

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): June 08, 2023

AVISTA CORPORATION

(Exact name of Registrant as Specified in Its Charter)

Washington
(State or Other Jurisdiction
of Incorporation)

001-03701
(Commission File Number)

91-0462470
(IRS Employer
Identification No.)

1411 East Mission Avenue
Spokane, Washington
(Address of Principal Executive Offices)

99202-2600
(Zip Code)

Registrant's Telephone Number, Including Area Code: 509 489-0500

(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AVA	The New York Stock Exchange

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

Emerging growth company

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

Section 2 - Financial Information

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On June 8, 2023, Avista Corporation (Avista Corp. or the Company) amended its committed line of credit facility, increasing the aggregate amount available from \$400 million to \$500 million.

The amendment also extended the expiration date to June 8, 2028, and provides for two possible additional extensions of one year each. The amendment also replaced the London interbank offered rate (LIBOR) provisions with Secured Overnight Financing Rate (SOFR) provisions.

The Company's obligations under the committed line of credit agreement are secured by \$500 million in principal amount of non-transferable first mortgage bonds of the Company, bearing interest at a nominal rate of 12 percent, issued to the agent bank. Principal and interest in these bonds would become due and payable only in the event, and then only to the extent, that the Company defaults on its obligations under the committed line of credit.

The amendment to the committed line of credit facility did not change the covenants in the agreement, which include the covenant not to permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corp. to be greater than 65 percent at any time, or the events of default, which include a change in control (as defined in the agreement) and a cross-default from other indebtedness, all of which are customary.

On June 8, 2023, the Company also terminated the \$100 million line of credit that was originally to expire on November 30, 2023.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d)	Exhibits
4.1	Sixty-eighth Supplemental Indenture, dated as of June 1, 2023.
10.1	Fifth Amendment to Credit Agreement, dated as of June 8, 2023, among Avista Corporation, the lending financial institutions, U.S. Bank National Corporation and Wells Fargo Bank National Association as issuing banks, and MUFG Bank, LTD. as Administrative Agent.
10.2	Bond Delivery Agreement, dated as of June 8, 2023, between Avista Corporation and Union Bank, N.A.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Avista Corporation

(Registrant)

Date: June 12, 2023

By:

/s/ Kevin J. Christie

Senior Vice President, Chief Financial Officer,
Treasurer and Regulatory Affairs Officer

**AVISTA CORPORATION TO
CITIBANK, N.A.**

*As Successor Trustee under
Mortgage and Deed of Trust,
dated as of June 1, 1939*

Sixty-eighth Supplemental Indenture

*Providing among other things for a series of bonds designated
"First Mortgage Bonds, Collateral Series 2023A" Due
June 8, 2028*

Dated as of June 1, 2023

SIXTY-EIGHTH SUPPLEMENTAL INDENTURE

THIS INDENTURE, dated as of the 1st day of June, 2023, between AVISTA CORPORATION (formerly known as The Washington Water Power Company), a corporation of the State of Washington, whose post office address is 1411 East Mission Avenue, Spokane, Washington 99202 (the "Company"), and CITIBANK, N.A., formerly First National City Bank (successor by merger to First National City Trust Company, formerly City Bank Farmers Trust Company), a national banking association incorporated and existing under the laws of the United States of America, whose post office address is 388 Greenwich Street, 14th Floor, New York, New York 10013, as trustee (the "Trustee"), under the Mortgage and Deed of Trust, dated as of June 1, 1939 (the "Original Mortgage"), executed and delivered by the Company to secure the payment of bonds issued or to be issued under and in accordance with the provisions thereof, this indenture (this "Sixty-eighth Supplemental Indenture") being supplemental to the Original Mortgage, as heretofore supplemented and amended.

WHEREAS pursuant to a written request of the Company made in accordance with Section 103 of the Original Mortgage, Francis M. Pitt (then Individual Trustee under the Original Mortgage, as theretofore supplemented and amended) ceased to be a trustee thereunder on July 23, 1969, and all of his powers as Individual Trustee have devolved upon the Trustee and its successors alone; and

WHEREAS by the Original Mortgage the Company covenanted that it would execute and deliver such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Original Mortgage and to make subject to the lien of the Original Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS the Company has heretofore executed and delivered, in addition to the Original Mortgage, the indentures supplemental thereto and amendatory thereof, and has issued the series of bonds, set forth in Exhibit A hereto (the Original Mortgage, as supplemented and amended by the First through Sixty-seventh Supplemental Indentures and, if the context shall so require, as to be supplemented by this Sixty-eighth Supplemental Indenture, being herein sometimes called the "Mortgage"); and

WHEREAS the Original Mortgage and the First Supplemental Indenture, dated as of October 1, 1952, through the Twenty-fifth Supplemental Indenture, dated as of October 1, 1989, were appropriately filed and recorded in the various official records in the States of Washington, Idaho and Montana, as set forth in such Supplemental Indentures and in the Twenty-sixth Supplemental Indenture, dated as of April 1, 1993; and

WHEREAS for the purpose of confirming or perfecting the lien of the Original Mortgage, as then supplemented and amended, on additional properties of the Company located in the State of Oregon and additional counties in the State of Montana, the Company executed and delivered a Short Form Mortgage and Security Agreement, in multiple counterparts dated as of various dates in 1992, in furtherance of and supplemental to the Original Mortgage, as then supplemented and amended, and such instrument was appropriately filed and recorded in the various official records in Oregon and Montana, as set forth in the aforesaid Twenty-sixth Supplemental Indenture; and

WHEREAS the aforesaid Twenty-sixth Supplemental Indenture through the Twenty-ninth Supplemental Indenture, dated as of December 1, 2001, were appropriately filed and recorded in the various official records in the

States of Washington, Idaho, Montana and Oregon, as set forth in the Twenty-seventh Supplemental Indenture, dated as of January 1, 1994, through the Thirtieth Supplemental Indenture, dated as of May 1, 2002; and

WHEREAS for the purpose of confirming or perfecting the lien of the Original Mortgage, as then supplemented and amended, on all its properties (other than specifically excepted property), including all real properties owned in fee, which were specifically described or referred to in Exhibit B to such instrument, all easements and other interests in and rights to use real property and all equipment and fixtures, the Company executed and delivered an Instrument of Further Assurance, dated as of December 15, 2001, in furtherance of and supplemental to the Original Mortgage, as then supplemented and amended, and such instrument was appropriately filed and recorded in the various official records in the States of Washington, Idaho, Montana and Oregon; and

