Advance is made other than on the last day of the Interest Period for such Advance, as a result of a payment or conversion pursuant to Section 2.09 or 2.12 or acceleration of the maturity of the Advances pursuant to Section 6.01 or for any other reason, the Borrower shall, upon demand by any Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amount required to compensate such Lender for any additional loss, cost or expense which it may reasonably incur as a result of such payment or conversion,

including any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(c) The Borrower agrees to indemnify and hold each Lender, the LC Issuer, the Administrative Agent and each of their respective Affiliates, officers, directors and employees (each, an “Indemnified Person”) harmless from and against any claim, damage, loss, liability, cost or expense (including reasonable attorney’s fees and expenses, whether or not such Indemnified Person is named as a party to any proceeding or is otherwise subjected to judicial or legal process arising from any such proceeding) that any of them may pay or incur arising out of or relating to this Agreement or the transactions contemplated hereby, or the use by the Borrower or any Subsidiary of the proceeds of any Advance; provided that the Borrower shall not be liable for any portion of any such claim, damage, loss, liability, cost or expense resulting from such Indemnified Person’s gross negligence or willful misconduct. The Borrower’s obligations under this Section 8.04(c) shall survive the repayment of all amounts owing by the Borrower to the Lenders and the Administrative Agent under this Agreement and the termination of the Commitments. If and to the extent that the obligations of the Borrower under this Section 8.04(c) are unenforceable for any reason, the Borrower agrees to make the maximum contribution to the payment and satisfaction thereof which is permissible under applicable law.

SECTION 8.05 Right of Set-off. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Administrative Agent to declare the Advances due and payable pursuant to the provisions of Section 6.01, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement, whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Each Lender agrees to notify the Borrower promptly after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender under this Section 8.05 are in addition to other rights and remedies (including other rights of set-off) that such Lender may have.

SECTION 8.06 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent and each Lender and their respective successors and assigns, provided that (except as permitted by Section 5.02(b)(iii)) the Borrower shall not have the right to assign rights hereunder or any interest herein without the prior written consent of all Lenders.

SECTION 8.07 Assignments and Participations.

(a) Each Lender may, with the prior written consent of the Borrower, the LC Issuer and the Administrative Agent (which consents shall not be unreasonably withheld or delayed), and if demanded by the Borrower pursuant to Section 8.07(g) shall to the extent required by such Section, assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment, the Advances owing to it

and its participation in Facility LCs); provided that (i) each such assignment shall be of a constant, and not a varying, percentage of all of the assigning Lender's rights and obligations under this Agreement, (ii) the Commitment Amount of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$500,000 or, if less, the entire amount of such Lender's Commitment, and shall be an integral multiple of \$100,000 or such Lender's entire Commitment, (iii) each such assignment shall be to an Eligible Assignee, (iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 (which shall be payable by one or more of the parties to the Assignment and Acceptance, and not by the Borrower (except in the case of a demand under Section 8.07(g)), and shall not be payable if the assignee is a Federal Reserve Bank), (v) the consent of the Borrower shall not be required after the occurrence and during the continuance of any Event of Default under Section 6.01(a), Section 6.01(c)(i) (with respect to a breach of Section 5.02(c) only) or Section 6.01(e) and (vi) the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five Business Days after having received notice thereof. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto (although an assigning Lender shall continue to be entitled to indemnification pursuant to Section 8.04(c)). Notwithstanding anything contained in this Section 8.07(a) to the contrary, (A) the consent of the Borrower, the LC Issuer and the Administrative Agent shall not be required with respect to any assignment by any Lender to an Affiliate of such Lender or to another Lender and (B) any Lender may at any time, without the consent of the Borrower, the LC Issuer or the Administrative Agent, and without any requirement to have an Assignment and Acceptance executed, assign all or any part of its rights under this Agreement to a Federal Reserve Bank, provided that no such assignment shall release the transferor Lender from any of its obligations hereunder.

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of

the financial statements referred to in Section 4.01(e) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(c) The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment Amount of, and principal amount of the Advances owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit A, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(e) Each Lender may sell participations to one or more banks or other entities (each, a "Participant") in or to all or a portion of its rights and/or obligations under this Agreement (including all or a portion of its Commitment, the Advances owing to it and its participation in Facility LCs); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (iv) such Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of this Agreement, other than any such amendment, modification or waiver with respect to any Advance or Commitment in which such Participant has an interest that forgives principal, interest or fees or reduces the interest rate or fees payable with respect to any such Advance or Commitment, postpones any date fixed for any regularly scheduled payment of principal of, or interest or fees on, any such Advance or Commitment, extends any Commitment, releases any guarantor of any such Advance or releases any substantial portion of collateral, if any, securing any such Advance.

(f) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 8.07, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower received by it from such Lender (subject to customary exceptions regarding regulatory requirements, compliance with legal process and other requirements of law).

(g) If any Lender (i) shall make demand for payment under Section 2.11(a), 2.11(b) or 2.14, (ii) shall deliver any notice to the Administrative Agent pursuant to Section 2.12 resulting in the suspension of certain obligations of the Lenders with respect to Eurodollar Advances, (iii) does not consent to, or revokes its consent to, an extension of the scheduled Commitment Termination Date pursuant to Section 2.17, (iv) does not consent to an amendment or waiver that requires the consent of all Lenders and has been approved by the Majority Lenders or (v) is a Designated Lender, then (A) in the case of clause (i), within 60 days after such demand (if, but only if, the payment demanded under Section 2.11(a), 2.11(b) or 2.14 has been made by the Borrower), (B) in the case of clause (ii), within 60 days after such notice (if such suspension is still in effect), (C) in the case of clause (iii), no later than five days prior to the then effective scheduled Commitment Termination Date, (D) in the case of clause (iv), within 60 days after the date the Majority Lenders approve the applicable amendment or waiver, or (E) in the case of clause (v), at any time so long as such Lender continues to be a Designated Lender, as the case may be, the Borrower may demand that such Lender assign in accordance with this Section 8.07 to one or more Eligible Assignees designated by the Borrower and reasonably acceptable to the Administrative Agent and the LC Issuer all (but not less than all) of such Lender's Commitment, the Advances owing to it, its participation in the Facility LCs and all of its other rights and obligations hereunder within the next succeeding 30 days (or, in the case of clause (iii), (iv) or (v), five days). If any such Eligible Assignee designated by the Borrower shall fail to consummate such assignment on terms acceptable to such Lender, or if the Borrower shall fail to designate any such Eligible Assignee for all of such Lender's Commitment, Advances and participation in Facility LCs, then such Lender may (but shall not be required to) assign such Commitment and Advances to any other Eligible Assignee in accordance with this Section 8.07 during such period. No replacement of a Defaulting Lender pursuant to this Section 8.07(g) shall be deemed to be a waiver of any right that the Borrower, the Administrative Agent, the LC Issuer or any other Lender may have against such Defaulting Lender. Concurrently with any Designated Lender making an assignment pursuant to this Section 8.07(g), the Administrative Agent shall return to such Lender any cash collateral held for the account of such Lender pursuant to Section 2.16.12.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Bank") may grant to a special purpose funding vehicle (an "SPC"), identified as such in writing from time to time by the Granting Bank to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any Advance that such Granting Bank would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any Advance, (ii) if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such Advance, the Granting Bank shall be obligated to make such Advance pursuant to the terms hereof. The

making of an Advance by an SPC hereunder shall utilize the Commitment of the Granting Bank to the same extent, and as if, such Advance were made by such Granting Bank. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Bank). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 8.07, any SPC may (i) with notice to, but without the prior written consent of, the Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Advance to the Granting Bank or to any financial institution (consented to by the Borrower and Administrative Agent, which consents shall not be unreasonably withheld or delayed) providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of Advances and (ii) disclose on a confidential basis any non-public information relating to its Advances to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC. This Section 8.07(h) may not be amended in any manner which adversely affects a Granting Bank or an SPC without the written consent of such Granting Bank or SPC.

SECTION 8.08 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS.

SECTION 8.09 Consent to Jurisdiction; Certain Waivers. (a) THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS SITTING IN COOK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF ILLINOIS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVE ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION.

(b) EXCEPT AS PROHIBITED BY LAW, EACH PARTY HERETO HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES.

SECTION 8.10 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 8.11 Execution in Counterparts; Integration. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understandings, oral or written, relating to the subject matter hereof.

SECTION 8.12 USA PATRIOT ACT NOTIFICATION. The following notification is provided to the Borrower pursuant to Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrower: When the Borrower opens an account, the Administrative Agent and the Lenders will ask for the Borrower's name, tax identification number and business address and other information that will allow the Administrative Agent and the Lenders to identify the Borrower. The Administrative Agent and the Lenders may also ask to see the Borrower's legal organizational documents or other identifying documents.

SECTION 8.13 No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby; (ii) (A) the Administrative Agent, each Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as

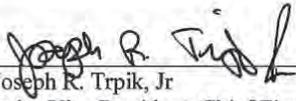
an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent, any Arranger nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein; and (iii) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent, any Arranger nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

SECTION 8.14 Termination of Existing Agreement. The Borrower and each Lender that is a party to the Existing Agreement (which Lenders constitute "Majority Lenders" under and as defined in the Existing Agreement) agree that concurrently with the effectiveness hereof pursuant to Section 3.01, all commitments to extend credit to the Borrower under the Existing Agreement shall terminate and be of no further force or effect (without regard to any requirement in the Existing Agreement for prior notice of termination of such commitments).

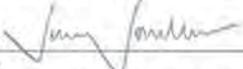
[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

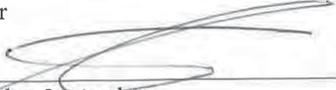
COMMONWEALTH EDISON COMPANY

By: 
Name: Joseph R. Trpik, Jr
Title: Senior Vice President, Chief Financial Officer
and Treasurer

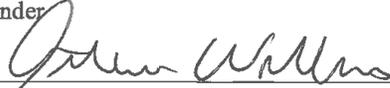
JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and LC Issuer

By: 
Name: _____
Title: **Juan J. Javellana**
Executive Director

POPULAR COMMUNITY BANK,
as a Lender

By: 
Name: Luke Oosterhouse
Title: Vice President

SEAWAY BANK AND TRUST COMPANY,
as a Lender

By: 

Name: **ARLENE WILLIAMS**

Title: **EXECUTIVE VICE PRESIDENT**

**FIRST NATIONAL BANK AND TRUST
COMPANY, as a Lender**

By: Jennifer Kruchten
Name: Jennifer Kruchten
Title: Senior Vice President

FIRST BANK OF HIGHLAND PARK,
as a Lender

By: Barbara R. Winder
Name: Barbara R. Winder
Title: SVP

BEVERLY BANK & TRUST COMPANY N.A.,
as a Lender

By: 
Name: LOUIS V. LEONARD, VP
Title: EVP

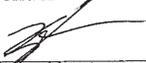
URBAN PARTNERSHIP BANK,
as a Lender

By: 
Name: Robert Dennis
Title: Chief Credit Officer

THE HARBOR BANK OF MARYLAND,
as a Lender

By: 
Name: Carla Nealy
Title: Chief Credit Officer

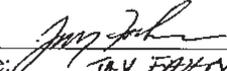
RIVERSIDE COMMUNITY BANK,
as a Lender

By: 
Name: Kyle Logan
Title: Assistant Vice President

INTERNATIONAL BANK OF CHICAGO,
as a Lender

By: 
Name: Warren Tai
Title: Executive Vice President

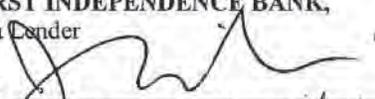
FIRST EAGLE BANK,
as a Lender

By: 
Name: JAY FAXON
Title: Senior Vice President

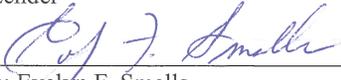
AZTECAMERICA BANK,
as a Lender

By: 
Name: RUDY GONZALEZ
Title: FIRST VICE PRESIDENT

FIRST INDEPENDENCE BANK,
as a Lender

By: 
Name: James Nowick
Title: Vice President

UNITED BANK OF PHILADELPHIA,
as a Lender

By: 
Name: Evelyn F. Smalls
Title: President & CEO

**WILMINGTON SAVINGS FUND SOCIETY,
FSB**
as a Lender

By: 
Name: Glen D. Outten
Title: Vice-President

**ILLINOIS SERVICE FEDERAL SAVINGS
AND LOAN ASSOCIATION OF CHICAGO,**
as a Lender

By: William L. McKnight
Name: William L. McKnight
Title: Chief Lending Officer

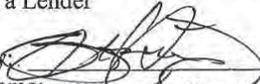
NORTH MILWAUKEE STATE BANK,
as a Lender

By: [Signature]
Name: [Signature]
Title: [Signature]

BANKFINANCIAL F.S.B.
as a Lender

By: _____
Name: *KENNETH R. STICKEN*
Title: *SVP.*

GATEWAY COMMUNITY BANK,
as a Lender

By: 

Name: Edmar J. Hansen, Jr.

Title: Vice President Business Banking

HIGHLAND COMMUNITY BANK,
as a Lender

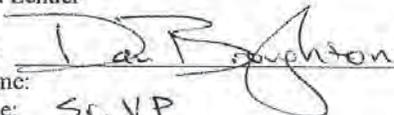
By: 
Name: Dennis J. Irvin
Title: President

AMERICAN METRO BANK,
as a Lender

WPD-2
Page 374 of 391

By: Willie Ho
Name: WILLIE HO
Title: SR. VICE PRESIDENT

PACIFIC GLOBAL BANK,
as a Lender

By: 
Name:
Title: Sr. V.P.

SCHEDULE I
 PRICING SCHEDULE

The “Applicable Margin,” the “LC Fee Rate,” and the “Facility Fee Rate” for any day are the respective percentages set forth below in the applicable row under the column corresponding to the Status that exists on such day:

Status	Applicable Margin for Eurodollar Advances and LC Fee Rate	Applicable Margin for Base Rate Advances	Applicable Facility Fee Rate
Level I	0.900%	0.000%	0.100%
Level II	1.000%	0.000%	0.125%
Level III	1.075%	0.075%	0.175%
Level IV	1.275%	0.275%	0.225%
Level V	1.475%	0.475%	0.275%
Level VI	1.650%	0.650%	0.350%

The Applicable Margin, the LC Fee Rate, and the Facility Fee Rate shall be determined in accordance with the table above based on the Status in effect from time to time. The Status in effect on any date for purposes of this Pricing Schedule is based on the applicable Fitch Rating, Moody’s Rating and S&P Rating in effect at the close of business on such date.

For the purposes of the foregoing (but subject to the final paragraph of this Pricing Schedule):

“Debt Rating” means, as of any date of determination, the Fitch Rating, the Moody’s Rating or the S&P Rating.

“Level I Status” exists at any date if, on such date, the Fitch Rating is A or better, the Moody’s Rating is A2 or better or the S&P Rating is A or better.

“Level II Status” exists at any date if, on such date, (i) Level I Status does not exist and (ii) the Fitch Rating is A- or better, the Moody’s Rating is A3 or better or the S&P Rating is A- or better.

“Level III Status” exists at any date if, on such date, (i) neither Level I Status nor Level II Status exists and (ii) the Fitch Rating is BBB+ or better, the Moody’s Rating is Baa1 or better or the S&P Rating is BBB+ or better.

“Level IV Status” exists at any date if, on such date, (i) none of Level I Status, Level II Status or Level III Status exists and (ii) the Fitch Rating is BBB or better, the Moody’s Rating is Baa2 or better or the S&P Rating is BBB or better.

“Level V Status” exists at any date if, on such date, (i) none of Level I Status, Level II Status, Level III Status or Level IV Status exists and (ii) the Fitch Rating is BBB- or better, the Moody’s Rating is Baa3 or better or the S&P Rating is BBB- or better.

“Level VI Status” exists at any date if, on such date, none of Level I Status, Level II Status, Level III Status, Level IV Status or Level V Status exists.

“Status” means Level I Status, Level II Status, Level III Status, Level IV Status, Level V Status or Level VI Status.

For purposes of the foregoing, (x) at any time that Debt Ratings are available from each of S&P, Moody’s and Fitch and there is a split among such Debt Ratings, then (i) if any two of such Debt Ratings are in the same level, such level shall apply or (ii) if each of such Debt Ratings is in a different level, the level that is the middle level shall apply and (y) at any time that Debt Ratings are available only from any two of S&P, Moody’s and Fitch and there is a split in such Debt Ratings, then the higher* of such Debt Ratings shall apply, unless there is a split in Debt Ratings of more than one level, in which case the level that is one level higher than the lower Debt Rating shall apply. The Debt Ratings shall be determined from the most recent public announcement of any changes in the Debt Ratings. If the rating system of S&P, Moody’s or Fitch shall change, the Borrower and the Administrative Agent shall negotiate in good faith to amend the definition of “Debt Rating” to reflect such changed rating system and, pending the effectiveness of such amendment (which shall require the approval of the Majority Lenders), the Debt Rating shall be determined by reference to the rating most recently in effect prior to such change. If the Borrower has no Fitch Rating, no Moody’s Rating and no S&P Rating, Level VI Status shall apply.

*It being understood and agreed, by way of example, that a Debt Rating of A- is one level higher than a Debt Rating of BBB+.

SCHEDULE II
 COMMITMENTS

Lender	Commitment
Popular Community Bank	\$4,000,000
Seaway Bank and Trust Company	\$4,500,000
First National Bank and Trust Company	\$7,500,000
First Bank of Highland Park	\$2,450,000
Beverly Bank & Trust Company N.A.	\$1,200,000
Urban Partnership Bank	\$4,250,000
The Harbor Bank of Maryland	\$600,000
Riverside Community Bank	\$2,500,000
International Bank of Chicago	\$750,000
First Eagle Bank	\$700,000
AztecAmerica Bank	\$1,000,000
First Independence Bank	\$100,000
United Bank of Philadelphia	\$400,000
Wilmington Savings	\$300,000
Illinois Service Federal Savings and Loan Association of Chicago	\$1,200,000
North Milwaukee State Bank	\$150,000
BankFinancial F.S.B.	\$500,000
Gateway Community Bank	\$1,000,000
Highland Community Bank	\$250,000
American Metro Bank	\$400,000
Pacific Global Bank	\$250,000
TOTAL	\$34,000,000

SCHEDULE III
EXISTING LETTERS OF CREDIT

BENEFICIARY	LOC #	EXPIRATION	AMOUNT
ILLINOIS INDUSTRIAL COMMISSION	CPCS-634962	October 19, 2013	\$24,625,000.00
TREASURER, COUNTY OF LAKE	CPCS-963860	October 18, 2013	\$110,000.00
VILLAGE OF WHEELING	TFTS-342928	March 28, 2104	\$742,785.00
VILLAGE OF LISLE	TFTS-379082	June 30, 2014	\$255,163.00

EXHIBIT A
FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including without limitation any letters of credit, guaranties and swingline loans included in such facilities and, to the extent permitted to be assigned under applicable law, all claims (including without limitation contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity), suits, causes of action and any other right of the Assignor against any Person whether known or unknown arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby) other than claims for indemnification or reimbursement with respect to any period prior to Effective Date (the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____ [and is an Affiliate of Assignor]
3. Borrower: Commonwealth Edison Company
4. Administrative Agent: JPMorgan Chase Bank, N.A.
5. Credit Agreement: Credit Agreement, dated as of October 18, 2013, among the Borrower, the Lenders party thereto, and the Administrative Agent.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/ Outstanding Credit Exposure for all Lenders *	Amount of Commitment/ Outstanding Credit Exposure Assigned*	Percentage Assigned of Commitment/ Outstanding Credit Exposure ¹
_____	\$ _____	\$ _____	_____%
_____	\$ _____	\$ _____	_____%
_____	\$ _____	\$ _____	_____%

7. Trade Date:²
 Effective Date: _____, 20__ [TO BE INSERTED BY THE ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER BY THE ADMINISTRATIVE AGENT.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
 [NAME OF ASSIGNOR]

By: _____
 Title: _____

ASSIGNEE
 [NAME OF ASSIGNEE]

By: _____
 Title: _____

[Consented to and]³ Accepted:
 JPMORGAN CHASE BANK, N.A., as Administrative Agent

By: _____
 Title: _____

[Consented to:]⁴
 [NAME OF RELEVANT PARTY]

By: _____
 Title: _____

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.
 1 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.
 2 Insert if satisfaction of minimum amounts is to be determined as of the Trade Date.
 3 To be added only if the consent of the Administrative Agent is required by the Terms of the Credit Agreement.
 4 To be added only if the consent of the Borrowers and/or other parties (e.g. LC Issuer) is required by the terms of the credit Agreement.