WHEREAS for the purpose of confirming or perfecting the lien of the Original Mortgage, as then supplemented and amended, on additional properties of the Company located in an additional county in the State of Oregon, the Company executed and delivered a Memorandum of Mortgage and Security Agreement, dated as of May 29, 2003, in furtherance of and supplemental to the Original Mortgage, as then supplemented and amended, and such instrument was appropriately filed and recorded in the various official records in the State of Oregon; and

WHEREAS the aforesaid Thirtieth Supplemental Indenture through the Sixty-sixth Supplemental Indenture, dated as of March 1, 2022, were appropriately filed and recorded in the various official records in the States of Washington, Idaho, Montana and Oregon, as set forth in the Thirty-first Supplemental Indenture, dated as of May 1, 2003, through the Sixty-seventh Supplemental Indenture, dated as of March 1, 2023, and, in the case of said Sixty-sixth Supplemental Indenture, as set forth in Exhibit D hereto; and

WHEREAS the aforesaid Sixty-seventh Supplemental Indenture is being appropriately filed or recorded in the various official records in the States of Washington, Idaho, Montana and Oregon; and

WHEREAS in addition to the property described in the Mortgage the Company has acquired certain other property, rights and interests in property; and

WHEREAS Section 120 of the Original Mortgage, as heretofore amended, provides that, without the consent of any holders of bonds, the Company and the Trustee, at any time and from time to time, may enter into indentures supplemental to the Original Mortgage for various purposes set forth therein, including, without limitation, to cure ambiguities or correct defective or inconsistent provisions or to make other changes therein that shall not adversely affect the interests of the holders of bonds of any series in any material respect or to establish the form or terms of bonds of any series as contemplated by Article II; and

WHEREAS the Company now desires to create a new series of bonds; and

WHEREAS Section 8 of the Original Mortgage, as heretofore amended, provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company or by Treasurer's Certificate, or shall be set forth in an indenture supplemental to the Original Mortgage; that the form of such series, as so established, shall specify the descriptive title of the bonds and various other terms thereof; and that such series may also contain such provisions not inconsistent with the provisions of the Mortgage as the Company may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS the execution and delivery by the Company of this Sixty-eighth Supplemental Indenture and the terms of the Bonds of the Sixty-ninth Series, hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate Resolutions of said Board of Directors, and all things necessary to make this Sixty-eighth Supplemental Indenture a valid, binding and legal instrument have been performed;

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the Company, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, hereby confirms the estate, title and rights of the Trustee (including, without limitation, the lien of the Mortgage on the property of the Company subjected thereto, whether now owned or hereafter acquired) held as security for the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage according to their tenor and effect and the performance of all the provisions of the Mortgage and of such bonds, and, without limiting the generality of the foregoing, hereby confirms the grant, bargain, sale, release, conveyance, assignment, transfer, mortgage, pledge, setting over and confirmation unto the Trustee, contained in the Mortgage, of all the following described properties of the Company, whether now owned or hereafter acquired, namely:

All of the property, real, personal and mixed, of every character and wheresoever situated (except any hereinafter or in the Mortgage expressly excepted) which the Company now owns or, subject to the provisions of Section 87 of the Original Mortgage, may hereafter acquire prior to the satisfaction and discharge of the Mortgage, as fully and completely as if herein or in the Mortgage specifically described, and including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in Mortgage) all lands, real estate, easements, servitudes, rights of way and leasehold and other interests in real estate; all rights to the use or appropriation of water, flowage rights, water storage rights, flooding rights, and other rights in respect of or relating to water; all plants for the generation of electricity, power houses, dams, dam sites, reservoirs, flumes, raceways, diversion works, head works, waterways, water works, water systems, gas plants, steam heat plants, hot water plants, ice or refrigeration plants, stations, substations, offices, buildings and other works and structures and the equipment thereof and all improvements, extensions and additions thereto; all generators, machinery, engines, turbines, boilers, dynamos, transformers, motors, electric machines, switchboards, regulators, meters, electrical and mechanical appliances, conduits, cables, pipes and mains; all lines and systems for the transmission and distribution of electric current, gas, steam heat or water for any purpose; all towers, mains, pipes, poles, pole lines, conduits, cables, wires, switch racks, insulators, compressors, pumps, fittings, valves and connections; all motor vehicles and automobiles; all tools, implements, apparatus, furniture, stores, supplies and equipment; all franchises (except the Company's franchise to be a corporation), licenses, permits, rights, powers and privileges; and (except as herein after or in the Mortgage expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature.

The Company hereby acknowledges that, as of the date of this Sixty-eighth Supplemental Indenture, the real property located in the State of Washington, taken as a whole, that is so conveyed or intended to be so conveyed under the Mortgage is not used principally for agricultural purposes.

The property so conveyed or intended to be so conveyed under the Mortgage shall include, but shall not be limited to, the property set forth in Exhibit B hereto, the particular description of which is intended only to aid in the identification thereof and shall not be construed as limiting the force, effect and scope of the foregoing.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Original Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

THE COMPANY HEREBY CONFIRMS that, subject to the provisions of Section 87 of the Original Mortgage, all the property, rights, and franchises acquired by the Company after the date of the Original Mortgage (except any in the Mortgage expressly excepted) are and shall be as fully embraced within the lien of the Mortgage as if such property, rights and franchises had been owned by the Company at the date of the Original Mortgage and had been specifically described therein.

PROVIDED THAT the following were not and were not intended to be then or now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed under the Mortgage and were, are and shall be expressly excepted from the lien and operation of the Mortgage namely: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business or for consumption in the operation of any properties of the Company; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property heretofore released pursuant to any provisions of the Mortgage and not heretofore disposed of by the Company; provided, however, that the property and rights expressly excepted from the lien and operation of the Mortgage in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event that the Trustee or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Original Mortgage by reason of the occurrence of a Completed Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company in the Mortgage as aforesaid, or intended so to be, unto the Trustee, and its successors, heirs and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisions and covenants as set forth in the Mortgage, this Sixty-eighth Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY FURTHER CONFIRMED by the Company that all the terms, conditions, provisions, covenants and provisions contained in the Mortgage shall affect and apply to the property in the Mortgage described and conveyed, and to the estates, rights, obligations and duties of the Company and the Trustee and the beneficiaries of the trust with respect to said property, and to the Trustee and its successors in the trust, in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Original Mortgage, and had been specifically and at length described in and conveyed to said Trustee by the Original Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustee and its successor or successors in such trust under the Mortgage, as follows:

ARTICLE I

Sixty-ninth Series of Bonds

SECTION 1. (I) There shall be a series of bonds designated "First Mortgage Bonds, Collateral Series 2023A" (herein sometimes referred to as the "Bonds of the Sixty-ninth Series"), each of which shall also bear the descriptive title First Mortgage Bond, and the form thereof is set forth on Exhibit C hereto. The Bonds of the Sixty-ninth Series shall be issued as fully registered bonds in denominations of One Thousand Dollars and, at the option of the Company, any amount in excess thereof (the exercise of such option to be evidenced by the execution and delivery thereof) and shall be dated as in Section 10 of the Original Mortgage provided.

(II) The Bonds of the Sixty-ninth Series shall have the following terms and characteristics:

- a) the Bonds of the Sixty-ninth Series shall be initially authenticated and delivered under the Mortgage in the aggregate principal amount of \$500,000,000;

- b) the principal of the Bonds of the Sixty-ninth Series shall (unless theretofore paid) be payable on the Stated Maturity Date (as hereinafter defined);
- c) the Bonds of the Sixty-ninth Series shall bear interest at the rate of twelve per centum (12%) per annum; interest on the Bonds of the Sixty-ninth Series shall accrue from and including June 8, 2023, except as otherwise provided in the form of bond attached hereto as Exhibit C; interest on the Bonds of the Sixty-ninth Series shall be payable on each Interest Payment Date and at Maturity (as each of such terms is hereinafter defined); and interest on the Bonds of the Sixty-ninth Series during any period for which payment is made shall be computed in accordance with the Credit Agreement (as hereinafter defined);
- d) the principal of and premium, if any, and interest on each Bond of the Sixty-ninth Series payable at Maturity shall be payable to the registered owner thereof upon presentation thereof at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. The interest on each Bond of the Sixty-ninth Series (other than interest payable at Maturity) shall be payable, in similar coin or currency, directly to the registered owner thereof in the manner provided for payments under the Credit Agreement;
- e) the Bonds of the Sixty-ninth Series shall not be redeemable, in whole or in part, at the option of the Company;
- f) (i) the Bonds of the Sixty-ninth Series are to be issued and delivered to the Administrative Agent (as hereinafter defined) in order to provide the benefit of the lien of the Mortgage as security for the obligation of the Company under the Credit Agreement to pay the Obligations (as hereinafter defined), to the extent and subject to the limitations set forth in clauses (iii) and (iv) of this subdivision;

(ii) upon the earliest of (A) the occurrence of an Event of Default (as hereinafter defined) under the Credit Agreement, other than an Event of Default referred to in clause (B) below, and further upon the condition that, in accordance with the terms of the Credit Agreement, (1) the Commitments (as hereinafter defined) shall have been or shall have terminated and any Loans (as hereinafter defined) shall have been declared to be or shall have otherwise become due and payable immediately, (2) the Administrative Agent shall have demanded that the Company provide cash collateral in the amount of the total LC Exposure (as hereinafter defined), if any, and (3) the Administrative Agent shall have delivered to the Company a notice demanding redemption of the Bonds of the Sixty-ninth Series which notice states that it is being delivered pursuant to Article VII of the Credit Agreement; (B) the occurrence of an Event of Default under paragraph (g) or (h) of Article VII of the Credit Agreement; and (C) the Stated Maturity Date, then all Bonds of the Sixty-ninth Series shall be redeemed or paid immediately at the principal amount thereof plus accrued interest to the date of redemption or payment;

(iii) the obligation of the Company to pay the accrued interest on Bonds of the Sixty-ninth Series on any Interest Payment Date prior to Maturity (A) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of the Obligations shall have been paid or (B) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in respect of the Obligations and remaining unpaid (not in excess, however, of the amount otherwise then due in respect of interest on the Bonds of the Sixty-ninth Series);

(iv) the obligation of the Company to pay the principal of and accrued interest on Bonds of the Sixty-ninth Series at or after Maturity (A) shall be deemed to have been satisfied and discharged in full in the event that (1) all amounts then due in respect of the Obligations shall have been paid and (2) no Letter of Credit (as hereinafter defined) shall remain outstanding (or all outstanding Letters of Credit shall have been cash collateralized in full pursuant to the terms

of the Credit Agreement) or (B) shall be deemed to remain unsatisfied in an amount equal to the sum of (1) the aggregate amount then due in respect of the Obligations and remaining unpaid plus (2) the aggregate stated amount of all outstanding Letters of Credit to the extent that such Letters of Credit have not been cash collateralized pursuant to the terms of the Credit Agreement (not in excess, however, of the amount otherwise then due in respect of principal of and accrued interest on the Bonds of the Sixty-ninth Series); and

(v) the Trustee shall be entitled to presume that the obligation of the Company to pay the principal of and interest on the Bonds of the Sixty-ninth Series as the same shall become due and payable shall have been fully satisfied and discharged unless and until it shall have received a written notice from the Administrative Agent, signed by an authorized officer thereof, stating that the principal of and/or interest on the Bonds of the Sixty-ninth Series has become due and payable and has not been fully paid, and specifying the amount of funds required to make such payment;

- g. no service charge shall be made for the registration of transfer or exchange of Bonds of the Sixty-ninth Series;
- h. in the event of an application by the Administrative Agent for a substituted Bond of the Sixty-ninth Series pursuant to Section 16 of the Original Mortgage the Administrative Agent shall not be required to provide any indemnity or pay any expenses or charges as contemplated in said Section 16;
- i. if the Expiration Date (as hereinafter defined) shall have been extended pursuant to any provision of the Credit Agreement, and if the Company shall have furnished to the Trustee written evidence of such extension, executed by the Administrative Agent, the Stated Maturity Date shall, without further act, be deemed to have been extended to the Expiration Date (as so extended); provided, however, that in no event shall the Stated Maturity Date be so extended beyond December 31, 2050; and.
- j. the Bonds of the Sixty-ninth Series shall have such other terms as are set forth in the form of bond attached hereto as Exhibit C.