ANNEX 1
**TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1. Assignor. The Assignor represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby. Neither the Assignor nor any of its officers, directors, employees, agents or attorneys shall be responsible for (i) any statements, warranties or representations made in or in connection with the Credit Agreement, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency, perfection, priority, collectibility, or value of the Credit Agreement or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of the Credit Agreement, (iv) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under the Credit Agreement, (v) inspecting any of the property, books or records of the Company, or any guarantor, or (vi) any mistake, error of judgment, or action taken or omitted to be taken in connection with the Credit Extensions or the Credit Agreement.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iii) agrees that its payment instructions and notice instructions are as set forth in Schedule 1 to this Assignment and Assumption, (iv) confirms that none of the funds, monies, assets or other consideration being used to make the purchase and assumption hereunder are "plan assets" as defined under ERISA and that its rights, benefits and interests in and under the Credit Agreement will not be "plan assets" under ERISA, (v) agrees to indemnify and hold the Assignor harmless against all losses, costs and expenses (including, without limitation, reasonable attorneys' fees) and liabilities incurred by the Assignor in connection with or arising in any manner from the Assignee's non-performance of the obligations assumed under this Assignment and Assumption, (vi) it has received a copy of the Credit Agreement, together with copies of financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (vii) attached as Schedule 1 to this Assignment and Assumption is any documentation required to be delivered by the Assignee with respect to its tax status pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, and (ii) it will perform in accordance

with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

2. Payments. The Assignee shall pay the Assignor, on the Effective Date, the amount agreed to by the Assignor and the Assignee. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, Reimbursement Obligations, fees and other amounts) to the Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by facsimile shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of Illinois.

ADMINISTRATIVE QUESTIONNAIRE

(Schedule to be supplied by Closing Unit or Trading Documentation Unit)

US AND NON-US TAX INFORMATION REPORTING REQUIREMENTS

(Schedule to be supplied by Closing Unit or Trading Documentation Unit)

EXHIBIT B

FORM OF NOTICE OF BORROWING

[Date]

JPMorgan Chase Bank, N.A.,
as Administrative Agent,
and the Lenders that are parties to
the Credit Agreement referred to below
1111 Fannin St., 10th Floor
Houston, TX 77002
Attention: Utilities Department
North American Finance Group

Ladies and Gentlemen:

The undersigned, Commonwealth Edison Company (the "Borrower"), refers to the Credit Agreement, dated as of October 18, 2013, among the Borrower, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"), and hereby gives you notice, irrevocably, pursuant to Section 2.02(a) of the Credit Agreement that the undersigned requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required by Section 2.02(a) of the Credit Agreement:

- (i) The Business Day of the Proposed Borrowing is ____, 20__.
- (ii) The Type of Advances to be made in connection with the Proposed Borrowing is [Base Rate Advances] [Eurodollar Advances].
- (iii) The aggregate amount of the Proposed Borrowing is \$_____.
- (iv) The Interest Period for each Eurodollar Advance made as part of the Proposed Borrowing is [__ month[s]].

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties of the undersigned contained in Section 4.01 of the Credit Agreement (excluding the representations and warranties set forth in Section 4.01(e)(ii) and the first sentence of Section 4.01(f) of the Credit Agreement) are correct, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date;

(B) no event has occurred and is continuing, or would result from the Proposed Borrowing or from the application of the proceeds therefrom, that constitutes an Event of Default or Unmatured Event of Default; and

(C) after giving effect to the Proposed Borrowing, the undersigned will not have exceeded any limitation on its ability to incur indebtedness (including any limitation imposed by any governmental or regulatory authority).

Very truly yours,

Commonwealth Edison Company

By _____
Name:
Title:

EXHIBIT C

FORM OF CONSENT TO BORROWING

_____, 20____

Please refer to the Credit Agreement, dated as of October 18, 2013 among Commonwealth Edison Company, various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"). Capitalized terms used but not defined herein have the respective meanings given thereto in the Credit Agreement.

Pursuant to Section 3.02 of the Credit Agreement, the undersigned [(a)] consents to a Borrowing in the aggregate amount of \$[] on [date] [and (b) agrees that such Borrowing may consist of Eurodollar Rate Advances].

The forgoing consent and agreement shall become effective when the Administrative Agent has received counterparts hereof signed by all Lenders.

[Lender]

By _____
Name:
Title:

EXHIBIT D

FORM OF OPINION LETTER OF SIDLEY AUSTIN LLP

[See attached.]

EXHIBIT E

FORM OF ANNUAL AND QUARTERLY COMPLIANCE CERTIFICATE

_____, 20____

Pursuant to the Credit Agreement, dated as of October 18, 2013, among Commonwealth Edison Company (the "Borrower"), various financial institutions and JPMorgan Chase Bank, N.A., as Administrative Agent (as amended, modified or supplemented from time to time, the "Credit Agreement"), the undersigned, being _____ of the Borrower, hereby certifies on behalf of the Borrower as follows:

1. [Delivered] [Posted concurrently]* herewith are the financial statements prepared pursuant to Section 5.01(b)(ii)/(iii) of the Credit Agreement for the fiscal _____ ended _____, 20__. All such financial statements comply with the applicable requirements of the Credit Agreement.

*Applicable language to be used based on method of delivery.

2. Schedule I hereto sets forth in reasonable detail the information and calculations necessary to establish the Borrower's compliance with the provisions of Section 5.02(c) of the Credit Agreement as of the end of the fiscal period referred to in paragraph 1 above.

3. (Check one and only one:)

No Event of Default or Unmatured Event of Default has occurred and is continuing.

An Event of Default or Unmatured Event of Default has occurred and is continuing, and the document(s) attached hereto as Schedule II specify in detail the nature and period of existence of such Event of Default or Unmatured Event of Default as well as any and all actions with respect thereto taken or contemplated to be taken by the Borrower.

4. The undersigned has personally reviewed the Credit Agreement, and this certificate was based on an examination made by or under the supervision of the undersigned sufficient to assure that this certificate is accurate.

5. Capitalized terms used in this certificate and not otherwise defined shall have the meanings given in the Credit Agreement.

COMMONWEALTH EDISON COMPANY

By _____
Name: _____
Title: _____

Date: _____

Commonwealth Edison Company
 Embedded Cost of Long-term Debt Work Papers
 Year Ending December 31, 2014

Line No.	Debt, Issue Type Coupon Rate ^{1,2}	Date Reacquired	Amortization Period End Date	Principal of Debt Reacquired	Call Premium	Net Gain or (Net Loss)	Balance as 12/31/2014	Annual Amortization	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)		
1	Unamortized Loss on Reacquired Debt								
2	First Mortgage Bonds								
3	14.250%	Series 46	11/24/87	04/15/15	\$ 100,000,000	\$ 3,820,000	\$ (4,690,683)	\$ 20,362	\$ (69,867)
4	15.375%	Series 47	11/24/87	04/15/15	100,000,000	12,410,000	(13,618,887)	59,131	(202,851)
5	17.500%	Series 44	05/24/88	04/15/15	47,315,000	2,122,000	(2,161,698)	5,473	(18,789)
6	12.250%	Series 50	11/21/88	04/15/15	100,000,000	3,500,000	(3,839,210)	10,014	(34,370)
7	13.375%	Series 51	11/21/88	04/15/15	83,650,000	8,802,000	(9,670,777)	25,238	(86,577)
8	12.000%	Series 66	03/23/93	04/15/15	100,000,000	9,000,000	(9,791,995)	103,485	(355,009)
9	11.125%	Series 71	05/01/93	04/15/15	125,000,000	9,612,500	(11,593,775)	122,962	(421,821)
10	10.500%	Series 56	05/27/93	04/15/15	150,000,000	9,750,000	(11,536,825)	123,442	(423,470)
11	10.375%	1985	12/14/94	03/01/20	30,000,000	600,000	(1,615,843)	190,299	(36,817)
12	10.625%	1985	12/14/94	03/01/20	111,000,000	2,200,000	(6,825,849)	144,623	(27,976)
13	10.625%	1985	12/14/94	03/01/17				499,944	(230,551)
14	8.375%	Series 86	09/16/02	02/01/33		3,425,000		2,130,060	(117,744)
15	8.375%	Series 88	03/18/03	04/15/15	235,950,000	9,114,749	(12,244,541)	195,785	(671,642)
16	8.000%	Series 91	04/15/03	04/15/15	160,000,000	5,862,400	(11,858,267)	189,609	(650,454)
17	5.875%	Series 100	07/27/04	02/01/33	11,400,000	(185,592)	(788,382)	500,229	(27,627)
18	5.875%	Series 100	08/06/04	02/01/33	40,000,000	866,000	(4,283,438)	2,720,468	(150,246)
19	5.875%	Series 100	08/25/04	02/01/33	45,000,000	2,611,350	(6,455,972)	4,107,783	(226,863)
20	4.700%	Series 101	08/06/04	04/15/15	85,000,000	(499,800)	(8,553,071)	234,415	(799,660)
21	4.700%	Series 101	08/25/04	04/15/15	50,000,000	793,000	(6,118,209)	168,511	(574,812)
22	1.950%	Series 111	10/12/11	09/01/16	80,148,600	-	(171,078)	59,056	(34,796)
23	3.400%	Series 112	10/12/11	09/01/21	110,681,400	-	(236,251)	159,552	(23,824)
24									
25				02/01/33		21,539,444	9,394,424		(519,507)
26				04/15/15		8,249,000	131,516		(450,911)
27				07/31/20		4,246,042	2,371,886		(424,604)
28									
29	Subordinated Deferrable Interest Notes and Senior Notes								
30	8.480%		03/20/03	03/15/33	206,190,000	-	(20,228,911)	12,277,788	(674,297)
31	6.950%		08/06/04	07/15/18	60,000,000	11,509,200	(16,568,486)	4,211,280	(1,187,880)
32	6.950%		08/25/04	07/15/18	25,000,000	5,516,000	(7,624,035)	1,945,091	(548,654)
33	Pollution Control Obligations								
34	11.375%	IEFFA 1984	11/21/94	11/01/19	42,200,000	844,000	(1,687,652)	281,581	(58,191)
35									
36	5.875%	1977	05/15/03	05/15/17	40,000,000	-	(599,277)	101,657	(42,806)
37	Variable	1994B	09/30/03	11/01/19	42,200,000	-	(174,123)	52,377	(10,821)
38	Variable	1994C	11/28/03	03/01/20	50,000,000	-	(79,616)	25,318	(4,899)
39	Variable	1994D	03/21/05	03/01/17	91,000,000	-	(4,524,506)	820,296	(378,299)
40	Variable	2005	06/13/08	03/01/17	91,000,000	-	(961,559)	238,954	(110,408)
41	Variable	2003C	06/18/08	03/01/20	50,000,000	-	(795,632)	351,664	(67,954)
42	Variable	2003B	07/08/08	11/01/19	42,200,000	-	(222,142)	94,990	(19,632)
43	Variable	2003B	07/08/08	05/01/21		-	(435,433)	215,327	(33,983)
44	Variable	2003A	07/10/08	05/15/17	40,000,000	-	(566,327)	152,022	(64,020)
45	Variable	2003A	07/10/08	05/01/21		-	(332,768)	164,628	(25,982)
46	Variable	2003D	07/29/08	05/01/21		-	(112,292)	55,780	(8,803)
47	Variable	2008D	05/28/09	03/01/20	50,000,000	-	(546,292)	260,539	(50,427)
48	Variable	2008F	05/28/09	03/01/17	91,000,000	-	(677,508)	187,396	(86,490)
49	Variable	2008E	05/28/09	05/01/21	49,830,000	-	(566,726)	299,105	(47,228)
50	Subordinated Deferrable Interest Debentures								
51	8.500%	ComEd Financing II	03/07/08	01/15/38	154,640,000	-	(11,579,481)	8,947,046	(387,598)
52	Write-off	1997 Unamortized Loss					2,240,678	(1,015,393)	1,258,427
53	TOTAL					\$ 101,672,807	\$ (158,062,353)	\$ 53,335,713	\$ (9,130,733)
54									
55	Unamortized Gain on Reacquired Debt								
56	Interest Rate Swap Settlement³			07/31/20			165,326	(92,353)	16,533
57	TOTAL					\$ -	\$ 165,326	\$ (92,353)	\$ 16,533

Notes:
 (1) Listing sourced from Form 21 ILCC, Pages 24a-24b.
 (2) Refunded with the proceeds from issuance of long-term debt with the maturity dates on Page 2 of WPD-3.
 (3) The unamortized losses and gains on interest rate swap settlements are reported in FERC accounts 182.3 (Other Regulatory Assets) and 254 (Other Regulatory Liabilities), respectively.

Commonwealth Edison Company
 Embedded Cost of Long-term Debt Work Papers
 Year Ending December 31, 2014

Line No.	Debt, Issue Type Coupon Rate ¹	Maturity Date(s) of New Debt Issues	Maturity Date(s)			
			(A)	(B)	(C)	(D)
REFUNDING ISSUES						
1	First Mortgage Bonds					
2	14.250%	Series 46	Feb-2023	Apr-2015	(2)	
3	15.375%	Series 47	Feb-2023	Apr-2015	(2)	
4	17.500%	Series 44	Mar-1998	Feb-2023	Apr-2015	(2)
5	12.250%	Series 50	Mar-1998	Feb-2023	Apr-2015	(2)
6	13.375%	Series 51	Mar-1998	Feb-2023	Apr-2015	(2)
7	12.000%	Series 66	Feb-2023	Apr-2015	(2)	
8	11.125%	Series 71	Feb-2023	Apr-2015	(2)	
9	10.500%	Series 56	Apr-2023	Apr-2015	(2)	
10	10.375%	1985	Mar-2009	Mar-2020	(2)	
11	10.625%	1985	Mar-2009	Mar-2015	Mar-2020	Mar-2017 (2)
12	8.375%	Series 86	Feb-2033			
13	8.375%	Series 88	Apr-2015			
14	8.000%	Series 91	Apr-2015			
15	Subordinated Deferrable Interest Notes					
16	8.480%		Mar-2033			
17	Subordinated Deferrable Interest Debentures					
18	8.500%		Jan-2038			
19	Pollution Control Obligations					
20	11.375%	IEFFA Series '84	Oct-2014	Nov-2019	(2)	
21	5.875%	IDFA Series 77	May-2017			
22	Variable	IDFA 1994B	Nov-2019			
23	Variable	IDFA 1994C	Mar-2020			
24	Variable	IDFA 1994D	Mar-2017			
25	Variable	IFA Series 2005	Mar-2017			
26	Variable	IDFA Series 2003 C	Mar-2020			
27	Variable	IDFA Series 2003 B	Nov-2019	May-2021		
28	Variable	IDFA Series 2003 A	May-2017	May-2021		
29	Variable	IDFA Series 2003 D	Jan-2014	May-2021		
30	Variable	IFA Series 2008 D	Mar-2020	Sep-2016	Sep-2021	
31	Variable	IFA Series 2008 F	Mar-2017	Sep-2016	Sep-2021	
32	Variable	IFA Series 2008 E	May-2021	Sep-2016	Sep-2021	
33						
34	The following debt items were not refinanced:					
35			<u>Original Maturity Date of Debt Issues</u>			
36	First Mortgage Bonds					
37	5.850%	Series 94C	Jan-2014			
38	5.875%	Series 100	Feb-2033			
39	4.700%	Series 101	Apr-2015			
40	1.950%	Series 111	Sept-2015			
41	3.400%	Series 112	Sept-2021			
42						
43	Notes -					
44	6.950%		Jul-2018			

Notes:

(1) Listing sourced from Form 21 ILCC, Pages 24c and 24d.

(2) The amortization period has changed due to the refunding of the long-term debt originally issued to refund this issue. Maturity date is that of the new long-term debt issue.

Commonwealth Edison Company
Schedule D-7 Embedded Cost Of Long Term Debt
Years 2010 - 2014
(In Dollars)

Line No.	Description	FERC Form 1 Source	Years 2010 - 2014				
			2014	2013	2012	2011	2010
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	<u>Long-Term Debt Outstanding CR / (DR)</u>						
2	Long-Term Debt Outstanding (Accts 221 - 224)	p. 112, l. 18 - 21	\$ 6,174,786,000	\$ 5,891,786,000	\$ 5,793,786,000	\$ 5,893,786,000	\$ 5,231,216,000
3	Unamortized Premium on Long-Term Debt (Acct 225)	p. 112, l. 22	382,482	618,304	854,125	1,164,491	1,761,174
4	Unamortized Discount on Long-Term Debt (Acct 226)	p. 112, l. 23	(18,520,046)	(19,547,559)	(21,181,829)	(23,327,102)	(25,787,502)
5	Unamortized Gain on Reacquired Debt (Acct 257)	p. 113	-	-	6,866	30,724	54,580
6	Unamortized Loss on Reacquired Debt (Acct 189)	p. 111	41,437,887	49,178,323	58,342,092	71,594,893	89,630,249
7	Loss on Settled Cash Flow Swaps (Acct 182.3)	p. 232, l. 8	(11,897,826)	(13,292,848)	(14,687,871)	(16,243,849)	(18,411,455)
8	Gain on Settled Cash Flow Swaps (Acct 254)	p. 278, l. 3	92,353	108,885	125,418	141,951	158,484
9	Unamortized Debt Expenses (Acct 181)	p. 111	33,725,681	29,070,884	29,211,484	29,959,231	(27,238,293)
10	Net Long-Term Debt Outstanding		<u>\$ 6,220,006,531</u>	<u>\$ 5,937,921,989</u>	<u>\$ 5,846,456,285</u>	<u>\$ 5,957,106,339</u>	<u>\$ 5,251,383,237</u>
11	<u>Cost of Long-Term Debt DR / (CR)</u>						
12	Interest on Long-Term Debt (Acct 427 / 430)	p. 256 - 257, col. (I)	\$ 297,204,931	\$ 281,465,894	\$ 282,861,311	\$ 307,737,280	\$ 288,723,797
13	Amortization of Debt Discount and Expense (Acct 428)	p. 117, l. 63	6,124,199	6,864,175	7,106,514	11,262,014	9,853,063
14	Amortization of Loss on Reacquired Debt (Acct 428.1)	p. 117, l. 64	7,740,437	9,163,768	13,252,802	18,442,686	20,058,932
15	Amortization of Premium on Debt (Acct 429)	p. 117, l. 65	(235,820)	(235,821)	(310,366)	(596,683)	(596,683)
16	Amortization of Gain on Reacquired Debt (Acct 429.1)	p. 117, l. 66	-	6,868	23,856	23,856	(23,856)
17	Total Cost of Long-Term Debt		<u>\$ 310,833,747</u>	<u>\$ 297,264,884</u>	<u>\$ 302,934,117</u>	<u>\$ 336,869,153</u>	<u>\$ 318,015,253</u>
18	Embedded Cost of Long-Term Debt Rate (l. 18 / l. 11) (a)		<u>5.00%</u>	<u>5.01%</u>	<u>5.18%</u>	<u>5.65%</u>	<u>6.06%</u>

Notes:

(a) Not meaningful for ratemaking purposes due to differences between these amounts and those in the ILCC Form 21.