Anything in this Sixty-eighth Supplemental Indenture or in the Bonds of the Sixty-ninth Series to the contrary notwithstanding, if, at the time of the Maturity of the Bonds of the Sixty-ninth Series, the stated aggregate principal amount of the Bonds of the Sixty-ninth Series then Outstanding shall exceed the aggregate amount of the Commitments (provided, that the aggregate amount of the Commitments shall be determined without regard to any termination of the Commitments at such time or pursuant to Section 2.10(a) or Article VII of the Credit Agreement), the aggregate principal amount of the Bonds of the Sixty-ninth Series shall be deemed to have been reduced by the amount of such excess.

(III) For all purposes of this Article I, except as otherwise expressly provided or unless the context otherwise requires, the terms defined below shall have the meanings specified:

"Administrative Agent" means MUFG Bank, Ltd. (as successor by appointment to MUFG Union Bank, N.A.), in its capacity as Administrative Agent under the Credit Agreement, together with its successors and assigns in such capacity.

"Bond Delivery Agreement" means the Bond Delivery Agreement, dated as of June 8, 2023, between the Company and the Administrative Agent, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

"Commitments" shall have the meaning specified in the Credit Agreement.

"Credit Agreement" means the Credit Agreement, dated as of February 11, 2011, among the Company, the lenders named therein and from time to time party thereto, KeyBank National Association, as a Co-Documentation Agent, U.S. Bank National Association, as a Co-Documentation Agent and an Issuing Bank, Wells Fargo Bank, National Association, as Syndication Agent and an Issuing Bank, and MUFG Bank, Ltd. (as successor by appointment to MUFG Union Bank, N.A.), as Administrative Agent and an Issuing Bank; as such Credit Agreement was amended, supplemented or otherwise modified by that certain First Amendment to Credit Agreement and Waiver Thereunder, dated as of December 14, 2011, among the Company, the lenders party thereto, Wells Fargo Bank, National Association, as an Issuing Bank, and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), as Administrative Agent and an Issuing Bank; as such Credit Agreement was further amended, supplemented or otherwise modified by that certain Second Amendment to Credit Agreement, dated as of April 18, 2014, among the Company, the lenders party thereto, Wells Fargo Bank, National Association, as an Issuing Bank, and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), as Administrative Agent and an Issuing Bank; as such Credit Agreement was further amended, supplemented or otherwise modified by that certain letter agreement entitled "Extension of Expiration Date of Credit Facility", dated May 16, 2016, by MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), as Administrative Agent, to the Company; as such Credit Agreement was further amended, supplemented or otherwise modified by that certain Third Amendment to Credit Agreement, dated as of June 4, 2020, among the Company, the lenders party thereto, U.S. Bank National Association, as an Issuing Bank, Wells Fargo Bank, National Association, as an Issuing Bank and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), as Administrative Agent and an Issuing Bank; as such Credit Agreement was further amended, supplemented or otherwise modified by that certain Fourth Amendment to Credit Agreement, dated as of June 4, 2021, among the Company, the lenders party thereto, U.S. Bank National Association, as an Issuing Bank, Wells Fargo Bank, National Association, as an Issuing Bank, and MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.), as Administrative Agent and an Issuing Bank; as such Credit Agreement was further amended, supplemented or otherwise modified by that certain Fifth Amendment to Credit Agreement, dated as of June 8, 2023, among the Company, the lenders party thereto, U.S. Bank National Association, as an Issuing Bank, Wells Fargo Bank, National Association, as an Issuing Bank, and MUFG Bank, Ltd. (as successor by appointment to MUFG Union Bank, N.A.), as Administrative Agent and an Issuing Bank; and as such Credit Agreement may be further amended, amended and restated, supplemented or otherwise modified from time to time after the date of this Sixty-eighth Supplemental Indenture.

"Event of Default" shall have the meaning specified in the Credit Agreement.

"Expiration Date" shall have the meaning specified in the Credit Agreement.

"Interest Payment Date" means each March 31, June 30, September 30 and December 31, commencing on June 30, 2023.

"LC Exposure" shall have the meaning specified in the Credit Agreement. "Letter of Credit" shall have the meaning specified in the Credit Agreement.

"Loans" shall have the meaning specified in the Credit Agreement.

"Maturity" means the date on which the principal of the Bonds of the Sixty-ninth Series becomes due and payable, whether at stated maturity, upon redemption or acceleration, or otherwise.

"Obligations" shall have the meaning specified in the Bond Delivery Agreement.

"Stated Maturity Date" means June 8, 2028 or such later date to which such date shall have been extended as provided in subsection II(i) above.

ARTICLE II

Outstanding Bonds

Upon the delivery of this Sixty-eighth Supplemental Indenture, Bonds of the Sixty-ninth Series in an aggregate principal amount of \$500,000,000 are to be issued and will be Outstanding, in addition to \$2,557,200,000 aggregate principal amount of bonds of prior series Outstanding at the date of delivery of this Sixty-eighth Supplemental Indenture (which amount excludes \$400,000,000 in aggregate principal amount of First Mortgage Bonds, Collateral Series 2020A that are to be retired simultaneously with the issuance and delivery of the Bonds of the Sixty-ninth Series); it being understood that, subject to the provisions of the Mortgage, there shall be no limit on the principal amount of bonds that may be authenticated and delivered under the Mortgage.

ARTICLE III

Amendment of Mortgage

SECTION 1. Section 1 of Article IV of the Sixty-sixth Supplemental Indenture, dated as of March 1, 2022, is hereby amended to change the incorrect reference to the Bonds of the Sixth-sixth Series to the Bonds of the Sixty-seventh Series.

ARTICLE IV

Prospective Amendments of Original Mortgage

SECTION 1. Each initial and subsequent holder of Bonds of the Sixty-ninth Series, by virtue of its acquisition of an interest therein, shall be deemed, without further act, to have consented to the amendments of the Original Mortgage, as heretofore amended, contemplated in Article III of the Fifty-eighth Supplemental Indenture, dated as of December 1, 2015, and set forth in Exhibit E(1) thereto, as amended in Section 2 of Article III of the Sixtieth Supplemental Indenture, dated as of December 1, 2017, in Exhibits E(2) and E(3) to such Fifty-eighth Supplemental Indenture and in Exhibits E(1), E(2) and E(3) to the Sixty-sixth Supplemental Indenture, dated as of March 1, 2022.

ARTICLE V

Miscellaneous Provisions

SECTION 1. The terms defined in the Original Mortgage shall, for all purposes of this Sixty-eighth Supplemental Indenture, have the meanings specified in the Original Mortgage.