Commonwealth Edison Company
Schedule D-7 - Estimated Return on Rate Base (a)
Years 2010 - 2014
(In Dollars)

Line No.	Description	FERC Form 1 Source	2014	2013	2012	2011	2010
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	Rate Base (Unadjusted) (a)						
2	Plant in Service	p. 200, l. 3	\$21,396,203,109	\$20,112,450,283	\$19,220,833,674	\$18,350,434,707	\$17,565,228,096
3	Completed Construction Not Classified	p. 200, l. 6	532,482,419	322,652,899	330,961,259	434,982,980	384,942,681
4	Accumulated Depreciation	p. 200, l. 22	(7,867,016,286)	(7,622,336,723)	(7,352,149,396)	(7,152,494,925)	(6,843,280,703)
5	Net Utility Plant (b)		14,061,669,242	12,812,766,459	12,199,645,537	11,632,922,762	11,106,890,074
6	Plant Materials and Supplies (Acct 154)	p. 110	125,238,926	108,605,523	91,498,270	81,131,789	71,908,090
7	Stores Expense Undistributed (Acct 163)	p. 111	-	-	-	-	-
8	Fuel (Acct 151 - 152)	p. 110	-	-	-	-	-
9	Property Held For Future Use	p. 214	44,182,715	40,487,556	38,476,664	35,658,200	35,369,141
10	Other Regulatory Assets (Acct 182.3) -						
11	Recoverable Transition Costs	p. 232	-	-	-	-	-
12	Capitalized Incentive - March 2003 Agreement	p. 232	7,458,687	7,714,811	7,956,298	8,197,785	8,439,273
13	Unrecovered Nuclear Decommissioning Costs	p. 232	-	-	-	-	-
14	Accumulated Deferred Income Taxes (Acct 190)	p. 111	457,034,289	507,570,436	366,662,593	324,645,956	343,318,321
15	Pension Asset (Acct 186)	p. 233	1,550,662,320	1,583,221,096	1,661,482,369	1,802,548,972	1,038,782,729
16	RTO Start-up Costs (Acct 186)	p. 233	-	-	-	-	-
17	Operating Reserves (Acct 228)						
18	Accum Prov for Injuries & Damages (Acct 228.2)	p. 112	(53,660,239)	(56,043,028)	(53,890,692)	(52,759,525)	(53,669,501)
19	Accum Prov for Pensions & Benefits (Acct 228.3)	p. 112	(307,098,954)	(424,723,951)	(319,558,110)	(317,414,580)	(314,601,906)
20	Accum Misc Operating Provisions (Acct 228.4)	p. 112	(237,668,091)	(234,209,351)	(209,920,922)	(126,920,032)	(120,561,389)
21	Asset Retirement Obligations (Acct 230)	p. 112	(104,367,913)	(100,602,470)	(99,212,577)	(89,039,536)	(104,935,733)
22	Customer Advances for Construction (Acct 252)	p. 113	(92,821,728)	(69,693,749)	(74,520,744)	(69,659,709)	(60,282,885)
23	Accumulated Deferred ITC's (Acct 255)	p. 113	(19,634,303)	(21,686,995)	(24,000,597)	(26,314,193)	(28,965,908)
24	Accumulated Deferred Income Taxes (Accts 281 - 283)	p. 113	(5,154,250,596)	(4,918,870,536)	(4,597,331,987)	(4,299,915,834)	(3,578,903,968)
25	Remove Accum Def Taxes on Like-Kind Exchange (c)		167,358,000	307,722,000	320,647,376	333,929,822	343,784,338
26	Net Rate Base (Unadjusted) (a)		<u>\$10,444,102,355</u>	<u>(a) \$ 9,542,257,801</u>	<u>(a) \$ 9,307,933,478</u>	<u>(a) \$ 9,237,011,877</u>	<u>(a) \$ 8,686,570,676</u>

Notes:

- (a) Amounts based on FERC Form 1 reported data and do not reflect all rate making adjustments necessary for establishing a jurisdictional revenue requirement.
- (b) Excludes goodwill (Plant Acquisition Adjs - Accts 114 and 115) and CWIP (Acct 107).
- (c) See Schedule B-9.



Fitch Revises EXC and Exgen Rating Outlook to Negative; Comed Upgraded [Ratings](#) [Endorsement Policy](#)

07 Feb 2014 2:39 PM (EST)

Fitch Ratings-New York-07 February 2014: Fitch Ratings has taken a number of actions with respect to the ratings and Rating Outlooks of Exelon Corp. (EXC) and its subsidiaries. The ratings actions include the following:

--Affirmed the 'BBB+' Issuer Default Ratings (IDR) and instrument ratings of Exelon Corp. (EXC) and Exelon Generation Co., LLC (Exgen) and revised the Rating Outlook for each entity to Negative from Stable.

--Upgraded the IDR of Commonwealth Edison Co. (Comed) to 'BBB' from 'BBB-' and revised the Rating Outlook to Stable from Positive. Comed's instrument ratings were also upgraded one-notch.

--Affirmed the 'BBB' IDR and instrument ratings of Baltimore Gas and Electric Co. (BGE) and revised the Rating Outlook to Positive from Stable.

--Affirmed the 'BBB+' IDR and instrument ratings of PECO Energy Co. (PECO) with a Stable Rating Outlook.

The Negative Rating Outlooks for EXC and Exgen primarily reflect the continued down trend in gross margin and credit protection measures due to the on-going weakness in forward power and natural gas prices, soft power demand and aggressive competition in the retail supply business. Exgen remains the largest contributor to EXC's cash flow and as such the Negative Ratings Outlook for EXC mirrors that of its non-regulated subsidiary. The revised Rating Outlook also considers that credit protection measures, although declining remain solidly within the investment grade category.

The upgrade of Comed reflects the improvement in credit metrics due in large measure to tariff increases over the past several years and the greater predictability of earnings and cash flow due to the implementation of a formula rate plan (FRP) in Illinois.

Similarly, the Positive Rating Outlook for BGE results from higher rates and improving credit measures.

The rating and Stable Rating Outlook for PECO are consistent with the company's strong credit profile.

Key Rating Drivers

Exelon Corp.

Competitive Generation Business: Low power prices, weak demand and aggressive competitive pricing behavior have adversely affected wholesale and retail margins and are expected by Fitch to persist for several more years keeping pressure on credit quality measures.

Utility Earnings Contribution: The consolidated ratings also consider the contributions of EXC's three regulated utilities, which account for about 50% of consolidated earnings and cash flow. The utilities have sound and/or improving credit profiles, limited commodity price risk and a relatively predictable earnings stream, balancing the more volatile earnings and cash flow of the commodity sensitive merchant business.

Prudent Financial Management: Management has taken a number of steps over the past 15-months to reduce financial commitments and solidify credit quality in the face of persistently low power prices that are pressuring wholesale and retail profit margins. The credit supportive actions include substantial reductions in merchant capex and the common stock dividend. Consequently, financial metrics are expected by Fitch to remain solidly within the investment grade category. In February 2013, EXC reduced its common stock dividend by 40%, saving nearly \$750 million annually. The dividend reduction followed a \$2.3 billion reduction in merchant capex that have subsequently been further reduced.

Financial Position: The combined reductions of the common stock dividend and capex have solidified EXC's financial position. Fitch estimates EXC's adjusted ratio of funds from operations (FFO)/interest to be in excess of 6.0x over the next several years and FFO/debt to approximate 30%.

Liquidity: Liquidity is ample and debt maturities should be manageable. On a consolidated basis committed credit facilities aggregate \$8.4 billion, and extend to 2018.

Rating Sensitivity

Positive

Other than an unexpected change in business strategy (i.e. additional sources of regulated earnings and cash flow), positive rating action at the parent is unlikely at the present rating level.

Negative

Lack of rate support for utility infrastructure investments or changes in the commodity cost recovery provisions in Illinois, Pennsylvania or Baltimore.

More aggressive growth strategy that increased business risk and/or leverage.

Increase in risk appetite as evidenced by change in hedging strategy at Exgen.

Exelon Generation Company, LLC

Operating environment: The operating environment for Exgen's competitive generation business is expected to remain challenging with sluggish demand and low natural gas and power prices likely to persist for several years with a downtrend in gross margin. Favorably, Exgen is expected to be free cash flow (FCF) positive due to reduced capex and dividend requirements, easing the pressure on cash flow and credit quality measures during a low point in the commodity cycle.

Competitive Position: Exgen's largely nuclear-fueled generating fleet is positioned low on the dispatch curve and likely to be dispatched under any price scenario. The nuclear fleet is also well positioned to benefit from any uplift in power prices from higher environmental costs or plant retirements and requires limited environmental remediation expenditures. Nonetheless, several nuclear plants operating in regions without a capacity market are at risk for closure.

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Expense Reductions: Exgen entered into a service agreement to operate the Constellation Energy Nuclear Group (CENG) nuclear fleet that is expected by management to generate annual savings of roughly \$50 million - \$70 million annually (Exgen's share is 50%) with a \$20 million cost to achieve. NRC approval is required. CENG is a joint venture with Electricite de France. The transaction is expected to close late in 2014 Q1 or early Q2.

Financial Position: Exgen's financial position has weakened in recent years, but remains solidly within the investment grade category. Fitch expects expense and debt reductions to offset on-going declines in gross margin and stabilize credit metrics at or near current levels. Fitch estimates Exgen's adjusted ratio of EBITDA/interest to range between 5.5x and 6.0x and debt/EBITDA at about 2.5x - 2.75x. Cash flow measures are expected to be stronger with FFO/debt to be in excess of 40% and FFO/interest to exceed 7.0x.

Debt Reduction: Since the dividend reduction Exgen has retired \$950 million of recourse debt with cash including \$450 million of callable junior subordinated debt at par in June 2013 and \$500 million of maturing senior debt in January 2014. Additional debt retirements are anticipated in 2015.

Revised Growth Plan: Planned capital expenditures were reduced \$2.3 billion and now aggregate \$6.8 billion over the 2014-2016 time frame. The reductions were primarily investments in unidentified renewable projects and cancelling planned nuclear uprates at the LaSalle and Limerick units, totaling nearly 600 MW to beyond 2019. Over the three-year period through 2016, growth capex is now about \$775 million for nuclear uprates and wind and solar projects, including the build-out of the Antelope Valley Solar Ranch (AVSR). Exgen will also be investing approximately \$350 million to construct generation in Maryland required as part of the Constellation merger approval. Fitch believes other investments are likely, but will be limited to contracted renewables or possibly distressed merchant assets in regions that have a well-functioning capacity market and/or a tight reserve position.

Rating Sensitivity

Positive:

There are no developments that are likely to lead to a positive rating action.

However, ratings could be maintained if there is clear evidence of a sustainable improvement in power prices and/or capacity revenue.

Negative:

A further decline in gas and power prices;

An unexpected reversion to a more aggressive growth strategy.

Commonwealth Edison Co.

Strong Credit Metrics: Higher rates effective Jan. 1, 2014 and the FRP plan that allows for annual rate adjustments should allow Commonwealth Edison Co. (Comed) to sustain its currently sound financial position over the next few years. Fitch estimates EBITDA/interest will average about 5.0x, FFO/interest 4.5x, FFO/debt 18% - 20% and debt/EBITDA about 3.75x over the next several years. Each measure is strong for the current rating.

Regulatory Predictability: The FRP implemented in October 2011 provides increased regulatory predictability in Illinois. The FRP recognizes forward looking capital additions and includes a true-up mechanism reducing, albeit not eliminating, rate lag.

Constructive Rate Decision: In December 2013, the Illinois Commerce Commission approved a \$341 million increase in distribution rates or approximately 97% of the company's rate request.

Commodity Price Exposure: Ratings and credit quality benefit from the absence of commodity price exposure, which limits cash flow volatility and reduces business risk.

Rising Capex: Capital expenditures are forecasted to rise to approximately \$5.7 billion over the three-year period 2014-2016, compared to \$3.7 billion in the prior three-year period. The higher outlays are primarily driven by the Illinois Energy Infrastructure Modernization Act (EIMA), which requires Comed to invest an incremental \$1.3 billion on electric system upgrades over five years and an additional \$1.3 billion for smart grid deployment over 10 years. The legislation provides for recovery through the FRP filings. The capex forecast also reflects an increase in transmission expenditures, which are subject to credit supportive Federal Energy Regulatory Commission (FERC) regulatory policies.

Like-Kind-Exchange: Comed's exposure to the IRS's disallowance of the tax benefits associated with a like-kind-exchange is a credit concern, however, the issue is not likely to be resolved for several years and was not factored into the rating decision. As of Sept. 30, 2013, Comed's potential tax and interest that could become payable, excluding penalties, is \$305 million.

Rating Sensitivity

Positive:

A continuation of constructive outcomes in FRP filings;

Ability to reduce leverage below 3.5x.

Negative:

Lack of rate support for infrastructure investments or changes in the commodity cost recovery provisions.

PECO Energy Co.

Strong Credit Profile: Historical and projected credit measures are strong and well in excess of Fitch's target ratios for the current rating category and the companies' peer group of 'BBB+' distribution utilities. Over the next few years, Fitch estimates EBITDA/interest and FFO/interest will average about 7.0x and 6.0x, respectively and FFO/debt and debt/EBITDA about 20% and 3.0x. The strong performance reflects expectations of timely rate recovery and moderate debt financing.

Alternative Regulatory Model: Fitch considers the regulatory legislation enacted in Pennsylvania in February 2012 (HB 1294) to be supportive of credit quality.

Manageable Capital Spending: PECO expects to invest approximately \$1.6 billion over the next three years, moderately higher than the \$1.4 billion expended in the prior three-years. The expenditures equate to about 2.2x depreciation and amortization, which approximates the industry in average.

Low business Risk: Ratings and credit quality benefit from the absence of commodity price exposure and the associated cash flow volatility.

Rating Sensitivity

PECO Energy Company

Positive:

Sustaining current financial condition could lead to a positive rating action.

Negative:

Not likely given the head room in current ratings.

Baltimore Gas and Electric Company

Credit Metrics: BGE's financial position improved significantly in 2013 largely due to electric and gas rate increases implemented in February 2013, the first increases since December 2010 and the expiration of a \$112 million rate credit. Subsequent electric and gas rate increases implemented in December 2013 are expected to drive further improvement in 2014 and beyond. Fitch estimates EBITDA/interest and FFO/interest to exceed 6.0x and FFO/debt and debt/EBITDA of about 25% and 2.5x, respectively.

Dividend Restrictions: BGE is precluded from paying dividends to parent Exelon Corp. (Exelon) through 2014

Regulatory Recovery Mechanisms: Rate adjustment mechanisms outside of base rate cases tend to stabilize BGE's on-going cash flow. These include decoupling for both residential and commercial gas and electricity sales and purchased gas and purchased power recovery mechanisms. In addition, investments in energy efficiency are subject to a tracking mechanism.

Ring-fencing: BGE's funding and Treasury practices result in moderate ring fencing of the utility from its parent Exelon Corp. and affiliates. These include maintaining separate books and records and separate credit facilities and commercial paper programs and allocating parent expenses according to a Cost Allocation Manual that is filed annually with the Maryland Public Service Commission (MPSC). Also, BGE does not participate in the corporate money pool. Furthermore, BGE's financings do not contain any provisions that could result in cross defaults between BGE and Exelon.

Rating Sensitivity

Positive:

A constructive outcome in expected 2014 rate filing.

Negative:

Lack of rate support for infrastructure investments or changes in the commodity cost recovery provisions.

Fitch has affirmed the following ratings with a Negative Outlook:

Exelon Corp.

- Issuer Default Rating (IDR) 'BBB+';
- Senior unsecured debt 'BBB+';
- Commercial paper 'F2';
- Short-term IDR 'F2'.

Exelon Generation Co., LLC

- Issuer Default Rating (IDR) 'BBB+';
- Senior unsecured debt 'BBB+';
- Commercial paper 'F2';
- Short-term IDR 'F2'.

Fitch has affirmed the following ratings with a Positive Outlook:

Baltimore Gas and Electric Company

- Issuer Default Rating (IDR) 'BBB';
- First mortgage bonds 'A-';
- Senior unsecured debt 'BBB+';
- Pollution control revenue bonds 'BBB+';
- Preferred stock to 'BBB-';
- Short-term IDR 'F2';
- Commercial paper 'F2'.

Fitch has upgraded the following ratings with a Stable Outlook:

Commonwealth Edison Company

- Issuer Default Rating (IDR) to 'BBB' from 'BBB-';
- First mortgage bonds to 'A-' from 'BBB+';
- Senior unsecured debt to 'BBB+' from 'BBB';
- Preferred stock to 'BBB-' from 'BB+';
- Short-term IDR to 'F2' from 'F3';
- Commercial paper to 'F2' from 'F3'.

ComEd Financing Trust III

- Preferred stock to 'BBB-' from 'BB+'.

Fitch has affirmed the following ratings with a Stable Outlook:

PECO Energy Co.

- Issuer Default Rating (IDR) 'BBB+';
- First mortgage bonds 'A';
- Senior unsecured debt 'A-';
- Commercial paper 'F2';
- Short-term IDR 'F2'.

PECO Energy Capital Trust III

- Preferred stock 'BBB'.

PECO Energy Capital Trust IV

- Preferred stock 'BBB'.

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Applicable Criteria and Related Research:

--'Corporate Rating Methodology' (Aug. 5, 2013);
--'Recovery Ratings and Notching Criteria for Utilities' (Nov. 19, 2013).

Applicable Criteria and Related Research:

[Corporate Rating Methodology: Including Short-Term Ratings and Parent and Subsidiary Linkage](#)
[Recovery Ratings and Notching Criteria for Utilities](#)

Additional Disclosure

[Solicitation Status](#)

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Commonwealth Edison Co.

Subsidiary of Exelon Corp.
Full Rating Report

Ratings

Long-Term IDR	BBB
Short-Term IDR	F2
Secured	A-
Senior Unsecured	BBB+
Preferred Stock	BBB-
Commercial Paper	F2

IDR – Issuer Default Rating.

Rating Outlook

Foreign-Currency Long-Term IDR Stable

Financial Data

Commonwealth Edison Co.

(\$ Mil.)	12/31/13	12/31/12
Revenue	4,464	5,443
Gross Margins	3,290	3,136
Operating EBITDAR	1,638	1,514
Net Income	530.0	379
Cash flow from Operations	1,499	1,334
Total Debt	6,003	5,753
Total Capitalization	13,593	13,096
Capex/Depreciation (x)	2.14	2.04

Related Research

Baltimore Gas and Electric Company
(Subsidiary of Exelon Corp.)
(May 2014)

Exelon Corp. (May 2014)

Exelon Generation Co. LLC
(Subsidiary of Exelon Corp.)
(May 2014)

PECO Energy Co. (Subsidiary of
Exelon Corp.) (May 2014)

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Key Rating Drivers

Strong Credit Metrics: Higher rates effective Jan. 1, 2014, and a formula rate plan (FRP) that allows for annual rate adjustments should allow Commonwealth Edison Co. (ComEd) to sustain its currently sound financial position over the next few years. Fitch estimates Debt/EBITDAR and FFO leverage will average about 3.7x and 4.0x, respectively, and FFO fixed-charge coverage approximately 4.75x over the next several years, which is consistent with the current rating level.