SECTION 2. The Trustee hereby confirms its acceptance of the trusts in the Original Mortgage declared, provided, created or supplemented and agrees to perform the same upon the terms and conditions in the Original Mortgage set forth, including the following:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Sixty-eighth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. Each and every term and condition contained in Article XVI of the Original Mortgage shall apply to and form part of this Sixty-eighth Supplemental Indenture with the same force and effect as if the same

were herein set forth in full, with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Sixty-eighth Supplemental Indenture.

SECTION 3. Whenever in this Sixty-eighth Supplemental Indenture either of the parties hereto is named or referred to, this shall, subject to the provisions of Articles XV and XVI of the Original Mortgage, be deemed to include the successors and assigns of such party, and all the covenants and agreements in this Sixty-eighth Supplemental Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, or either of them, shall, subject as aforesaid, bind and inure to the respective benefits of the respective successors and assigns of such parties, whether so expressed or not.

SECTION 4. Nothing in this Sixty-eighth Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the bonds Outstanding under the Mortgage, any right, remedy or claim under or by reason of this Sixty-eighth Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Sixty-eighth Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto and the holders of the bonds Outstanding under the Mortgage.

SECTION 5. This Sixty-eighth Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 6. The titles of the several Articles of this Sixty-eighth Supplemental Indenture shall not be deemed to be any part thereof.

IN WITNESS WHEREOF, on the 8th day of June, 2023, AVISTA CORPORATION has caused its corporate name to be hereunto affixed, and this instrument to be signed by its President or one of its Vice Presidents for and on its behalf, in The City of Spokane, Washington, as of the day and year first above written, and on the day of June, 2023, CITIBANK, N.A., has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents or one of its Senior Trust Officers or one of its Trust Officers for and on its behalf, in The City of New York, New York, all as of the day and year first above written.

AVISTA CORPORATION

By: /s/ Kevin J. Christie
Name: Kevin J. Christie
Title: Senior Vice President, Chief Financial Officer, Treasurer and Regulatory Affairs Officer

CITIBANK, N.A, as Trustee

By: /s/ Eva Waite
Name: Eva Waite
Title: Senior Trust Officer

STATE OF WASHINGTON)
) ss.:
COUNTY OF SPOKANE)

On this 8th day of June, 2023, before me personally appeared Kevin J. Christie, personally known to me to be a Senior Vice President, the Chief Financial Officer, the Treasurer and the Regulatory Affairs Officer of AVISTA CORPORATION, one of the corporations that executed the within and foregoing supplemental indenture, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

 /s/ Debbie Deubel
Notary Public

DEBBIE DEUBEL
Notary Public
State of Washington
Commission Expires May 9, 2025

**MORTGAGE, SUPPLEMENTAL INDENTURES AND
SERIES OF BONDS**

MORTGAGE OR SUPPLEMENTAL INDENTURE	DATED AS OF	SERIES		PRINCIPAL AMOUNT ISSUED	PRINCIPAL AMOUNT OUTSTANDING
		NO.	DESIGNATION		
Original	June 1, 1939	1	3-1/2% Series due 1964	\$22,000,000	None
1	October 1, 1952	2	3-1/2% Series due 1982 (changed to 3-3/4% in Twelfth Supplemental Indenture)	30,000,000	None
2	May 1, 1953	3	3-7/8% Series due 1983	10,000,000	None
3	December 1, 1955		None		
4	March 15, 1957		None		
5	July 1, 1957	4	4-7/8% Series due 1987	30,000,000	None
6	January 1, 1958	5	4-1/8% Series due 1988	20,000,000	None
7	August 1, 1958	6	4-3/8% Series due 1988	15,000,000	None
8	January 1, 1959	7	4-3/4% Series due 1989	15,000,000	None
9	January 1, 1960	8	5-3/8% Series due 1990	10,000,000	None
10	April 1, 1964	9	4-5/8% Series due 1994	30,000,000	None
11	March 1, 1965	10	4-5/8% Series due 1995	10,000,000	None
12	May 1, 1966		None		
13	August 1, 1966	11	6% Series due 1996	20,000,000	None
14	April 1, 1970	12	9-1/4% Series due 2000	20,000,000	None
15	May 1, 1973	13	7-7/8% Series due 2003	20,000,000	None
16	February 1, 1975	14	9-3/8% Series due 2005	25,000,000	None
17	November 1, 1976	15	8-3/4% Series due 2006	30,000,000	None
18	June 1, 1980		None		

19	January 1, 1981	16	14-1 /8% Series due 1991	40,000,000	None
			Subtotals	\$347,000,000	None

MORTGAGE OR SUPPLEMENTAL INDENTURE	DATED AS OF	SERIES		PRINCIPAL AMOUNT ISSUED	PRINCIPAL AMOUNT OUTSTANDING
		NO.	DESIGNATION		
20	August 1, 1982	17	15-3/4% Series due 1990- 1992	\$60,000,000	None
21	September 1, 1983	18	13-1/2% Series due 2013	60,000,000	None
22	March 1, 1984	19	13-1/4% Series due 1994	60,000,000	None
23	December 1, 1986	20	9-1/4% Series due 2016	80,000,000	None
24	January 1, 1988	21	10-3/8% Series due 2018	50,000,000	None
25	October 1, 1989	22 23	7-1/8% Series due 2013 7-2/5% Series due 2016	66,700,000 17,000,000	None None
26	April 1, 1993	24	Secured Medium -Term Notes, Series A (\$250,000,000 authorized)	250,000,000	13,500,000
27	January 1, 1994	25	Secured Medium-Term Notes, Series B (\$250,000,000 authorized)	161,000,000	None
28	September 1, 2001	26	Collateral Series due 2002	220,000,000	None
29	December 1, 2001	27	7.75% Series due 2007	150,000,000	None
30	May 1, 2002	28	Collateral Series due 2003	225,000,000	None
31	May 1, 2003	29	Collateral Series due 2004	245,000,000	None
32	September 1, 2003	30	6.125% Series due 2013	45,000,000	None
33	May 1, 2004	31	Collateral Series due 2005	350,000,000	None
34	November 1, 2004	32	5.45% Series due 2019	90,000,000	None
35	December 1, 2004	33	Collateral Series 2004A	88,850,000	25,000,000
36	December 1, 2004	34 35	Collateral Series 2004B Collateral Series 2004C	66,700,000 17,000,000	None None
37	December 1, 2004	36	Collateral Series 2004D	350,000,000	None
38	May 1, 2005	37 38	Collateral Series 2005B Collateral Series 2005C	66,700,000 17,000,000	None None
39	November 1, 2005	39	6.25% Series due 2035	100,000,000	100,000,000