Regulatory Predictability: The FRP implemented in October 2011 provides increased regulatory predictability in Illinois. The FRP recognizes forward-looking capital additions and includes a true-up mechanism reducing, albeit not eliminating, rate lag. The FRP was enacted into law by the Illinois Energy Infrastructure Modernization Act (EIMA).

Constructive Rate Decision: The Illinois Commerce Commission (ICC) approved a \$341 million increase in distribution rates, or approximately 97% of the company's rate request, in December 2013. Although the legislatively set return on equity (ROE) of 8.72% is well below the industry average, ComEd should have a reasonable opportunity to earn the allowed ROE.

Commodity Price Exposure: Ratings and credit quality benefit from the absence of commodity price exposure, which limits cash flow volatility and reduces business risk.

Rising Capex: Capex is forecast to rise to approximately \$5.7 billion over the three-year period 2014–2016, compared with \$3.7 billion in the prior three-year period. The higher outlays are primarily driven by the EIMA, which requires ComEd to invest an incremental \$1.3 billion on electric system upgrades over five years and an additional \$1.3 billion for smart grid deployment over 10 years. The legislation provides for recovery through the FRP filings. The higher capex also reflects an increase in transmission expenditures, which are subject to credit-supportive Federal Energy Regulatory Commission (FERC) regulatory policies.

Like-Kind Exchange: ComEd's exposure to the IRS's disallowance of the tax benefits associated with a like-kind exchange is a credit concern. However, the issue is not likely to be resolved for several years and was not factored into the rating decision. ComEd's potential tax and interest that could become payable, excluding penalties, is \$305 million as of Dec. 31, 2013.

Rating Sensitivities

Positive Rating Action: A continuation of constructive outcomes in FRP filings could lead to higher ratings.

Negative Rating Action: Lack of rate support for infrastructure investments or changes in the commodity cost recovery provisions could lead to lower ratings.

Financial Overview

Liquidity and Debt Structure

A \$1 billion committed credit facility provides ample liquidity. The credit facility supports a commercial paper program of equal size and provides for direct borrowings. It extends to March 2019. Commercial paper borrowings totaled \$184 million and available cash \$36 million as of Dec. 31, 2013.

Long-term debt as of Dec. 31, 2013, aggregated \$5.9 billion, including \$206 million of subordinated debentures that qualify for 50% equity credit under Fitch's methodology. Approximately 94% of the outstanding long-term debt is first mortgage bonds. Annual debt maturities in each of the next five years ranging between \$260 million and \$840 million should be manageable, but will require capital market access.

Debt Maturities and Liquidity

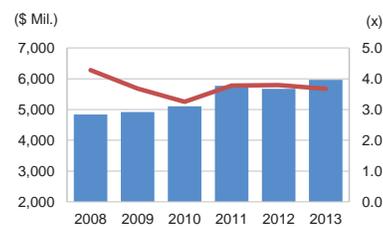
(\$ Mil., As of Dec. 31, 2013)

Debt Maturities	
2014	617
2015	260
2016	665
2017	425
2018	840
After 2018	3,093
Cash and Cash Equivalents	36
Undrawn Committed Facilities	1,000

Source: Company data, Fitch Ratings.

Total Debt and Leverage

■ Total Debt (LHS) ■ Debt/EBITDA (RHS)



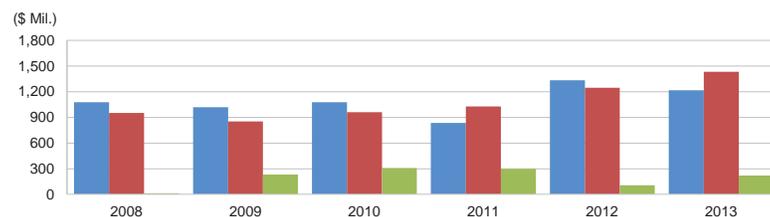
Source: Company data, Fitch Ratings.

Cash Flow Analysis

Forecast capex aggregates approximately \$5.7 billion over the three-year period 2014–2016, or about 3.0x depreciation. Forecast expenditures are more than 50% greater than capex over the prior three years. Fitch expects internal cash generation after dividends to provide 65%–75% of capex. The recent action by parent Exelon Corp. (EXC) to reduce its common stock dividend by 40%, or about \$700 million annually, is expected to have limited impact on ComEd. Affiliate Exelon Generation Co., LLC will be the primary beneficiary, with ComEd expected to upstream about 70% of earnings.

CFO and Cash Use

■ Cash Flow from Operations ■ Capex ■ Dividends/Net Share Repurchases



Source: Company data, Fitch Ratings.

Related Criteria

Rating U.S. Utilities, Power and Gas Companies (Sector Credit Factors) (March 2014)

Corporate Rating Methodology: Including Short-Term Ratings and Parent and Subsidiary Linkage (August 2013)

Recovery Ratings and Notching Criteria for Utilities (November 2013)

Peer and Sector Analysis

Peer Group

Issuer	Country
BBB+ PECO Energy Co.	U.S.
BBB Baltimore Gas and Electric Company PPL Electric Utilities Corporation	U.S. U.S.

Source: Fitch Ratings.

Issuer Rating History

Date	LT IDR (FC)	Outlook/Watch
Feb. 7, 2014	BBB	Stable
Feb. 8, 2013	BBB-	Positive
March 12, 2012	BBB-	Stable
April 28, 2011	BBB-	Stable
Jan. 24, 2011	BBB-	Stable
Jan. 25, 2010	BBB-	Stable
May 30, 2008	BB+	Stable
Aug. 29, 2007	BB+	Stable
Aug. 1, 2007	BB	RWP
March 9, 2007	BB	RWN
Nov. 17, 2006	BBB-	RWN
July 31, 2006	BBB-	Negative
Jan. 9, 2006	BBB+	Negative
Dec. 6, 2005	BBB+	Stable
Dec. 20, 2004	BBB+	Stable
May 2, 2001	BBB+	Stable
Oct. 20, 2000	BBB+	—
Dec. 17, 1999	BBB+	—
July 26, 1999	BBB	—
Jan. 8, 1997	BBB-	—

LT IDR – Long-term Issuer Default Rating.
 FC – Foreign currency.
 RWP – Rating Watch Positive.
 RWN – Rating Watch Negative.
 Source: Fitch Ratings.

Peer Group Analysis

	Commonwealth Edison Co.	PECO Energy Co.	Baltimore Gas and Electric Company	PPL Electric Utilities Corporation
LTM as of	12/31/13	12/31/13	12/31/13	9/30/13
Long-Term IDR	BBB	BBB+	BBB	BBB
Outlook	Stable	Stable	Positive	Stable

Financial Statistics (\$ Mil.)

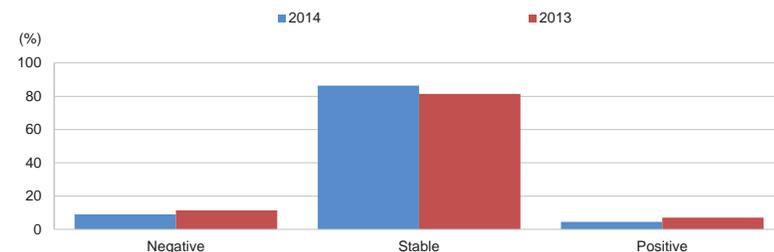
EBITDA	1,623	894	712	572
EBITDA Margin (%)	36	29	24	31
Total Adjusted Debt	6,003	2,289	2,105	2,315
Cash and Cash Equivalents	36	217	31	225
Funds Flow from Operations	1,236	714	681	516
Capex	(1,433)	(537)	(587)	(905)

Credit Metrics (x)

EBITDA/Gross Interest Coverage	2.8	7.4	6.1	5.4
Debt/FFO	4.9	3.2	3.1	4.5
Debt/EBITDA	3.7	2.6	3.0	4.1
FFO Interest Coverage	3.1	6.9	6.8	5.9
Capex/Depreciation (%)	214.2	235.5	208.9	523.1

IDR – Issuer Default Rating. YoY – Year over year.
 Source: Company data, Fitch Ratings.

Sector Outlook Distribution



Source: Company data, Fitch Ratings.

Key Rating Issues

Legislative Fix

In May 2013, the Illinois legislature enacted legislation that clarifies certain FRP provisions in a manner supportive of credit quality. Specifically, the new legislation, Public Act 98-0015 (formerly Senate Bill 9), requires the ICC to use a year-end rate base and capital structure in all rate proceedings, allows a return on ComEd's pension asset, and specified the use of the weighted average cost of capital to calculate interest on the annual reconciliation adjustment. In previous FRP decisions, the ICC relied on an average rate base and capital structure, excluded a return on the pension assets, and applied a short-term debt rate on the reconciliation adjustment, all of which effectively lowered the revenue requirement.

Recent Rate Decision

In December 2013, the ICC issued an order in ComEd's third FRP filing and the first to incorporate the clarifications incorporated in Public Act 98-0015. The increase in distribution rates approved by the ICC aggregated \$341 million, which equates to approximately 97% of ComEd's revised rate request. The increase included approximately \$160 million for the filing year and a \$181 million reconciliation adjustment to capture the shortfall in 2012 revenue based on actual costs. The formula-based ROE was 8.72%.

Load Trends

Weather-normalized electric load declined 0.02% in 2013, with similar results expected in 2014. The 2014 outlook includes a modest decline in sales to the higher margin residential and small commercial and industrial customers, and a modest increase in sales to lower margin large commercial and industrial customers.

Energy Infrastructure Modernization Act

Since 2011, ComEd's distribution rates have been established through a performance-based FRP as established by the EIMA. The legislation requires participating utilities to invest certain amounts in their distribution systems, with cost recovery provided through annual FRP filings. Instead of periodic rate filings, delivery service rates are reset annually based on the actual cost of service, subject to a prudence review by the ICC. The FRP dictates the allowed equity return and requires use of the actual rate base and capital structure. The legislatively set ROE is equal to the 12-month average of the 30-year Treasury bond yield during the test year plus a risk premium of 580 bps.

Although the FRP relies on a historical test year, defined as data in the most recently filed FERC Form 1, there are two adjustments that limit regulatory lag. The annual rate filings include post-test year net plant additions for the ensuing 12-month period and an annual reconciliation (with interest) of the previously allowed revenue requirement based on actual costs during the prior rate year. The FRP also sets protocols for several items that have been contentious in past rate cases, including the treatment of incentive compensation, pension and other post-employment benefits, severance costs, and the investment return on ComEd's pension asset.

If the earned ROE is more than 50 bps above/below the authorized ROE, the companies are required to refund/collect any amounts outside of the dead band. The FRP will be terminated if the average annual rate increase for the years 2012–2014 exceeds 2.5%. Otherwise, the FRP will terminate Dec. 31, 2017, unless extended by the legislature.

Like-Kind Exchange

ComEd's exposure to the IRS's disallowance of the tax benefits associated with a like-kind exchange is not likely to be resolved for several years and was not factored into the current rating. ComEd's potential tax and after-tax interest that could become payable, excluding penalties, is \$305 million as of Dec. 31, 2013, after EXC's agreement to hold ComEd harmless for any incremental interest amounts. ComEd recognized an after-tax noncash charge of \$170 million in first-quarter 2013 that represents the incremental interest and state income taxes for periods through March 31, 2013, which would be payable in the event of an unfavorable court decision.

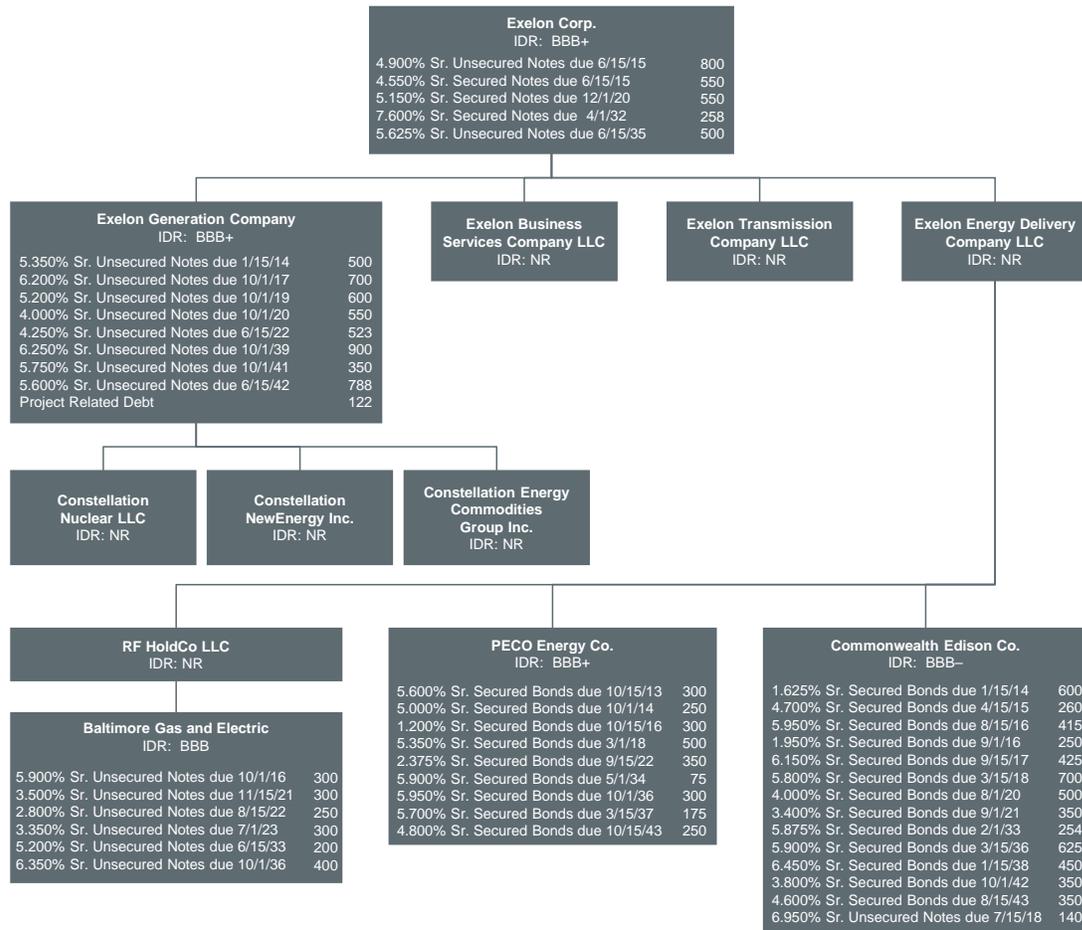
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The potential tax liability results from a position ComEd took on its 1999 tax return to defer a taxable gain of approximately \$1.6 billion on the sale of its fossil fuel-generating assets. The proceeds were invested in three municipal-owned generating facilities, which were leased back to the municipalities. The IRS challenged the position and management has been unable to reach a settlement with the IRS. The IRS asserted the transaction is substantially similar to a sale-in lease-out transaction, which it does not respect as an ownership interest in property, and does not qualify for the like-kind exchange.

Merger of Exelon Corp. and Pepco Holdings, Inc.

ComEd's ratings are unaffected by the proposed merger of its corporate parent EXC and Pepco Holdings, Inc. (PHI). EXC entered into a definitive agreement to acquire PHI for \$6.9 billion in cash on April 30, 2014. The funding plan and assumed debt will increase EXC consolidated leverage, but should not affect ComEd. EXC expects to close the merger in the second or third quarter of 2015.

Organizational Structure — Exelon Corp.
 (\$ Mil., As of Dec. 30, 2013)



IDR – Issuer Default Rating. NR – Not rated. Note: Fitch analysis excludes nonrecourse and securitization debt.
 Source: Company filings, Bloomberg, Fitch Ratings.

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Definitions

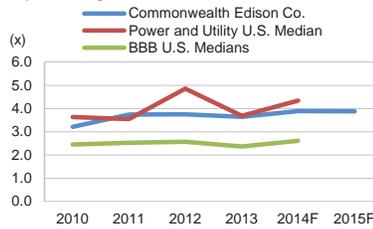
- Leverage: Gross debt plus lease adjustment minus equity credit for hybrid instruments plus preferred stock divided by FFO plus gross interest paid plus preferred dividends plus rental expense.
- Interest Cover: FFO plus gross interest paid plus preferred dividends divided by gross interest paid plus preferred dividends.
- FCF/Revenue: FCF after dividends divided by revenue.
- FFO/Debt: FFO divided by gross debt plus lease adjustment minus equity credit for hybrid instruments plus preferred stock.

Fitch's expectations are based on the agency's internally produced, conservative rating case forecasts. They do not represent the forecasts of rated issuers individually or in aggregate. Key Fitch forecasts assumptions include:

- Retail sales growth of less than 1% annually.
- Annual rate increases through FRP proceedings.
- No resolution of like-kind exchange issue in forecast period.
- Dividend payout ratio of no more than 70%.

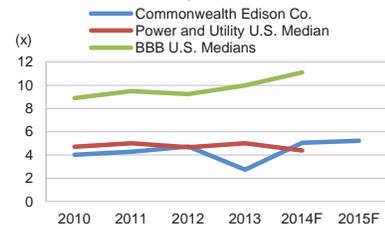
Key Metrics

Leverage: Total Adjusted Debt/ Operating EBITDAR



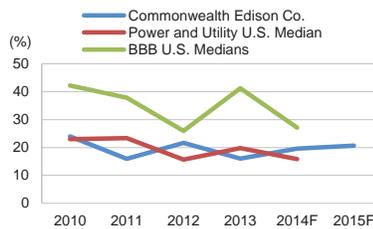
F – Forecast.
 Source: Company data, Fitch Ratings.

Interest Coverage: Operating EBITDA/ Gross Interest Expense



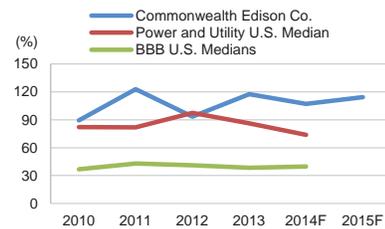
F – Forecast.
 Source: Company data, Fitch Ratings.

FFO/Debt



F – Forecast.
 Source: Company data, Fitch Ratings.

Capex/CFO



F – Forecast.
 Source: Company data, Fitch Ratings.

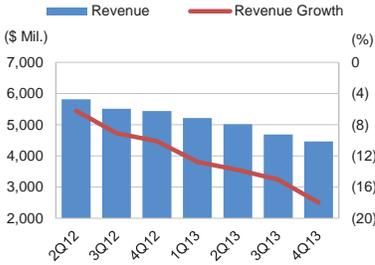
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Company Profile

ComEd, a wholly owned subsidiary of EXC, is a regulated electric distribution and transmission utility serving approximately 3.8 million customers in northern Illinois, including the city of Chicago. The company supplies electricity to customers as the provider of last resort (POLR), but bears no commodity price risk. POLR supply costs are recovered from customers and adjusted monthly.

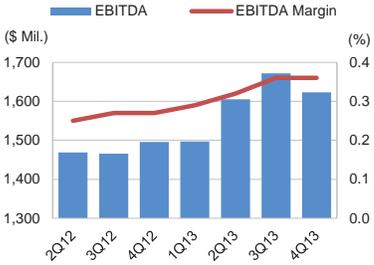
Business Trends

Revenue Dynamics



Source: Company data, Fitch Ratings.