				50,000,000	50,000,000
			Subtotals	\$2,885,950,000	\$188,500,000

MORTGAGE OR SUPPLEMENTAL INDENTURE	DATED AS OF	SERIES		PRINCIPAL AMOUNT ISSUED	PRINCIPAL AMOUNT OUTSTANDING
		NO.	DESIGNATION		
40	April 1, 2006	40	Collateral Series due 2011	\$320,000,000	None
41	December 1, 2006	41	5.70% Series due 2037	150,000,000	150,000,000
42	April 1, 2008	42	5.95% Series due 2018	250,000,000	None
43	November 1, 2008	43	Collateral Series 2008A	200,000,000	None
44	December 1, 2008	44	7.25% Series due 2013	30,000,000	None
45	December 1, 2008	45	Collateral Series 2008B	17,000,000	None
46	September 1, 2009	46	5.125% Series due 2022	250,000,000	None
47	November 1, 2009	47	Collateral Series 2009A	75,000,000	None
48	December 1, 2010	48	Collateral Series 2010A	66,700,000	66,700,000
		49	Collateral Series 2010B	17,000,000	17,000,000
49	December 1, 2010	50	3.89% Series due 2020	52,000,000	None
		51	5.55% Series due 2040	35,000,000	35,000,000
50	December 1, 2010	52	1.68% Series due 2013	50,000,000	None
51	February 1, 2011	53	Collateral Series 2011A	400,000,000	None
52	August 1, 2011		None		
53	December 1, 2011	54	4.45% Series due 2041	85,000,000	85,000,000
54	November 1, 2012	55	4.23% Series due 2047	80,000,000	80,000,000
55	August 1, 2013	56	Collateral Series 2013A	90,000,000	None
56	April 1, 2014	57	Collateral Series 2014A	400,000,000	None
57	December 1, 2014	58	4.11% Series due 2044	60,000,000	60,000,000
58	December 1, 2015	59	4.37% Series due 2045	100,000,000	100,000,000
59	December 1, 2016	60	3.54% Series due 2051	175,000,000	175,000,000
60	December 1, 2017	61	3.91% Series due 2047	90,000,000	90,000,000
61	May 1, 2018	62	4.35% Series due 2048	375,000,000	375,000,000
62	November 1, 2019	63	3.43% Series due 2049	180,000,000	180,000,000
63	June 1, 2020	64	Collateral Series 2020A	400,000,000	400,000,000 ¹
			Subtotals	\$3,947,700,000	\$1,813,700,000

¹ To be retired in connection with the delivery of \$500,000,000 of First Mortgage Bonds, Collateral Series 2023A.

<u>MORTGAGE OR SUPPLEMENTAL INDENTURE</u>	<u>DATED AS OF</u>	<u>SERIES</u>		<u>PRINCIPAL AMOUNT ISSUED</u>	<u>PRINCIPAL AMOUNT OUTSTANDING</u>
		<u>NO.</u>	<u>DESIGNATION</u>		
64	September 1, 2020	65	3.07% Series due 2050	165,000,000	165,000,000
65	September 1, 2021	66	2.90% Series due 2051	140,000,000	140,000,000
66	March 1, 2022	67	4.00% Series due 2052	400,000,000	400,000,000
67	March 1, 2023	68	5.66% Series due 2053	250,000,000	250,000,000
Subtotals				\$955,000,000	Totals
				\$8,135,650.000	\$2,957,200,000

PROPERTY ADDITIONS

First

THE ADDITIONAL ELECTRIC SUBSTATIONS AND SUBSTATION SITES of

the Company, in the State of Washington, including all buildings, structures, towers, poles, equipment, appliances and devices for transforming, converting and distributing electric energy, and the lands of the Company on which the same are situated and all of the Company's real estate and interests therein, machinery, equipment, appliances, devices, appurtenances and supplies, franchises, permits and other rights and other property forming a part of said substations or any of them, or used or enjoyed or capable of being used or enjoyed in connection with any thereof, including, but not limited to, the following situated in the State of Idaho, to wit:

Kootenai County, Idaho, "Wyoming Rd Substation", granted by Jacklin Land Company, LLLP, an Idaho Limited Liability Limited Partnership, who acquired title as Jacklin Land Company Limited Partnership, an Idaho Limited Partnership, does hereby grant, bargain, sell and convey unto the following described premises, in Kootenai County, Idaho, to wit:

A portion of the Northwest Quarter of Section 18, Township 51 North, Range 4 West of the Boise Meridian, Kootenai County, Idaho, described as follows:

Beginning at a rebar monument at the intersection between the easterly line of said Northwest Quarter and the northerly right-of-way line of the Union Pacific Railroad, said point bears South 0°24' 35" West 845.12 feet from the northeast corner of said Northwest Quarter;

Thence North 0°24' 35" East along said easterly line 500.00 feet to a point on a line parallel with and 407.81 feet perpendicular northerly from said northerly right-of-way line, said point marked with a rebar monument;

Thence South 55°03'27" West along said parallel line 165.52 feet to a rebar monument;

Thence continuing South 55°03'27" West along said parallel line 582.19 feet to a point on a line parallel with and 609.84 feet perpendicular westerly from said easterly line of the Northwest Quarter;

Thence South 0°24' 35" West along said parallel line 500.00 feet to a rebar monument set on said northerly right-of-way line;

Thence North 55°03'27" East along said northerly right-of-way line 747.71 feet to the said Point of Beginning.

(Form of Bond)

This bond is non-transferable, except to a successor Administrative Agent under the Credit Agreement referred to herein.