EBITDA Dynamics



Source: Company data, Fitch Ratings.

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Financial Summary — Commonwealth Edison Co.

(\$ Mil., Fiscal Years Ended Dec. 31)	2010	2011	2012	2013
Fundamental Ratios (x)				
Operating EBITDAR/(Gross Interest Expense + Rents)	3.9	4.2	4.6	2.7
FFO Fixed-Charge Coverage	4.0	3.5	4.8	3.1
Total Adjusted Debt/Operating EBITDAR	3.3	3.8	3.8	3.7
FFO/Total Adjusted Debt (%)	31.4	22.0	27.1	30.6
FFO Adjusted Leverage	3.2	4.6	3.7	3.3
Common Dividend Payout (%)	92.0	72.1	27.7	41.5
Internal Cash/Capex (%)	79.7	52.1	98.6	89.3
Capex/Depreciation (%)	186.4	189.7	204.3	214.2
ROE (%)	4.9	6.0	5.3	7.1
Profitability				
Revenues	6,204	6,056	5,443	4,464
Revenue Growth (%)	7.4	(2.4)	(10.1)	(18.0)
Net Revenues	2,897	3,021	3,136	3,290
Operating and Maintenance Expense	1,069	1,201	1,345	1,368
Operating EBITDA	1,572	1,524	1,496	1,623
Operating EBITDAR	1,591	1,542	1,514	1,638
Depreciation and Amortization Expense	516	542	610	669
Operating EBIT	1,056	982	886	954
Gross Interest Expense	391	349	310	583
Net Income for Common	337	416	379	530
Operating and Maintenance Expense % of Net Revenues	36.9	39.8	42.9	41.6
Operating EBIT % of Net Revenues	36.5	32.5	28.3	29.0
Cash Flow				
Cash Flow from Operations	1,077	836	1,334	1,499
Change in Working Capital	(147)	(86)	103	263
Funds from Operations	1,224	922	1,231	1,236
Dividends	(310)	(300)	(105)	(220)
Capex	(962)	(1,028)	(1,246)	(1,433)
FCF	(195)	(492)	(17)	(154)
Net Other Investment Cash Flow	23	15	6	39
Net Change in Debt	132	662	(100)	282
Net Equity Proceeds	2	—	—	—
Capital Structure				
Short-Term Debt	—	—	—	184
Total Long-Term Debt	5,104	5,768	5,670	5,778
Total Debt with Equity Credit	5,104	5,768	5,670	5,962
Total Adjusted Debt with Equity Credit	5,205	5,865	5,753	6,003
Total Hybrid Equity and Minority Interest	103	103	103	103
Total Common Shareholder's Equity	6,910	7,037	7,323	7,528
Total Capital	12,117	12,908	13,096	13,593
Total Debt/Total Capital (%)	42.1	44.7	43.3	43.9
Total Hybrid Equity and Minority Interest/Total Capital (%)	0.85	0.80	0.79	0.76
Common Equity/Total Capital (%)	57.0	54.5	55.9	55.4

Source: Company reports, Fitch Ratings.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

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Fitch Rates Commonwealth Edison's First Mortgage Bonds 'A-' [Ratings](#) [Endorsement Policy](#)

03 Nov 2014 4:44 PM (EST)

Fitch Ratings-New York-03 November 2014: Fitch Ratings assigned an 'A-' rating to Commonwealth Edison Co.'s (Comed) proposed new \$250 million issue of first mortgage bonds series 117 due 2024. The Rating Outlook is Stable. Proceeds will be used to repay a portion of outstanding commercial paper and for general corporate purposes. As of Oct. 30, 2014, outstanding commercial paper was \$477 million.

KEY RATING DRIVERS

Strong Credit Metrics: Higher rates effective Jan. 1, 2014 and a formula rate plan (FRP) that allows for annual rate adjustments each January should allow Commonwealth Edison Co. (Comed) to sustain its currently sound financial position over the next few years. Fitch estimates Debt/EBITDAR and FFO leverage will average about 3.7x and 4.0x, respectively and FFO fixed charge coverage 4.60x over the next several years, which is consistent with the current rating level.

Regulatory Predictability: The FRP implemented in October 2011 provides increased regulatory predictability in Illinois. Instead of periodic rate filings delivery rates service rates are set annually and based on the actual cost of service. Although the FRP relies on an historical test year, it does include post-test year net plant additions and a true-up of the previously allowed revenue requirement and actual costs in the rate year.

Importantly, the FRP established the data provided in the company's most recently filed FERC Form 1, including the capital structure, as the appropriate cost of service, sets protocols for several items that were had been contentious in past rate cases and relies on a legislatively set return on equity minimizing disputes. FRP was enacted into law by the Illinois Energy Infrastructure Modernization Act (EIMA).

Pending Rate Decision: A \$269 million FRP filing is pending which should bolster 2015 earnings and cash flow. A decision expected in December 2014 and new rates will take effect Jan. 1, 2015. The FRP filing is based on a 9.20% ROE reflecting the average rate on the 30-year treasury notes plus 580 basis points (bp) less a performance metrics penalty of 5 bp. The Administrative Law Judge is recommending a \$239 million rate increase. Previously, Comed implemented a \$341 million increase in distribution rates effective Jan. 1, 2014.

Limited Commodity Price Exposure: Ratings and credit quality benefit from the absence of commodity price exposure, which limits cash flow volatility and reduces business risk. Comed's energy supply costs are recovered from customers through a monthly fuel adjustment mechanism. The company has no volumetric or price risk on energy supply costs.

Rising Capex: Capital expenditures are forecasted to rise to approximately \$5.7 billion over the three-year period 2014 - 2016, compared to \$3.7 billion in the prior three-year period. The higher outlays are primarily driven by the EIMA, which requires Comed to invest an incremental \$1.3 billion on electric system upgrades over five years and an additional \$1.3 billion for smart grid deployment over 10 years. The legislation provides for recovery through the FRP filings. The higher capex also reflects an increase in transmission expenditures, which are subject to credit supportive Federal Energy Regulatory Commission (FERC) regulatory policies.

Like-Kind-Exchange: Comed's exposure to the IRS's disallowance of the tax benefits associated with a like-kind-exchange is a credit concern, however the issue is not likely to be resolved for several. As of Sept. 30, 2014, Comed's potential tax and interest that could become payable, excluding penalties, is \$310 million.

RATING SENSITIVITIES

Positive: Continuation of constructive outcomes in FRP filings that drive debt/EBITDAR below 3.65x and FFO fixed charge coverage above 4.65x on a sustainable basis could lead to higher ratings.

Negative: Lack of rate support for infrastructure investments or changes in the commodity cost recovery provisions could lead to lower ratings.

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Additional information is available at 'www.fitchratings.com'.

Applicable Criteria and Related Research:

--'Corporate Rating Methodology - Including Short-term Ratings and Parent and Subsidiary Linkage' (May 28, 2014;

--'Recovery Ratings and Notching Criteria for Utilities' (Nov. 19, 2013);
--'Rating U.S. Utilities, Power and Gas Companies (Sector Credit Factors)' (March 11, 2014).

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Applicable Criteria and Related Research:

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Rating Action: Moody's upgrades Exelon's T&D utilities; rating outlooks stable

Global Credit Research - 30 Jan 2014

Approximately \$9 Billion of Debt Affected

New York, January 30, 2014 – Moody's Investors Service today upgraded the senior unsecured ratings of Baltimore Gas & Electric Company (BGE) to A3 from Baa1, Commonwealth Edison Company (CWE) to Baa1 from Baa2, and PECO Energy Company (PECO) to A2 from A3. Moody's also upgraded the short-term rating at PECO to Prime 1 from Prime 2. This rating action completes our review of BGE, CWE and PECO initiated on November 8, 2013. The outlooks for BGE, CWE and PECO are stable.

"Exelon's three electric transmission and distribution utilities are financially secure and operate under supportive regulatory environments in Maryland, Illinois and Pennsylvania. All three jurisdictions provide a good suite of timely cost recovery mechanisms," said Jim Hempstead, Associate Managing Director.

RATINGS RATIONALE

The primary driver of today's rating action was Moody's more favorable view of the relative credit supportiveness of the US regulatory environment, as detailed in our September 2013 Request for Comment titled "Proposed Refinements to the Regulated Utilities Rating Methodology and our Evolving View of US Utility Regulation."

The rating upgrades for BGE and CWE reflect the improved regulatory frameworks in Maryland and Illinois, where formulaic or forward looking recovery mechanisms, rate riders or other single-issue special purpose trackers exist. The upgrade for PECO reflects the continued supportive regulatory framework in Pennsylvania. All three utilities benefit from a reasonably transparent regulatory framework.

"Evidence of supportive regulatory decisions can be found in recent rate orders in Maryland and Illinois," added Hempstead "states where the utilities were often a party in more contentious proceedings."

In Maryland, BGE's upgrade reflects the existence of a more constructive political and regulatory environment. The merger conditions, which included a 3-year share-holder dividend holiday, also help lay the foundation to a more constructive relationship. Over the next 3-5 years, BGE's ratio of cash flow to debt is expected to remain in the high-teen's range. Next year, in 2015, shareholder dividends will recommence with a 70% payout range.

In December, BGE received a rate increase of about \$46 million with an authorized return on equity of 9.6% for the gas distribution business and an authorized return on equity of 9.75% for the electric business. BGE also received a small infrastructure tracker.

In Illinois, Commonwealth Edison's upgrade reflects a more constructive political and regulatory environment, which will provide greater predictability. Recent legislations, Energy Infrastructure and Modernization Act (EIMA) and Senate Bill 9, established a framework to adopt more formulaic cost recovery mechanisms. In the formula's first material regulatory proceeding, CWE was authorized a revenue increase of \$341 million, as compared to the \$353 million request. The small difference appears to indicate that the utility and commission have a shared understanding of how utilities should apply for cost recovery for these types of distribution investments, a credit positive.

In fact, CWE's suite of recovery mechanisms, taken as a whole, actually look better than both BGE and PECO. The rating is one-notch lower than BGE and two-notches lower than PECO because the regulatory lag in Illinois had been running almost twice as long as that of Maryland and Pennsylvania. Nonetheless, allowed returns are on par with the broader peer groups of T&D utilities as well as with vertically integrated electrics that do not operate in states that legislatively enacted the unbundling of the traditional electric utility framework.

In Pennsylvania, PECO operates with a good suite of recovery mechanisms and riders. These include recovery for fuel and purchased power, and investments for generation, environmental and natural gas T&D infrastructure, among others. PECO is not expected to file for a revenue increase for a few years.

RATING OUTLOOK

The rating outlook for all three utilities is stable. BGE, CWE and PECO own and operate critical infrastructure around the greater Baltimore, Chicago and Philadelphia metro-regions, respectively. In all three states, Moody's expects regulators and politicians to provide a reasonably supportive and constructive framework for the utilities to pursue, submit and ultimately receive authorization to recover the vast majority of their prudently incurred costs and investments. The financial profile for the three T&D utilities is strong, and cash flows (combined for all three utilities) should grow to roughly \$2.8 – \$3.0 billion over the next 3 years. Assuming the three utilities can keep their total debt outstanding near \$15 billion, the ratio of CFO to debt should remain in the high-teen's range over the next five years.

WHAT COULD CHANGE RATING – UP

All three utilities could be upgraded as the new formulaic rate setting framework and other positive legislative intervention (such as the Illinois EIMA law) starts to build a track record. It will take a few years to fully understand the credit impacts associated with new trackers and recovery mechanisms as they experience different economic and financial cycles. For now, we incorporate a view that the regulatory environment will remain supportive for at least the next 2 – 3 years, and that the suite of recovery mechanisms will not be materially diminished.

WHAT COULD CHANGE RATING – DOWN

All three utilities could be downgraded if the ratio of cash flow to debt fell below the 15% threshold for a sustained period of time, especially if the decline was in cash flow and associated with an unexpected regulatory or political intervention. Mis-managing liquidity or an unbalanced shareholder rewards policy, where the dividend payout ratio was near 100%, could also create negative rating pressure. At this point, the biggest credit rating exposure appears to reside in the three utility's relationship with their unregulated affiliate, Exelon Generation.

The principal methodology used in this rating was Regulated Electric and Gas Utilities published in December 2013. Please see the Credit Policy page on www.moody.com for a copy of this methodology.

LIST OF RATING CHANGES

Ratings Upgraded

Commonwealth Edison Company

Long-term Issuer Rating -- Baa1 from Baa2

Senior Secured Rating -- A2 from A3

Senior Unsecured Rating -- Baa1 from Baa2

Senior Unsecured Shelf Rating -- (P)Baa1 from (P)Baa2

Preferred Shelf Rating -- (P)Baa3 from (P)Ba1

Outlook -- Stable

Baltimore Gas & Electric

Long-term Issuer Rating -- A3 from Baa1

Senior Unsecured Rating -- A3 from Baa1

Senior Secured Shelf Rating -- (P)A1 from (P)A2

Senior Unsecured Shelf Rating -- (P)A3 from (P)Baa1

Preferred Shelf Rating -- (P)Baa2 from (P)Baa3

Outlook -- Stable

PECO Energy Company

Long-term Issuer Rating -- A2 from A3

Senior Secured Rating -- Aa3 from A1

Senior Unsecured Rating -- A2 from A3
Preferred Stock Rating -- Baa1 from Baa2
Senior Secured Shelf Rating -- (P)Aa3 from (P)A1
Subordinated Shelf Rating -- (P)A3 from (P)Baa1
Preferred Shelf Rating -- (P)Baa1 from (P)Baa2
Commercial Paper Rating -- Prime 1 from Prime 2
Outlook -- Stable

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)*GÄ5FÄ2k*7@!><72-8\$* #78Ä\$G*ÄÄ9H!5F>7@, [ÄYF99Ä->Ä79!-90Ä; #78Ä99Ä2Ä9&72
(7;F2)7@7K22)7#7<*,! >)**##2Ä99<9 F\$Ä799\$Ä52Ä5-9ABÄ*#7Ä(<\$Ä79*2)7@> (<73)G9
ÄB F2)7@7ÄBÄ; 9Ä2Ä99Ä> Ä79#^ ,! >)**##2Ä99<9 F\$Ä799\$Ä52Ä5-9ABÄ*#78Ä99Ä9##<\$Ä79*2)7@>
;#>(<73)2Ä99999; #75#2-9Ä2Ä99)*\$Ä-#>!<\$F72Z| 9#2<3H!6-999#1<\$Ä79!#2)7@#> (<73)2Ä9
9#99*1#75#)2-Ä2Ä99\$Ä5ÄK#8Ä9Ä!|0 +,|! \$-7@Ä& 2Ä7#9?)7@9Ä9ÄÄ79Ä!(<\$Ä79-72)5
5FG)2-Ä6!; #F2)Ä6F*9H9;&199)5F<7;Ä#>(<\$B><Ä*3-H IG)**##ÄYF9958Ä Ä2k5<1; \$Ä2)95)9Ä&
<729Ä! #78Ä\$G*ÄÄ99?#F*2#78Ä9!922)7#7<*ÄYF997<G#93Ä<5H

Q7!<(\$0#><G<58ABÄ*79; #75#)2-Ä27<7;<*)Ä9;5! 7!<5# Ä-9Ä715#>Ä ?<9;1999Ä\$9##
;#75#)2-Ä2!<5?!# 9#2Ä999Ä; 9Ä29#Ä><7)79Ä!# !, |! \$-7@Ä8Ä9Ä7ÄB!<Ä3Ä-5H!R9; #>(<\$5
9)9Ä! +! \$-9##\$F@?#H IR?ÄP)@?Ä#7;Ä7\$-9#75#Ä@FÄ2#(Ä9-9#75)*(5#8)2Ä5#>Ä; F5?#7
Ä; \$Ä29!>Ä9!9996?#25!<#<9Ä7!\$97@GÄ <F5Ä#<19Ä)7?Ä6759G)9#Ä@FÄ2 <5?!# 5H

I' RÄN!QaRUQc:

R?Ä59-G*Ä97@F9##1#ÄBÄ#7! #752Ä59Ä59-G)9972!(Ä2) 9-G93#-95<9@!ROTF993G57Ä55Ä5&!99
\$Ä2FÄ25?<\$Ä?#2Ä9982Ä72F9# 5&<2ÄYFÄ9)YF)2)99#Äk72! #75ÄB-9Ä3Ä8ÄÄ2F7\$@FÄ29
@Ä7Ä9#7GF57Ä5H

R?Ä59-G*Ä97@F9##1#ÄBÄ7! #752Ä59Ä59ÄGÄ7Ä99#; \$Ä2)9F<39#>12ÄÄ97@9\$ 9!; (<19*
)78Ä9>Ä79!<72#>!9Ä!(<\$Ä79)2Ä; 5#7#9\$Ä2FÄ9Ä! #>>#72)82Ä7253,|H IR?Ä59-G*Ä97@F9##%
< 9\$5!)7#F\$GÄ*)9>9ABNÄ7)959#7@!9#5)9#7Ä2k5<1; 20K<<1;#>(<73)2F97@Ä; F\$Ä792# 7!;3;*Ä9<9
<*#17; #9\$<9Ä55#>Ä2Ä@9#<1#>7;7@ABG)99 ?; ?!5?#F*2Ä*(#; 7)99Ä7; \$Ä>Ä79*G 97(\$5(Ä 95-5
9Ä3!<5ÄH

R?Ä59-G*Ä97@F9##1#ÄKNA&CP AI<72LACQ!\$Ä; 5!9Ä! 99 <F9)9)7\$-59; 9\$Ä9Ä3#(Ä\$-Ä<\$F72
9Ä!@<\$-Ä\$<?>#9ÄC?);<@#72L?)*<2Ä*(?)<Ä\$#9Ä@)7865(Ä 99Ä3H!67199ÄÄ599Ä&!##235!ÄBÄ; 5
\$Ä@F#9#<72#)9<799#(\$82Äk1\$Ä<#7<G15F((#99Ä<72! #759; 99Ä\$>Ä #9!#99ÄF9)Ä59#(F\$FÄ8
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F9)Ä55#F*20\$ 9#9#F@?#3H 1^+H G)**##8Ä99Ä7ÄB+3Ä-5H! 55F>7@Ä99ÄÄF9)Ä5 <7?ÄÄ(9Ä)\$
99<2ÄG9F99-72)7@Ä<B.!! G)**##8Ä99Ä7ÄB+3Ä-5H! 55F>7@Ä99ÄÄF9)Ä5 <7?ÄÄ(9Ä)\$
<9Ä3!<5ÄH

R?Ä59-G*Ä97@F9##1#ÄLS6<72)9!5FG52)<Ä5< 9\$79ÄGÄ7Ä9#9ÄÄ @Ä\$5GÄ)7@<99#<1#<@Ä
>*)7; *F2)7@Ä!)Ä\$Ä2F;9#7#7Ä@)9Ä\$ÄÄ!<5?!# !< #55!9Ä! #>(<)Ä5H

P S' RCQaUTICS' ÄNÄ! RÄN!0GÄL

ABÄ*7Ä9-97@5#F*2GÄF(@\$Ä2! 9)!< #797FÄ29?>97)G57Ä55!> 9!9# <25!9Ä!\$@FÄ29ROT!F9)Ä5-72
< <3#>!9ÄF7\$@FÄ29 Ä?<79# Ä\$<7299)*GF57Ä5Ä5!R#9ÄÄBÄ799<99# 9!)7)9#Ä5!; #797FÄ#
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(\$2FÄ25F58)7Ä29-9#<#<5?!# 9#2Ä9999Ä! 209#!?)@9Ä7Ä9-7@Ä999!78Ä&!ÄB#74!>#Ä\$599
F7\$@FÄ29GF57Ä5Ä5!)*\$Ä6F#Ä799>)9@Ä2! 9!)9!59#7@7<7;)<(\$#>*ÄH