AVISTA CORPORATION

First Mortgage Bond,
Collateral Series 2023A

REGISTERED

REGISTERED

NO. _____

\$ _____

AVISTA CORPORATION, a corporation of the State of Washington (hereinafter called the "Company"), for value received, hereby promises to pay to

, as Administrative Agent under the Credit Agreement hereinafter referred to, or registered assigns, on June 8, 2028 (or such later date to which such stated maturity date shall have been extended as provided below, the "Stated Maturity Date")

FIVE HUNDRED MILLION DOLLARS

and to pay the registered owner hereof interest thereon from June 8, 2023 in arrears on March 31, June 30, September 30 and December 31 of each year, commencing June 30, 2023 (each such date being hereinafter called an "Interest Payment Date"), and at Maturity (as hereinafter defined), at the rate of twelve per centum (12%) per annum computed as provided in the Sixty-eighth Supplemental Indenture hereinafter referred to, until the Company's obligation with respect to the payment of such principal shall have been discharged, all in accordance with, and subject to, the provisions hereinafter set forth.

Dated:

AVISTA CORPORATION

By: _____
Name:
Title:

ATTEST: _____
Name:
Title:

TRUSTEE'S CERTIFICATE

This bond is one of the bonds, of the series herein designated, described or provided for in the within-mentioned Mortgage.

CITIBANK, N.A.
Trustee

By _____
Authorized Signatory

The principal of and premium, if any, and interest on this bond payable at Maturity shall be payable upon presentation hereof at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts. The interest on this bond (other than interest payable at Maturity) shall be paid directly to the registered owner hereof. As used herein, the term "Maturity" shall mean the date on which the principal of this bond becomes due and payable, whether at stated maturity, upon redemption or acceleration, or otherwise.

This bond is one of an issue of bonds of the Company issuable in series and is one of a series known as its First Mortgage Bonds, Collateral Series 2023A, all bonds of all such series being issued and issuable under and equally secured (except insofar as any sinking or other fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust, dated as of June 1, 1939 (the "Original Mortgage"), executed by the Company (formerly known as The Washington Water Power Company) to City Bank Farmers Trust Company and Ralph E. Morton, as Trustees (Citibank, N.A., successor Trustee to both said Trustees). The Original Mortgage has been amended and supplemented by various supplemental indentures, including the Sixty-eighth Supplemental Indenture, dated as of June 1, 2023 (the "Sixty-eighth Supplemental Indenture"), and, as so amended and supplemented, is herein called the "Mortgage." Reference is made to the Mortgage for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the holders of the bonds and of the Trustee in respect thereof, the duties and immunities of the Trustee, the terms and conditions upon which the bonds are and are to be secured and the circumstances under which additional bonds may be issued. If there shall be a conflict between the terms of this bond and the provisions of the Mortgage, the provisions of the Mortgage shall control to the extent permitted by law. The holder of this bond, by its acceptance hereof, shall be deemed to have consented and agreed to all of the terms and provisions of the Mortgage.

The Mortgage may be modified or altered by affirmative vote of the holders of at least 60% in principal amount of the bonds outstanding under the Mortgage, considered as one class, or, if the rights of one or more, but less than all, series of bonds then outstanding are to be affected, then such modification or alteration may be effected with the affirmative vote only of 60% in principal amount of the bonds outstanding of the series so to be affected, considered as one class, and, furthermore, for limited purposes, the Mortgage may be modified or altered without any consent or other action of holders of any series of bonds. No modification or alteration shall, however, permit an extension of the Maturity of the principal of, or interest on, this bond or a reduction in such principal or the rate of interest hereon or any other modification in the terms of payment of such principal or interest or the creation of any lien equal or prior to the lien of the Mortgage or deprive the holder of a lien on the mortgaged and pledged property without the consent of the holder hereof.

The bonds of this series are not redeemable, in whole or in part, at the option of the Company.

The bonds of this series have been issued and delivered to MUFG Bank, Ltd. (as successor by appointment to MUFG Union Bank, N.A.), as Administrative Agent under the Credit Agreement (as such terms are defined in the Sixty-eighth Supplemental Indenture) in order to provide the benefit of the lien of the Mortgage as security for the obligation of the Company under the Credit Agreement to pay the Obligations (as so defined), to the extent and subject to the limitations set forth below. Subject to the terms and conditions specified in the Sixty-eighth Supplemental Indenture,

the Stated Maturity Date shall be automatically extended upon the extension of the Expiration Date (as such term is defined in the Sixty-eighth Supplemental Indenture) pursuant to any provision of the Credit Agreement, but in no event beyond December 31, 2050.

Upon the earliest of (A) the occurrence of an Event of Default (as defined in the Sixty-eighth Supplemental Indenture) under the Credit Agreement, other than an Event of Default referred to in clause (B) below, and further upon the condition that, in accordance with the terms of the Credit Agreement, (1) the Commitments (as so defined) shall have been or shall have terminated and any Loans (as so defined) shall have been declared to be or shall have otherwise become due and payable immediately, (2) the Administrative Agent shall have demanded that the Company provide cash collateral in the amount of the total LC Exposure (as so defined), if any, and (3) the Administrative Agent shall have delivered to the Company a notice demanding redemption of the bonds of this series which notice states that it is being delivered pursuant to Article VII of the Credit Agreement, (B) the occurrence of an Event of Default under paragraph (g) or (h) of Article VII of the Credit Agreement, and (C) the Stated Maturity Date, then all bonds of this series shall be redeemed or paid immediately at the principal amount thereof plus accrued interest to the date of redemption or payment.

The obligation of the Company to pay the accrued interest on bonds of this series on any Interest Payment Date prior to Maturity (a) shall be deemed to have been satisfied and discharged in full in the event that all amounts then due in respect of the Obligations shall have been paid or (b) shall be deemed to remain unsatisfied in an amount equal to the aggregate amount then due in respect of the Obligations and remaining unpaid (not in excess, however, of the amount otherwise then due in respect of interest on the bonds of this series).

The obligation of the Company to pay the principal of and accrued interest on bonds of this series at or after Maturity (x) shall be deemed to have been satisfied and discharged in full in the event that (1) all amounts then due in respect of the Obligations shall have been paid and (2) no Letter of Credit (as defined in the Sixty-eighth Supplemental Indenture) shall remain outstanding (or all outstanding Letters of Credit shall have been cash collateralized in full pursuant to the terms of the Credit Agreement) or (y) shall be deemed to remain unsatisfied in an amount equal to the sum of (1) the aggregate amount then due in respect of the Obligations and remaining unpaid plus (2) the aggregate stated amount of all outstanding Letters of Credit to the extent that such Letters of Credit have not been cash collateralized pursuant to the terms of the Credit Agreement (not in excess, however, of the amount otherwise then due in respect of principal of and accrued interest on the bonds of this series).