67!)*999Ä!>599Ä;Ä79Ä@)9ÄB-97@; 9#717HÄG5-\$! +! 9<9# Ä\$2ÄBÄ78!#7@9\$!\$-97@9!K<<-
<#7@9!< #797F)7@Ä@)9ÄB-97@F9##1#9ÄF7\$@FÄ2!# Ä5Ä; 9#9999F7*)#9#9ABNÄ79!\$-97@5#
F(@\$Ä2!#8Ä99Ä7ÄB5Ä8Ä\$*8Ä<5H

LS6)**!Ä\$ÄÄF(<25\$-97@Ä5F9#7; ÄBÄ@F#99<((#8<5#99Ä! Ä@Ä\$ÄÄ?Ä2k729Ä\$)5
F99Ä\$*<9#79Ä! #>(<73!(\$!#<2)82Ä72#);3HP ?)Ä9ÄLS6\$-97@#F*2GÄ7Ä9#>1>Ä99\$
#>)*Ä79\$-97@)@<2Ä5-99ÄF9)9#Ä8<5-ÄF7*)#9#97# !@)79Ä5bÄ<CÄ(19*5(Ä72)7@9#<9!
Ä<;?#9Ä5FG52)<Ä5H

d#9ÄKNA&CP AI<72LACQ8\$-97@5#F*2GÄF(@\$Ä2k599Ä7Ä! #F<#<1\$-9Ä5997@>Ä #9#k7299Ä\$
(#5)9Ä!Ä@999)798Ä79#7!B; ?!<59ÄB*)7#16G! !< 559999#CF2!<9\$ %\$Ä#2H!69!99Ä!<Ä!3Ä<5
9#F*F72Ä59-729Ä!\$Ä2)9 (< 5!<55#; <9Ä2! 9)7Ä! 1\$; 9Ä\$!<72Ä; #8Ä\$!>Ä; ?<7) 5!<599Ä3ÄBÄ9Ä7Ä
2)>Ä7Ä; #7#);!<727<7;)<*)#*Ä5H#37# & Ä!7;#9\$#9<18Ä! 99-99ÄBÄ@F#9Ä78#7>Ä79)*\$Ä<9
5F((#99Ä#<9Ä<99Ä7ÄB! 1+13Ä-58<729<99Ä5F)Ä#9Ä; #8Ä\$!>Ä; ?<75>5!)7#9GÄ<99<#*3
2)>7)9Ä2H

P S' RlCQaUTICS' ANAI! RAN!00TQP A

ABÄ*#74\$-97@#F*2GÄ2# 7@2Ä2!# Ä<#Ä\$9<7ÄBÄ; 9Ä2H<7;)<1Ä\$#<7;Ä5F\$; Ä2#3<15F59-7Ä2
(Ä\$2!#-!9Ä&.)Ä7Ä\$-5!<1\$Ä5F9!#!=157Ä5F59-7Ä2!#(1)7#(Ä\$-97@!<1@)75; \$55!9ÄF7\$@FÄ2# Ä\$
5Ä \$#3#<15FG\$-79<#F9@ÄBÄ8Ä\$*#-19!; #> (<734!@Ä7Ä\$7@55Ä9H!0722)778#5!b<G*ÄÄ@)8Ä\$ÄÄ
; <5?# 5! Ä\$!<7;Ä2! 9!> <Ä\$-17; \$Ä->Ä7*72ÄGÄ27Ä5#3!<#Ä! #79Ä7#F\$9@F#9Ä78\$7>Ä79
)7B*)7#Ä <\$<72#3LÄ775\$8<7> <1 Ä9!9#> <Ä\$<*)Ä&8-97@5#F*2GÄ6Ä5F\$Ä2!d\$> !<H7<7; <1Ä\$5(Ä; 98Ä&
ABÄ*#74\$-97@5#F*2GÄ2# 7@2Ä2!#; <5?# 19#2Ä9!<ÄGÄ# !-; [!=#<15F59-7Ä2!(Ä\$2!#-!9Ä&.)#9
\$Ä9)7Ä2!<5?# 19#2ÄGÄ\$*#.-[H

ABNÄ78!\$-97@55\$#7@0#5)9#7Ä2!79Ä! 20K<<5-97@!<Ä@#5-72!5!7Ä2@)78!9@Ä7?<7Ä59Ä
\$Ä*)<G#10#5!7Ä<0Ä\$!: <5?# H#RÄ5-97@2# Ä8Ä\$; #F*2GÄ2# 7@2Ä2!# Ä<#Ä\$9<7ÄBÄ; 9Ä2H<7;)<#*
(Ä\$#> <7;Ä5F\$; Ä2Ä)9Ä\$-5!<1\$Ä5F*9#<#F\$Ä5F59-7Ä2!#(1)7#(Ä\$-97@!<1@)75<; #55!9ÄBÄ 9#3#3<
5FG\$-79<#F9@ÄBÄ8Ä\$*#-9Ä! #> (<734!@Ä7Ä\$7@55Ä5!\$ÄF*7@77Ä@)8Ä\$ÄÄ! <5?# 1GÄ)7@
=>7<7;Ä2! 9!> <Ä\$-17; \$Ä->Ä7*72ÄGÄ27Ä5#H (Ä;)# <#*ÄBNÄ78!\$-97@5#F*2GÄ2# 7@2Ä2!# <5?#
9#2Ä9Ä*)7Ä2!9Ä!# 19 Ä79Ä5(Ä\$ Ä79@Ä8Ä9)7Ä2!<5?# 19#2Ä9!<ÄGÄ# !\| &!<5?# 1!79Ä59
; #8Ä\$<Ä!<5!GÄ*#\H!<72> <9\$<7Ä@)8Ä\$ÄÄ! <5?# 15F\$; Ä2#7!<15F59-7Ä2!<5H

LS65\$-97@#F*2GÄ2# 7@2Ä2!#9Ä! #> (<73Ä7.#F78!<28Ä\$Ä\$@F#9#3(#*)9<*2Ä8Ä*#>Ä795<995
F9)95FG52<Ä5#3#7<7;Ä5)5!7Ä<0Ä\$!: <()9*ÄBÄ729F\$!(#<@!\$)7!<77Ä59<9> (<)5!9!<G)39#
><79)7# !K<<#Ä9; 5!#8Ä\$<15F59-7Ä2!Ä\$#2#-!9)ÄH

RÄB\$-97@#HÄ; (#TLU<72! CAI; #F*2GÄ# Ä\$Ä2H9Ä\$! Ä\$Ä<2Ä8\$#9#7!79Ä\$@F#9Ä79\$7>Ä78
?);?> @?# *F2Ä@<#Ä\$@F#9#3<#F\$Ä\$)79!<G#F\$Ä #8Ä\$!#-78Ä59>Ä79&.!<9Ä\$; #> (\$55#7!7
\$-9Ä5#3)9Ä\$! Ä\$Ä<2# 7 <9\$Ä85#7!7#F\$ÄBÄ; 9-9#7#-!9F\$Ä=>7<7;)<#Ä9; 5!\$Ä<9Ä9#F\$ F\$Ä79
8Ä H

d#9KNA8CP AI<72LACQ8\$-97@5#F*2GÄ2# 7@2Ä2!#9Ä\$-9#=#!<5?# 19#2Ä9!<ÄGÄ# 19Ä.\|
9\$5?#*2#3<15F59-7Ä2!Ä\$#2#-19)Ä&.)Ä)<*)F!9Ä2Ä 7Ä! <5!7!; <5?# 1<72!<55#;)92! 9?<7
F7ÄBÄ; 9Ä2!@F#9#3(#*)9<*79Ä\$Ä7#7H)5> <7<@)7@F)239#3<7F7G<#<Ä25?<Ä?#*2Ä\$Ä <25
(#);3& ?Ä\$9Ä2)8Ä72!<3#F9#9#! <57Ä<\$.[& !; #F*2Ä5#! \$Ä<8Ä7Ä@)8Ä\$-97@Ä\$Ä5F\$ÄH 9!9B! (#79&
9AG)@)9Ä\$2!\$-97@B#5F\$Ä<(Ä<5!9#Ä52Ä)79Ä9\$ÄF9)95!\$Ä<#75?!(! 9!9Ä)F7\$@FÄ2#<#>Ä&
ABÄ*#74Ä7Ä\$9#7H

LB RlQd!! RAN! dd61 ' RQÄ:

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U#7@0\$!65FÄ\$ <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2! <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2K<7%CSÄ2!<#<#>)*9! <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2! ?Ä!# <97@0D EK<<-
: FG#3>Ä! ?Ä!# <97@0D EK<<+
L\$Ä=H!;9#H <97@0D EK<.
C#> >Ä\$ <#L<(Ä\$! <97@0L9>Ä!
QF9##%00: 9:G*Ä
ABÄ*#71Ä7Ä\$9#7C#> (<73
U#7@0\$!65FÄ\$ <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2! <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2K<7%CSÄ2!<#<#>)*9! <97@0K<<-
: Ä7)#\$ 75Ä;F\$Ä2! ?Ä!# <97@0D EK<<-

L\$Ä=H!:9#Ä <97@00D.EK<
C#> >Ä\$)<L<(Ä\$! <97@00L\$>Ä!
QF9##%00: 9:G*Ä
C#> #7 Ä<*9A2)3#7C#> (<73
U#7@00\$!65FÄ\$ <97@00K<<.
d)591 #\$\$@<@Ä#725I <97@00' -
<Ä7)##\$ 75Ä;F\$Ä2I <97@00K<<.
<Ä7)##\$ 75Ä;F\$Ä2K<7%CSÄ2)Ä!<;)*)9I <97@00K<<.
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KNA!C<(94R.559!66
L\$ÄÄ\$Ä2! 9: %00K<<.
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L#9#< !AÄ;9);IL# Ä\$C#>(<73
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TÄ*>\$(L# Ä\$OU@!9#>(<73
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: Ä7)#\$ Ä;F\$Ä2! ?Ä!#<97@0DE -
: Ä7)#\$ 75Ä;F\$Ä2I <97@0K<<.
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: Ä7)#\$ Ä;F\$Ä2I <97@0' +
L\$Ä=H!;9#H <97@0K<
C#>Ä\$)<L<(Ä\$! <97@0L\$>Ä!
QF9##%00: 9:G*Ä
R:Ä(\$);(<!*> Ä9#2#*#(5Ä2)79Ä\$Ä\$-97@5 <5a7\$Ä@FÄ2a9*)Ä5<72L# Ä\$C#>(<7)Ä5(FG*)8Ä2)7
' F@F5;.! <72I Ä@FÄ2AÄ;9);!<72N<5a9*)Ä\$FG*)8Ä2)7IT Ä;Ä>GÄ\$. +HIL*Ä<Ä5ÄÄ@AC\$Ä2)Ä#*)3
(<@Ä7! H >##235H#> !#<\$K!; # 3!#>199!> A9#2#*#@B
IA NaU RQI" IT6 CUQ: aIA :
d#\$\$-97@55FÄ2#7K!(\$@-\$ 85\$Ä\$5#3; <Ä@8\$ *55#>2Ä9&!9!<77#F7Ä>Ä79\$#82Ä3; Ä9-7\$Ä@F#9
2)5 *#5\$Ä5)7\$Ä*->79#Ä<?!\$-97@#<15FGÄYFA7955FÄ2G#72#37#9#H9Ä5<->Ä5Ä\$Ä5#3; <Ä@8\$ *55
#>1Ä9)H(F5F<79!9#!(\$@> !=# ?); ?!9Ä\$-97@!<Ä2Ä\$8Ä2ÄB F58Ä*3\$#>!ÄB697@#97@57!<: #52<7;Ä
)9!1 ##235!\$-97@5<; 9; Ä5H#\$\$-97@55FÄ2#7K!5F((#99 \$82Ä\$8!99<77#F7Ä>Ä79 \$82Ä3; Ä9-7
\$Ä@F#92)5 #5FÄ5)7\$Ä*->79#Ä<?!\$-97@#<15FGÄYFA7955FÄ2G#72#37#9#H9Ä5<->Ä5Ä\$Ä5#3; <Ä@8\$ *55
< 9#7!=#5Ä; F99)5)9?9!298Ä9ÄÄ; \$Ä29!\$97@!=\$!9Ä5F((#99 \$82Ä\$8!; \$Ä2)9-97@H\$3(\$85#7<-\$-97@5
9)5<77#F7Ä>Ä79 \$82Ä3; Ä9-7\$Ä@F#92)5 #5FÄ5)7\$Ä*->79#Ä<?!\$-97@#<15FGÄYFA7955FÄ2G#72#37#9#H9Ä5<->Ä5Ä\$Ä5#3; <Ä@8\$ *55
\$Ä<#79#<2Ä\$7)8ÄB-97@9<9 <3GA#55@7Ä2FGÄYFA7955FÄ2G#72#37#9#H9Ä5<->Ä5Ä\$Ä5#3; <Ä@8\$ *55
9ÄB-75; 9#75F; F\$Ä<72Ä\$ 5!<8Ä7#9 ?<7@Ä9)#9#9ÄK55@7Ä79#9Ä2Ä\$7)8ÄB-97@7K!><77Ä\$
9<9 #F*2?<8ÄK-Ä; 9Ä29ÄB-97@H\$3F9Ä\$7 #5<9#7!(*Ä<5ÄÄ@ÄB-97@5<G#79Ä)5FÄ\$Ä799!(<@Ä#5
9Ä\$Ä(Ä 98Ä)55FÄ\$7! H >##235H#> H
d#<73<Ä 9Ä25Ä F99Ä5#3\$-9Ä2Ä799Ä5\$Ä 87@)9; 9; \$Ä2)5F((#99!#9 19Ä(\$ <5!Ä799)Ä5E#>199!\$-97@
<; 9#78<72! ?#5ÄB-97@5<3; ?<7@Ä5<1\$ÄF*9#>199!\$-97@< 9#78!97<55# >9Ä!\$Ä@F#92)5 #5FÄ5
GÄ9#5Ä#9Ä@F<9#9Ä799HAB Ä(9#799#9)5<((#<; ?!ÄB)591-99Ä!=# #)@25; #5FÄ58#K(*)>; <G*#E
XF5);9#7J 7;)*<Ä; Ä\$; Ä5&T)5 #5FÄ5#<9Ä2Ä799&T)5 #5FÄ5#>-\$-9Ä2Ä799H
I Ä@F#92)5 #5FÄ5; #79;7Ä2)79)5(955\$Ä*Ä<ÄK!(*3!9#9Ä! \$Ä2)9-97@728#<(*)>; <G*#EÄ5*Ä2B-97@
#F9##\$3\$-97@Ä9Ä H

%HL\$%AGJT%AFIM1IG7AQ 77EL,\$MJI\$ R\$6A1ERQA%GFI \$%HE\$JKTRU 1I\$ 77EL,
5JKT6%G7 HIXRUEU1\$Y516G%G7 H\$%HE\$HE1AIG%HEH=\$JU%G %6U#M1IG7A\$FTK\$RUE
EJ1\$%A1# %V#G \$X H\$ GJEL\$%HE\$M%T%G7 H\$ S# %6U\$16JARL\$JU%G \$HE1A
67 HI IE1A%G H\$7 A\$JA6U%11NU7TEH=\$7 A\$ %TIO

!

1 QQT" 4 ICIA T8R! R6AN: ! AT!1 QQT" 4 ILaKUC' R6Q: ! IA I6QR6A PAATAT!dQI! a: AIK" IIA R 6J
6Ae:RQI :!A T!6#P QaUT!KA!ACcUA::!d QI !I AR 6U6Ae:RQI :!R!QCQA: 6TAI !1 QQT"4:IC I AT8R
I' R6AN:IQ I !1 QQT"4:!!La KL6CR 6Q: !6A1'c6A N!A " I6Ae:R 1 AARTAC6:6AH!6d!6PQaKR!"Qa
:S QaUT!CQAR CR"QaI !d6A' AC6U!QI !QRSAl !LI QdA::6Q A'U!T e6:AI H

!

' W6AdQI1 ' R6A!CQAR 6AAT!SAIA 6A6 !!LIQ RACRAT!K" !U P 86ACU6T6AN!KaR!AQRIU616RATRQ&
CQL" I6NSRU P & AT!AQAA!Qd!: aCS!6AdQI1 ' R6Q!1' " !KA!CQL6AT!QI! QRSAlP 6 A
IALIQ TaCAT& AL'CC'N AT&dalR SAl!R 'A:1 6RAT&R!A:d AIIAT& IT6:A 16A' RAT&
I AT6R! 6KaRAT!QI !I A:Q UT&!Q:R!QI AT!dQI !:a K:Ah aAARa:A!d QI !A "!: aCS!LalL Q: A&!6A
P SQU!QI I6AL'I R&I8A " !dQI 1!QI I1'A AAI !QI !K"!'A "I1 A'A :!P S'R:Q AeAI &!K"!'A" !LAI :Q A
P 6RQaR1 QQT"4:!!LI 6Q !P I 6RRA!CQAA:AA RH

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' **7#<9#7! #79)7A2A\$)7)9#G9)7A2B31 QQT" 4 !<#>!5F\$ A6!G)A8A2!G!p!96A<; F\$<9A72!9)G)H
KA <F5A#A9A(#55G)9)9#?F><7#<A:;<?<7><A\$9<5 A!<5#9A\$< 9#58?# A8A\$<*7#<9#7! #79)7A2
?A\$)7)9#G9)7A2V": I6 V!)9#F9 <\$<79!#<73%72H QQT" 4 !<2#(6!<*7A:A5<S!>A<5\$A55#!9<9!9A
7#<9#7!9F5A6)7!<55@7)7@9A29<97@9#15F=> A9!Y<9!<72!<5#F\$ A6!1 QQT"4:!: #752A95!9#G
\$A)<G)A!F2)7@8A7<(\$(\$<A872A(A72A79)9Q<S3!5#F\$A5H\$# A8A\$1 QQT" 4 !)97#9<7K<F298<72
<77#97A8A\$!79<7;A)72A(A72A79A\$9!#38<*)2A)7#<9#7!9A A8A2)7A8<97@9#; A55!#37!(\$A<97@
9A! ##235LFG*)9#75H

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R#9A8A79A\$ 9A2G3< &1 QQT" 4 !<72!9!2)9#58#> A58A>(*#3AA@A59A(\$A7998A5*)A75#5
<725F(**A\$!2)5 <!)>!*<G)9#<73(A5#7#9A799!#3<73!729A 9&!(A <8!#75AYFA79!83)7:2A79*#55A5#5
2<<@A5?<9#A8A\$<95)@9#>!#3)7! #77A9#7!)9A)7#<9#7! #79)7A2A\$)7#9AF5A#9#)7<G)9
F5A<735F:?)!7#<9#7A8A7)H1 QQT" 4 !#<73#19!2)9#58#> A58A> (*#3AA@A59A(\$A7998A5
)A75#5!#35F(**A\$!6!<295A2)7<28<7;A#<9A(#55G)9)9#5F:?!#5A5!#32<<@A87: *F2)7@9#9!)9A2
9#!IE<73!#55#=#9A6A79!#(\$5(A 99A(\$9#9#9!IE<73!#55!#32<<@A87)7!A\$9A\$A8797<7;)*
)758F>A796!7#99A5FGX9#<!(<9\$ F<\$ 9A29<97@55)@7A2B1 QQT" i: H

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R#9A8A79A\$ 9A2G3< &1 QQT" 4 !<72!9!2)9#58#> A58A>(*#3AA@A59A(\$A7998A5*)A75#5
<725F(**A\$!2)5 <!)>!*<G)9#<732)9#5; #> (A75<9#9!#55A5#32<<@A5<F5A29#<73(A5#7#9A799&
)7;F2)7@9#9!)9A29#G!<737A@*)@A79#9# F2)7@9#F2B)F#>)5 #72F:9#9<73#9A99(A!#)#<G)9
9<9&198A<8#2<7; A#=#F9&8C< !: <77#9!9A9 F2A2E79A!<9#=#8#73! #797@A7!)7#7GAS729A
<799#1#&!QQT"4:!!9<73!#<9529A 9#58!#>A58!A (*#3AA@A59A(\$A7998A5*)A75#5!#35F(**A\$&
<95)@9#>!#3)7! #77A9#7!)9A)7#<9#7! #79)7A2A\$)7#9AF5A#9#)7<G)9!F5A<735F:?
)7#<9#7H

!

ÄQIP"II"ÄR "&AJLIA::! QI ldi LUAT&! RQIRSA! CCaI"C"& !R8 AUÄA:: &!Q1 LUARÄÄA::&
1 AICS"ÄR "K6UR" !QI! d6ÄÄA::! dQI! "Ä"! L'IR CäU! LallQ :Ä! Qd! "Ä"! : aCS!" RÄN!QI! QRSÄI
QL6ÄQ!QI !6Ä!QI 1 "R6QÄ!6::!N6eÄÄQ! !1 " TÄIK"!1 QQT"4:16Ä!Ä " ldiQI 1!QI! 1" ÄÄÄI
P S'R :Q AeÄI H

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16 &! ?#**G# 7Ä2! \$Ä2)9-97@!@Ä7!5FG52)<#11 ##235IC#\$\$-9#7D1 CQI&?Ä\$G8)5 #5Ä59<9> #59
)5FÄ\$##2ÄG9Ä;F\$9Ä5D7;*F2)7@#3#<Ä!<72>F7);Y<"IG#72582ÄGÄ79Ä57#9Ä5<72! #>>Ä\$>Y<(Ä\$<72
(\$Ä 2!59#%\$9Ä!G!16!?:<8Ä&!6#39#<55)@> Ä79!#!73!\$-97@8@Ä2#(<3!9#16 !#3<(((\$<5*!<725-97@
5Ä8);Ä5\$Ä72Ä\$2G39-ÄÄ5<7@!7@!^&...! 9#<((#B><9*3'-&...H!1 CQ!<7216!<5#><797!(!) Ä6
<72!(\$; Ä2FÄ59#<22\$5!9Ä!72Ä(A72ÄÄ#16 4!\$-97@!572\$-97@! \$; Ä55Ä5H!678- <97!\$@927@!Ä9-7
<72!>9759<9> <3ÄB59GÄ9ÄÄ72)Ä; 9#5!#11 CQ!<725-9Ä2Ä79ÄÄ72GÄ9ÄÄ7Ä799Ä5 ?#!?#*23-97@55#>
16 !<72!<8Ä!<5#(FG*)3\$Ä(#\$Ä25#9Ä! AC!<7# 7Ä\$?)(!)7Ä\$59)7!1 CQ!##>#9Ä9<7!|& !5!#59Ä2k77F<***;
<9 H >##235H#> !F72Ä9ÄPÄ<2)7@P<\$?#*2Ä\$Ä* <675k!C #5 #5-9ÄN#8Ä7<7;Äk!T \$Ä 9#<72
: ?<\$?#*2Ä\$Ä*)>97L#);3W

d#9!F 59\$)-!#73J!73!(FG) <9#7!79#F 59\$)-!#-!96!2#; F>Ä795!(F35F<79!99Ä!F 59\$)-7!d7<7; Y!<Ä\$); Ä5
U)Ä7Ä#11 QQT" 4 !<72!>Ä1 ##235!678Ä59#5!; Ä8);ÄL8!U)9Ä2! KÄIZ!..+! +J! Z! ' d: U#+Z!Z!<72\$
1##235! 7<*9);5! F59\$)-ÄL8!U2! KÄ!J! !,! +Z! -! ' d: U+ +Z! B5!<(!); <G"ÄB?>52#;F>Ä795!)7872Ä2
9!GÄ(8)2Ä2#7*39#V ?#*Ä5*Ä!7Ä75N!)9)79ÄbÄ<7)7@5Ä;9#7!Z.N !#9ÄC#3#5-9#75 ;9...H !K3
; #79!F7@9#<; Ä5!975!2#; F>Ä79!#5 ! 977!F 59\$)-&!8F\$(Ä5Ä75#11 QQT" 4 !9<98#F<Ä8#<9Ä
<; Ä55)@9Ä2#; F>Ä79!5!<1\$Ä \$Ä5Ä7969Ä#&!V ?#*Ä5<Ä; *Ä79<728<97Ä)9Ä5#F7#39ÄÄ799!3#F
\$(Ä5Ä79)*2)Ä; 93#3)72)Ä; 932)55Ä> 7<9Ä8)52#; F>Ä795)9!; #79Ä79!9#V9<)*Ä75N!)9)79ÄbÄ<7)7@#
5Ä; 9#7!Z.N !#9ÄC#3#5-9#75 ;9...H !1 QQT" 4 !; \$Ä2)9-97@8<7#(7)#<59!9Ä! \$Ä2)9#92)7Ä5!#<
2ÄC!#3)@9#7!#>19Ä!55FÄ8!#9!#19Ä!ÄYF935Ä; F\$9Ä5!#>9Ä!55FÄ\$#3<73!>#>#!#Ä; F\$9Ä9<95!<8<7GÄ!9#
\$Ä9-!; *Ä795!169#F2!GÄ2<7@9#F5!>#V9-!; *Ä795!9#><Äk73!78Ä5> Ä79Ä;)5#7G<Ä2#7!1 QQT" 4 !; \$Ä2)9
\$-97@!672#F@!#F!5?#F*2!#79; 93#F\$7<7; <#59Ä\$ \$Ä55#7<*28)5Ä\$!

3 %8?6_1d@?)8*4- +@%8)+ÄY+=*; %! +=" W4' #cÄ-4: ÷ Ä==**+@*8; ; ' *8%t=%=%%4@+?
 -))Ä%8+@ *) #@*4- B5 +Ä.'+C_6_109QF#%4@dP;+!!". #@"; ; ' *8-%#%=#Ä) %4-./%4#%4#
 !' '*) # @*4- +))Ä4+Ä.4* +?+@#-!:-D -

Q?-!+?+8*4- #/"; ' : 4") + " 8". %-.-: #%/./+ *-/!*) +?%tL "Ä!4%#@ &"***L -./+ %8") +)+?
 8"; ; -; ' : #.44") + " #cÄ-# #.:.+ %*-%%4W) ' 8?%./+B 59B#=#") ' : %". +@&"***L -./) ^?*' +)-)#
 cÄ-#; ' : + % % +%#%" +@+8#?+@!+@#=# %".) + " + *) +] =.) ' +%#/# -.-; Ä; #W!+ " @
 !%) -6D+; ') BÄ.+5Ä/Ä) # 46_1C9QF#%; '4'4+ ?'+. *') -8' W*%#'+%#"+-+ ?'+8 4-+8#'; ' : + "
] 8Ä4'4%.:+> 8#?#; =%8 #!%4+ "+?+!-#>#.#4+] 8?%./D5 +Ä.'+C_6_109QFY#%# #@ -8%P-@
 @ #=# %".) +)+ *) #] =.) +L%)N@d]D

ÄW+ ?+!] + L'W+; " ?)+4-./ HÄ.'+C_6_1N9QF#%#6a + -!!". #@ %Ä%./+4' & D+Q#-8=#/ + ?
 8' =%.:# # -./+ " #88'))+?+8%=%#t #%#)+ # @.%8+%)#&) % %t#=#" . +@+ # & +ÄW. + ?+8#-#
 *cÄ-#; ' : # @+Ä-!:-D

5) #@Ä.'+C_6_10#@QF#) +)+W) ; ' : #*%4'8*4- #%/./+ +8"Ä!4&'+cÄ-#4+ " ==" W4'+S+ -!!". #@
 8"!!% %4D

4, #; \$ %#(Z

9QFY+)%&' +%/./+Ä!' "#+* @8) +)t] = 8 %". + %t+ @-8-%t+) Ä) t-!8". -Ä'+ " ÷ * / ?' ^ =%8Ä!#
 L-?+?+=%) %/+# (35B5! ?'Ä/?+?+Ä!% "": +W-#; ' : #; %-.)8?%!!./-./^ =#; %! : 4Ä'+ "+?+Ä-!'.Y)
 '8 " " : -8' 4- " :) ^t'+&'!-W +?%t?+!%) -8*4- ÷ Ä==**W#/-) !%". +L-!#=#"W+8") # 8'W* : #%.4
 =*4.8 %&-1-Ä.4* +?+2, <Ä?*' + ?'+*%# " @%P-@ +) #& #W*) +.+?+?/?>.Y) #%./D9QFY) %&!
 "Ä!"# # @ ?*' +8 " =**%) #Ä* &'!-@?+8"; =%..Y #W'.4+="#!8: +L!+8. -Ä+ " #"; % +) .) &# +.-! ? +@+ ?
 Ä-!:- Y+8%#)4+8%=%t)=-.4-./+ *cÄ-#; ' :) D

[., #Ä(-!Ä., ; \$ \$, #; \$ 6U8

7=L%4#%./+*))Ä'+8%.)Ä#@8-@+ "&)"* W-@ ?* #; =="W; ' :) +)+?+) %Y) #/Ä!% "": +W-#; ' :
)Ä8?+?%8%P-@ +)+4' & +8 %%)) +)+%&"W6_De+**8%P-@ +)+ *) #] =.) +)-)) #&"WON]@#%.
] '4'4+ =*-4D

[., #Ä(-!Ä., ; \$ \$, #; \$ 6Q+ '

b?+%/./+8"Ä!4&'+4'L./ %4'4+@+*Ä!% "": +W-#; ' : &'8"; ') +8 %%) -!:- 8" : ' -"Ä)"#'+8"; =%..Y
 8%P-@ +)+4' & #8!-.) &'!L +?+; 4>.Y) #%/./+**8%P-@ +)+ *) #] =.) ' +@) &'!L -@] @-#%.
] '4'4+ =*-4B5!"#t/% -W#%/./+*))Ä" 8"Ä!4+ % *%K +@+ "Ä8"; ' # @?+8". -Ä-./+ \$ #8?%!!./
 8'8 " : -./+ 8' *%-.)%J!%)&#&+*%.)%8") # @ -./+F]!" : #.49QF#%4)+)Ä&)%-%#%; ' :) @+?
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%# ÄÄ'0 '! Ä#0

5) 4'=-8'4+&'!L ^9QFY#; =-4#%./+Ä.4* +?+* -4#+%#) " *8%t#4#="Z'8'4+&%) +) # %%"1+=%#L-?+?
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4 : ; -; #! \$- 5#A\$; ! \$2 0\$U# -"0\$D0 #A	A:AA #JW?	\$\$\$\$\$\$\$\$\$\$\$\$	++F@((11 @-7682 (#.	\$\$\$\$\$\$\$\$\$
2Ä! #U16	FG<Q=>		C(Ä, A\$) "+90\$S9::;0 #	
			7<=>	
C5#Ä-#; ; -; #! A\$A* + (AZ\$7LOK	? ,0: A	T5(A	+++++	? ,0: A
%B' /-) % -W#% .4#Ä4-8%Ä.4* =-.. /) # @	5	5	+++++	5
?+ , /Ä!% "": #2%; 'L "##				
&B") -) '8 : % .4#*4-8 %&-1-# @	0%	0%	+++++	0%
, /Ä!% -.				
C 5#Ä \$ \$ \$ \$ -"1\$ \$ 4 5 (R \$ \$ 0 \$ \$; ! \$, /A	+++++	++++	+++++	++++
4 # : A0\$7LOK				
%B; '!-.)) # @ '8 "W* : # @Ä =* %./+ % .4	5	5	++++	5

9%- %0") 8B-\$@8: # @%)+%4+ ' Ä.	0%	0%	+++++	0%	0%
C5#(A#1QR A'S5.#(' \$=<OK	+++++	+++++	+++++	+++++	+++++
%B-3/# +<)-". &B ' '* %"-+%0.42Ä!+G-V)-:	0%	0%	+++++	0%	0%
&B ' '* %"-+%0.42Ä!+G-V)-:	K.5	K.5	+++++	KJ5	KJ5
C5#(A#1QR A'S5.#(' \$=<OK	+++++	+++++	+++++	+++++	+++++
%B-2Ä+≠ >Q9+V(. ") +J+(. ") +G+M% 5WB	0%	0%	+++++	Q +>QJ	0%
8B-2Ä+≠ >Q9+J+G+G+M%+5WB	1FDa	0%	+++++	1Se +>6e	0%
8B-2Ä+≠ >Q9 +G-V(.4) +J+G+G+M% 5WB	1NDe	0%	+++++	11e +>1e	0%
4B-G&+J+G- %x%". +G+M%+5WB	CSDbl	5	+++++	0e +>0e	5%
4, #') [*4x4-8%4+, %-/ +0' @' K" 8?-/ 54ZÄ) ' . I " 149" \$ *Ä8Ä%16Ä&"4.-.%-.+K" 8?-/ %B(4-8% 4+, %-/ +@' *+[*4 &B8 Ä%!+G-./+5)-./4	+++++	+++++	+++++	+++++	+++++
	+++++	0%#d	+++++	+++++	0%#d
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TIL5!!#%) #8 -8%4+."+54ZÄ)Y@%0.8-%#0%0.4+8" =""%+3""4: Yf !"#%\$+%0.4%#54ZÄ) ' .) @' K" >
 2-%.8-%0#=""%0.) D+U65)@+Q.6 1OR6"Ä'8' 18""4: Y2-%.8-%0# *8 +Qb?-)#=") ' .) @' K" >
 @L%4+WL g" +?+WL +@?+.)Ä" G%.4Ä!))+" '4+.-?+] ^+4) +." +8"=""%+Y. @% +%Ä)-".)
 %0.44-W) -Ä") D

b?)-=Ä&!8-.+4") +) %0.."Ä8'+%08#4- #%-./+%8".D2""#%0:8#4- #%-./) #@' .8 '4+-.-?)=Ä&!8-. ^
 =!%)+" +?+*%0.) +%&#?+.)Ä" J. -: =%/'#.+? =JLLLD, ""4:)B"; @+?+; ") +Ä=4%4+8"4- #%-./
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h-6 103""4: Y-0""=""%0." ^-8""4: Yf. W) "") \$' *W8 ^+(8D^#34: Y-6. %!:-8) ^f.8 B%.4" +?+*#-8.) "")%0.4
 %@%) +8!!'8 -W: +3ÄÄGMB!B!!#?) #)' *VAD

Ä4/ QDV9VX2 TDTUQ \$ V\$%QV@DXVTW%4T\$/4 IDÄ/ 'XÄM ?D I9XQDT\$CCD9W T\$9/
 ?%QV@ÄU44/ XVB/ADPXT\$/CVW \$/ J9VD/ \$UWU4/ \$Ä/ QD#DTE\$/C\$ XVD T\$Ä/ QD/
 Ä? ?D? / XVT \$/ÄQ/ JWS/ÄQ/ JW6IE/ \$/ ÄU4D T\$XQ\$Ä/ QD#9VX2 T\$XQ\$/T/94Ä`
 AUJJ Ä9V@XT\$AUJJ D/ Q\$V \$%QV@? ?%QV@AUJJ Ä9V@X \$29VXÄJUQ/ \$%QV@
 ÄU44/ XVB/ADPXT\$/CVW \$/ J9VD/ \$UWU4/ \$Ä/ QD#DTE\$/C\$ XVD T\$Ä/ QD#Ä? ?D? / XVT ^
 %ÄQ/ JWS/ÄQ/ JW6IE/ \$/ ÄU4D T\$T\$%QV@Q/ CD/ T\$Ä/ QD#DTE\$T\$W \$DTE\$V9W\$X
 / XVDV\$9V\$X/M? / VDT\$ÄXV9ÄWU9J\$DX9XÄB J\$/J D9V@XT\$T\$W V\$Ä?/ \$U/ \$XQ\$XV
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ISSUER COMMENT
9 DECEMBER 2014

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Ameren Illinois Company and Commonwealth Edison Company

Illinois Energy Infrastructure Modernization Act Likely to be Extended by Two Years; Credit Positive

Overwhelming Support for House Bill 3975: On December 4, the Illinois Senate voted 40 to 4 in favor of passing HB 3975. The bill proposes to extend the current Energy Infrastructure Modernization Act (EIMA), which established a formula-rate process for determining electric rates, by two years to 2019. If enacted, Ameren Illinois Company (Baa1 stable) and Commonwealth Edison Company (Baa1 stable) will continue to utilize the formula rate plan to adjust their electric rates, a credit positive. When the EIMA was originally enacted in 2011, it established an annual formulaic rate framework to recover infrastructure investment costs incurred by the Illinois' transmission and distribution utilities. It also required Ameren Illinois and ComEd to undertake a certain amount of capital investment to modernize their T&D infrastructure. Today, the law is set for a "sunset" review in 2017 and it could potentially be extended after the review. The Illinois House of Representatives voted 87 to 24, approving this bill in mid-November.

Extension of EIMA a Credit Positive for Both Ameren Illinois and ComEd: Based on the strong support of this bill in the House and the Senate, we believe the probability of the extension of the EIMA is high. Even if the current lame duck governor vetoes the bill, we believe there is enough positive momentum built behind this bill for the General Assembly to override a veto. If the EIMA is extended, it would be credit positive for both Ameren Illinois and ComEd because the EIMA provides transparency and certainty around the framework to recover prudently incurred investments. The EIMA framework also reduces political and regulatory risk related to any potential electric rate increases, because the framework appears to be working reasonably well, with all parties arriving at a common understanding of how the recovery processing should be conducted. This is not to say that various interveners and other interested parties will not contest various aspects to the EIMA, or its infrastructure investments, as some of the details related to the legislation are refined or amended. The EIMA allows the Illinois utilities and the regulators to have frequent dialogue related to the companies' capital investment plan, and the changes in the electric rates.

Robust Capital Program Planned by Ameren Illinois and ComEd Under EIMA: Ameren Illinois' 2015-2018 capital plans are expected to be up to \$2.9 billion. Pursuant to the EIMA, Ameren Illinois is required to invest an incremental \$625 million between 2011 and 2021 above its historical baseline spending to modernize the distribution

system. In 2013, Ameren Illinois spent \$61 million towards this requirement. ComEd also has a robust capex program planned pursuant to EIMA. Over the next ten years, ComEd plans to invest approximately \$2.6 billion to modernize and storm-harden its distribution system and to implement smart grid technology. In 2012 and 2013, ComEd's capex increased to \$1.2 billion and \$1.3 billion, respectively, compared to the three year average spending of \$948 million over the 2009-2011 period.

Exhibit 1

Ameren Illinois and Commonwealth Edison Historical and Projected Capital Expenditure (2010-2017)(\$ in millions)

Issuer	2010	2011	2012	2013	2014	2015	2016	2017
Ameren Illinois Co.	281	351	442	701	800	800	700	700
Commonwealth Edison Co.	962	1,028	1,246	1,433	1,750	2,150	1,950	1,925

For Ameren Illinois, 2015-2017 capital expenditures are Moody's estimates.

Companies' reports; Moody's

Moody's Related Research

Credit Opinions:

[Ameren Illinois Corp.](#)

[Commonwealth Edison Company](#)

Methodology:

[Regulated Electric and Gas Utilities, December 2013 \(157160\)](#)

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

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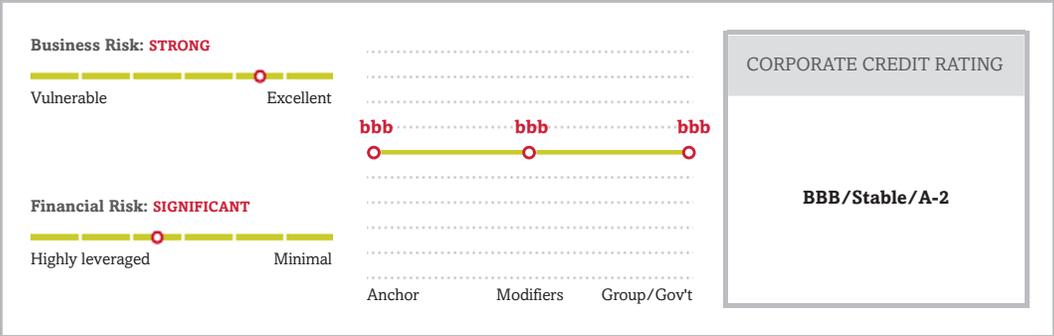
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Summary:
Commonwealth Edison Co.



Rationale

Business Risk: Strong	Financial Risk: Significant
<ul style="list-style-type: none"> • Operations under a somewhat improving and evolving regulatory environment • Low operating risk electric transmission and distribution operations • Large customer base with no geographic diversity 	<ul style="list-style-type: none"> • Credit protection measures largely adequate to support the "significant" financial risk profile • Planned high capital spending leading to negative discretionary cash flow

Outlook: Stable

The rating outlook on Commonwealth Edison Co. reflects our rating outlook on its parent, Exelon Corp. The outlook on Exelon accounts for the company's plans to merge with PEPCO Holdings Inc. The outlook on the ratings is stable. However, Standard & Poor's believes that higher natural gas production from shale natural gas plays and a delay in environmental rules related to plant retirements can significantly hurt the company's financial performance. We believe these headwinds have increased and Exelon faces a potential earnings decline from 2014. Should the commodity pricing environment weaken, the company might have to address its declining earnings profile with a commensurate reduction in capital spending and debt. On a stand-alone basis, we expect Exelon and Exelon Generation Co. LLC (ExGen) to sustain consolidated funds from operations (FFO) to debt of at least 23% and 27%, respectively, to maintain current ratings. If the merger successfully closes, we expect the pro forma company to maintain adjusted FFO to debt in a band of about 21% to 23% and debt to EBITDA of about 3.4x to 3.5x.

Downside scenario

On a stand-alone basis, we could lower Exelon's ratings if adjusted FFO to debt declines below 22%. This could happen if Exelon has increasing competition in its markets in Pennsylvania and Illinois, which would threaten customer retention in its retail business. Gross margins could also come under pressure by a further decline in power prices brought about by declining natural gas prices, or lower market heat rates due to increasing energy efficiency.

Downside for the pro forma company could arise not only from a decline in commodity prices that could affect Exelon's cash flows, but also from a prolonged regulatory approval process that eventually results in substantially higher rebates and concessions to consummate the deal. We could lower the pro forma company's ratings if its adjusted FFO-to-debt ratios decline below 18% to 19%.

Upside scenario

An upgrade for Exelon's stand-alone ratings --currently not under consideration--could result if natural gas prices stabilize and power prices respond favorably to coal plant retirements, resulting in an improvement in consolidated FFO-to-debt levels of more than 28% on a sustained basis. This could stem from an improved economy and higher electricity prices, as well as from a robust increase in the rate base of Exelon's regulated utility subsidiaries. The pro forma company would need adjusted FFO-to-debt levels over 24% and debt to EBITDA below 3.2x for us to consider an upgrade. We think this is possible but unlikely before 2016.

Standard & Poor's Base-Case Scenario

Assumptions	Key Metrics
<ul style="list-style-type: none"> Gross margins grow in the low- to mid-single digits Capital spending of about \$1.5 billion annually 	<p>Under our base case scenario, we expect that Commonwealth Edison's financial risk profile will remain toward the lower end of the "significant" category.</p>

Business Risk: Strong

We assess Commonwealth Edison's business risk profile as "strong", accounting for the company's regulated electric transmission and distribution operations, which have low operating risk, no commodity exposure, and which operate under an improving regulatory framework. Under the Energy Infrastructure Modernization Act (EIMA), Commonwealth Edison's rates are determined using a formula rate plan, which enables rates to adjust outside the context of a full rate case filing, while still requiring periodic rate case filings to true up amounts in rate base. At the same time, the EIMA can also pressure the level of the company's earned return if Commonwealth Edison's operational standards are below regulatory expectations. While the initial set of rate cases under the EIMA brought about mixed results, it appears that the regulatory environment is evolving in a somewhat favorable manner facilitated with the passage of Senate Bill 9, which clarified certain elements of the EIMA.

Financial Risk: Significant

We view Commonwealth Edison's financial risk profile as being in the "significant" category using the medial volatility financial ratio benchmarks, reflecting our base case scenario that the company will maintain credit protection measures that remain consistently at the lower end of the category. For the year ended Dec. 31, 2013, FFO to debt was 13.1% and debt to EBITDA was 4x, and we expect both measures to improve modestly over the next few years, while still supporting a "significant" financial risk profile assessment.

Liquidity: Strong

We view Commonwealth Edison's liquidity on a consolidated basis with that of parent Exelon Corp., given Commonwealth Edison's group status as a core subsidiary.

The short-term rating on Exelon and affiliates is 'A-2'. Standard & Poor's views liquidity across the Exelon group of companies as "strong" in light of the debt maturities we expect and available credit facilities. Exelon has sufficient alternative liquidity sources to cover current liquidity needs, including ongoing capital requirements, moderate capital spending, and upcoming debt maturities. Ironically, declining power prices are favorable from a liquidity perspective because cash is being posted to ExGen on its forward hedges. The next large maturity is in 2015 for Exelon (\$800 million).

As of Dec 31, 2013, Exelon, ExGen, Commonwealth Edison (ComEd), PECO Energy Co. (PECO), and Baltimore Gas &

Electric Co. (BG&E) had revolving credit facilities of \$500 million, \$5.3 billion, \$1 billion, \$600 million, and \$600 million, respectively. These facilities expire in August 2018 (except ComEd's, which expires in March 2019). ExGen has an additional \$400 million bilateral facility through January 2015. The facilities were largely available as of Dec. 31, 2013, except for \$184 million and \$135 million of commercial paper outstanding at ComEd and BGE, respectively.

Exelon has a \$7.2 billion bridge facility to provide flexibility for timing of permanent financing related to the acquisition of PHI. We expect 50% of the acquisition funds to be financed by debt and expect this financing to be at the Exelon Corp. level. We also expect Exelon to maintain balanced funding across the maturity spectrum (i.e., three to 30-year tenors). Furthermore, we expect the equity component to be funded through a mix of common equity and mandatory units, and through \$1 billion in unregulated asset sales.

There are no change-of-control provisions in PHI's or its subsidiaries public debt. We have assumed that change-in-control provisions in the bank facilities of PHI are resolved without issues by closing (either through waivers or refinancing). Eventually, management expects to be able to reduce or resize PHI's liquidity and support through Exelon Corp.'s facility.

Principal Liquidity Sources	Principal Liquidity Uses
<ul style="list-style-type: none"> Assumed 2014 FFO of about \$5.75 billion to \$6 billion Available revolving credit facility \$7.2 billion acquisition bridge loan that will be replaced by permanent financing 	<ul style="list-style-type: none"> \$6.9 billion of cash payment for acquiring all of PHI's shares Working capital Dividend payments of about \$1 billion annually Capital spending and maintenance and environmental costs of about \$5 billion to \$5.5 billion, annually through 2015

Other Modifiers

Our assessment of the modifiers does not affect the anchor score.

Group Influence

Under our group rating methodology, we consider Commonwealth Edison to be a core subsidiary of Exelon reflecting our view that Commonwealth Edison is highly unlikely to be sold and has a strong long-term commitment from senior management. There are no meaningful insulation measures in place that protect Commonwealth Edison from its parent and therefore, we align the issuer credit rating on Commonwealth Edison with that of the parent Exelon at 'BBB'.

Ratings Score Snapshot

Corporate Credit Rating

BBB/Stable/A-2

Business risk: Strong

- **Country risk:** Very low
- **Industry risk:** Very low
- **Competitive position:** Satisfactory

Financial risk: Significant

- **Cash flow/Leverage:** Significant

Anchor: bbb

Modifiers

- **Diversification/Portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Liquidity:** Strong (no impact)
- **Financial policy:** Neutral (no impact)
- **Management and governance:** Strong (no impact)
- **Comparable rating analysis:** Neutral (no impact)

Stand-alone credit profile : bbb

- **Group credit profile:** bbb
- **Entity status within group:** Core (no impact)

Recovery Analysis

- We assign recovery ratings to first-mortgage bonds (FMBs) issued by U.S. utilities, which can result in issue ratings being notched above a corporate credit rating on a utility depending on the rating category and the extent of the collateral coverage. The FMBs issued by U.S. utilities are a form of "secured utility bond" (SUB) that qualify for a recovery rating as defined in our criteria (see "Collateral Coverage and Issue Notching Rules for '1+' and '1' Recovery Ratings on Senior Bonds Secured by Utility Real Property," published Feb. 14, 2013).
- The recovery methodology is supported by the ample historical record of 100% recovery for secured bondholders in utility bankruptcies in the U.S. and our view that the factors that enhanced those recoveries (limited size of the creditor class and the durable value of utility rate-based assets during and after a reorganization given the essential service provided and the high replacement cost) will persist in the future.
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Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
Satisfactory	a/a-	bbb+	bbb/bbb-	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

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RatingsDirect®

Summary:

Commonwealth Edison Co.

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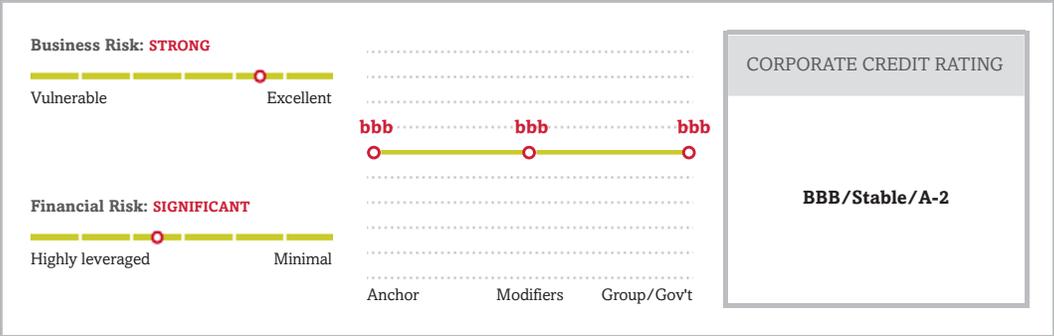
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Summary:
Commonwealth Edison Co.



Business Risk: Strong

- Operations under a somewhat improving and evolving regulatory environment
- Low operating risk electric transmission and distribution operations
- Large customer base with no geographic diversity and modest customer growth

Financial Risk: Significant

- Credit protection measures largely adequate to support the "significant" financial risk profile
- Planned high capital spending leading to negative discretionary cash flow

Outlook: Stable

Standard & Poor's Ratings Services' rating outlook on Commonwealth Edison Co. reflects our rating outlook on its parent, Exelon Corp. The stable rating outlook on Exelon accounts for the company's plans to merge with PEPCO Holdings Inc. However, we believe that higher natural gas production from shale natural gas plays and a delay in environmental rules related to plant retirements can significantly hurt the company's financial performance. We believe these headwinds have increased and Exelon faces a potential earnings decline from 2014. Should the commodity pricing environment weaken, the company might have to address its declining earnings profile with a commensurate reduction in capital spending and debt. On a stand-alone basis, we expect Exelon and Exelon Generation Co. LLC (ExGen) to sustain consolidated funds from operations (FFO) to debt of at least 23% and 27%, respectively, to maintain current ratings. If the merger successfully closes, we expect the pro forma company to maintain adjusted FFO to debt in a band of about 21% to 23% and debt to EBITDA of about 3.4x to 3.5x.

Downside scenario

On a stand-alone basis, we could lower Exelon's ratings if adjusted FFO to debt declines below 22%. This could happen if Exelon has increasing competition in its markets in Pennsylvania and Illinois, which would threaten customer retention in its retail business. Gross margins could also come under pressure by a further decline in power prices brought about by declining natural gas prices, or lower market heat rates due to increasing energy efficiency.

Downside for the pro forma company could arise not only from a decline in commodity prices that could affect Exelon's cash flows, but also from a prolonged regulatory approval process that eventually results in substantially higher rebates and concessions to consummate the deal. We could lower the pro forma company's ratings if its adjusted FFO-to-debt ratios decline below 18% to 19%.

Upside scenario

An upgrade for Exelon's stand-alone ratings--currently not under consideration--could result if natural gas prices stabilize and power prices respond favorably to coal plant retirements, resulting in an improvement in consolidated FFO-to-debt levels of more than 28% on a sustained basis. This could stem from an improved economy and higher electricity prices, as well as from a robust increase in the rate base of Exelon's regulated utility subsidiaries. The pro forma company would need adjusted FFO-to-debt levels over 24% and debt to EBITDA below 3.2x for us to consider an upgrade. We think this is possible but unlikely before 2016.

Standard & Poor's Base-Case Scenario

Assumptions	Key Metrics
<ul style="list-style-type: none"> Gross margins grow in the low- to mid-single digits Capital spending of about \$1.8 to \$1.9 billion annually 	<p>Under our base case scenario, we expect that Commonwealth Edison's financial risk profile will remain toward the lower end of the "significant" category.</p>

Business Risk: Strong

We assess Commonwealth Edison's business risk profile as "strong", accounting for the company's regulated electric transmission and distribution operations, which have low operating risk, no commodity exposure and operate under a historically challenging albeit improving regulatory framework. Under the Energy Infrastructure Modernization Act (EIMA), Commonwealth Edison's rates are determined using a formula rate plan, which enables rates to adjust outside the context of a full rate case filing, while still requiring periodic rate case filings to true up amounts in rate base. The annual formula rate plan filings facilitate Commonwealth Edison's ability to recover mandated infrastructure investments and ensure that the company's costs are reconciled to actual revenues for the prior period. Over time, we expect that the formula rate plan framework will support Commonwealth Edison's credit profile, potentially leading to incrementally more stable returns, while still recognizing the lag inherent in the framework, which could challenge the company to earn its allowed return. The initial set of formula rate plan filings under the EIMA brought about mixed results; however, the passage of Senate Bill 9 clarified certain elements of the EIMA and resulted in a more transparent rate-setting process. The formula rate plan framework will terminate in 2017 unless the state enacts legislation for the continued use of the plan.

Financial Risk: Significant

We view Commonwealth Edison's financial risk profile as being in the "significant" category using the medial volatility financial ratio benchmarks, reflecting our base case scenario that the company will maintain credit protection measures that remain consistently at the mid to lower end of the financial ratio benchmark range. For the year ended Dec. 31, 2013, FFO to debt was 13.1% and debt to EBITDA was 4x, and we expect both measures to improve modestly over the next few years, while still supporting a "significant" financial risk profile assessment.

Liquidity: Strong

We view Commonwealth Edison's liquidity on a consolidated basis with that of parent Exelon Corp., given Commonwealth Edison's group status as a core subsidiary.

The short-term rating on Exelon and affiliates is 'A-2'. Standard & Poor's views liquidity across the Exelon group of companies as "strong" in light of the debt maturities we expect and available credit facilities. Exelon has sufficient alternative liquidity sources to cover current liquidity needs, including ongoing capital requirements, moderate capital

spending, and upcoming debt maturities. Ironically, declining power prices are favorable from a liquidity perspective because cash is being posted to ExGen on its forward hedges. The next large maturity is in 2015 for Exelon (\$800 million).

As of Dec 31, 2013, Exelon, ExGen, Commonwealth Edison (ComEd), PECO Energy Co. (PECO), and Baltimore Gas & Electric Co. (BG&E) had revolving credit facilities of \$500 million, \$5.3 billion, \$1 billion, \$600 million, and \$600 million, respectively. These facilities expire in August 2018 (except ComEd's, which expires in March 2019). ExGen has an additional \$400 million bilateral facility through January 2015. The facilities were largely available as of Dec. 31, 2013, except for \$184 million and \$135 million of commercial paper outstanding at ComEd and BGE, respectively.

Exelon has a \$7.2 billion bridge facility to provide flexibility for timing of permanent financing related to the acquisition of PHI. We expect 50% of the acquisition funds to be financed by debt and expect this financing to be at the Exelon Corp. level. We also expect Exelon to maintain balanced funding across the maturity spectrum (i.e., three to 30-year tenors). Furthermore, we expect the equity component to be funded through a mix of common equity and mandatory units, and through \$1 billion in unregulated asset sales.

There are no change-of-control provisions in PHI's or its subsidiaries public debt. We have assumed that change-in-control provisions in the bank facilities of PHI are resolved without issues by closing (either through waivers or refinancing). Eventually, management expects to be able to reduce or resize PHI's liquidity and support through Exelon Corp.'s facility.

Principal Liquidity Sources	Principal Liquidity Uses
<ul style="list-style-type: none"> Assumed 2014 FFO of about \$5.75 billion to \$6 billion Available revolving credit facility \$7.2 billion acquisition bridge loan that will be replaced by permanent financing 	<ul style="list-style-type: none"> \$6.9 billion of cash payment for acquiring all of PHI's shares Working capital Dividend payments of about \$1 billion annually Capital spending and maintenance and environmental costs of about \$5 billion to \$5.5 billion, annually through 2015

Other Modifiers

Our assessment of the modifiers does not affect Commonwealth Edison's anchor score.

Group Influence

Under our group rating methodology, we consider Commonwealth Edison to be a core subsidiary of Exelon reflecting our view that Commonwealth Edison is highly unlikely to be sold and has a strong long-term commitment from senior management. There are no meaningful insulation measures in place that protect Commonwealth Edison from its parent and therefore, we align the issuer credit rating on Commonwealth Edison with that of the parent Exelon at 'BBB'.

Ratings Score Snapshot

Corporate Credit Rating

BBB/Stable/A-2

Business risk: Strong

- **Country risk:** Very low
- **Industry risk:** Very low
- **Competitive position:** Satisfactory

Financial risk: Significant

- **Cash flow/Leverage:** Significant

Anchor: bbb

Modifiers

- **Diversification/Portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Liquidity:** Strong (no impact)
- **Financial policy:** Neutral (no impact)
- **Management and governance:** Strong (no impact)
- **Comparable rating analysis:** Neutral (no impact)

Stand-alone credit profile : bbb

- **Group credit profile:** bbb
- **Entity status within group:** Core (no impact)

Recovery Analysis

- We assign recovery ratings to first-mortgage bonds (FMBs) issued by U.S. utilities, which can result in issue ratings being notched above a corporate credit rating on a utility depending on the rating category and the extent of the collateral coverage. The FMBs issued by U.S. utilities are a form of "secured utility bond" (SUB) that qualify for a recovery rating as defined in our criteria (see "Collateral Coverage and Issue Notching Rules for '1+' and '1' Recovery Ratings on Senior Bonds Secured by Utility Real Property," published Feb. 14, 2013).
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Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

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