Anything in this bond to the contrary notwithstanding, if, at the time of the Maturity of the bonds of this series, the stated aggregate principal amount of such bonds then outstanding shall exceed the aggregate amount of the Commitments (provided that the aggregate amount of the Commitments shall be determined without regard to any termination of the Commitments at such time or pursuant to Section 2.10(a) or Article VII of the Credit Agreement), the aggregate principal amount of such bonds shall be deemed to have been reduced by the amount of such excess.

The principal hereof, together with all accrued and unpaid interest hereon, may be declared or may become due prior to the Stated Maturity Date on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a Completed Default as in the Mortgage provided.

As provided in the Mortgage and subject to certain limitations therein set forth, this bond or any portion of the principal amount hereof will be deemed to have been paid if there has been irrevocably deposited with the Trustee moneys or direct obligations of or obligations guaranteed by the United States of America, the principal of and interest on which when due, and without regard to any reinvestment thereof, will provide moneys which, together with moneys so deposited, will be sufficient

to pay when due the principal of and premium, if any, and interest on this bond when due.

The Mortgage contains terms, provisions and conditions relating to the consolidation or merger of the Company with or into, and the conveyance or other transfer, or lease, of assets to, another corporation and to the assumption by such other corporation, in certain circumstances, of all of the obligations of the Company under the Mortgage and on the bonds secured thereby.

This bond is non-transferable except as required to effect transfer to any successor administrative agent under the Credit Agreement, any such transfer to be made at the office or agency of the Company in the Borough of Manhattan, The City of New York, upon surrender and cancellation of this bond, together with a written instrument of transfer whenever required by the Company duly executed by the registered owner or by its duly authorized attorney, and, thereupon, a new fully registered bond of the same series for a like principal amount will be issued to the transferee in exchange herefor as provided in the Mortgage. The Company and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment and for all other purposes.

In the manner prescribed in the Mortgage, any bonds of this series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, are exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations.

No recourse shall be had for the payment of the principal of or interest on this bond against any incorporator or any past, present or future subscriber to the capital stock, stockholder, officer or director of the Company or of any predecessor or successor corporation, as such, either directly or through the Company or any predecessor or successor corporation, under any rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors being released by the holder or owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

This bond shall not become obligatory until Citibank, N.A., the Trustee under the Mortgage, or its successor thereunder, shall have signed the form of certificate endorsed hereon.

ASSIGNMENT FORM

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
unto

[please insert social security or other identifying number of assignee]

[please print or typewrite name and address of assignee]

the within bond of AVISTA CORPORATION and does hereby irrevocably constitute and appoint , Attorney, to transfer said bond on the books of the within-mentioned Company, with full power of substitution in the premises.

Dated:- - - - -

[signature of assignor]

Notice: The signature to this assignment must correspond with the name as written upon the face of the bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT D

**FILING AND RECORDING OF
SIXTY-SIXTH SUPPLEMENTAL INDENTURE**

FILING IN STATE OFFICES			
State	Office of	Date	Financing Statement Document Number
Washington	Secretary of State	5/26/22	2022-146-1057-4
Idaho	Secretary of State	5/13/22	20220835996
Montana	Secretary of State	4/19/22	20220266531
Oregon	Secretary of State	4/25/2022	93166502

RECORDING IN COUNTY OFFICES						
County	Office of	Real Estate Mortgage Records				Financing Statement Document Number
		Date	Document Number	Book	Page	
<i>Washington</i>						
Adams	Auditor	5/11/22	331460	N/A	N/A	N/A
Asotin	Auditor	4/25/22	376926	N/A	N/A	N/A
Benton	Auditor	4/26/22	2022-013996	N/A	N/A	N/A
Douglas	Auditor	4/26/22	3254694	N/A	N/A	N/A
Ferry	Auditor	4/25/22	0297703	N/A	N/A	N/A
Franklin	Auditor	4/26/22	1959914	N/A	N/A	N/A
Garfield	Auditor	4/25/22	20220177	N/A	N/A	N/A
Grant	Auditor	5/5/22	1471330	N/A	N/A	N/A
Klickitat	Auditor	1/10/22	1152465	N/A	N/A	N/A
Lewis	Auditor	4/25/22	3575436	N/A	N/A	N/A
Lincoln	Auditor	4/25/22	2022-0492001	N/A	N/A	N/A
Pend Oreille	Auditor	4/26/22	20220348774	N/A	N/A	N/A
Skamania	Auditor	4/25/22	2022-000851	N/A	N/A	N/A
Spokane	Auditor	4/25/22	7201550	N/A	N/A	N/A
Stevens	Auditor	4/25/22	2022-0003598	N/A	N/A	N/A
Thurston	Auditor	5/17/22	4931941	N/A	N/A	N/A
Whitman	Auditor	4/25/22	773587	N/A	N/A	N/A
<i>Idaho</i>						
Benewah	Recorder	4/25/22	295178	N/A	N/A	N/A
Bonner	Recorder	5/3/22	1004791	N/A	N/A	N/A
Boundary	Recorder	4/25/22	291108	N/A	N/A	N/A
Clearwater	Recorder	5/9/22	243378	N/A	N/A	N/A
Idaho	Recorder	5/2/22	535875	N/A	N/A	N/A
Kootenai	Recorder	5/2/22	2898619000	N/A	N/A	N/A
Latah	Recorder	5/12/22	623231	N/A	N/A	N/A

RECORDING IN COUNTY OFFICES

County	Office of	<u>Real Estate Mortgage Records</u>				Financing Statement Document Number
		Date	Document Number	Book	Page	
<i>Idaho (cont.)</i>						
Lewis	Recorder	4/25/22	150602	N/A	N/A	N/A
Nez Perce	Recorder	5/2/22	899656	N/A	N/A	N/A
Shoshone	Recorder	5/4/22	513553	N/A	N/A	N/A
<i>Montana</i>						
Big Horn	Clerk & Recorder	4/25/22	364868	175	444-486	N/A
Broadwater	Clerk & Recorder	4/26/22	193398	240	19	N/A
Golden Valley	Clerk & Recorder	4/25/22	84796	M	21796	N/A
Meagher	Clerk & Recorder	4/26/22	148363	N/A	N/A	N/A
Mineral	Clerk & Recorder	4/25/22	125771			
Rosebud	Clerk & Recorder	4/28/22	0126172	166	860-902	N/A
Sanders	Clerk & Recorder	4/25/22	325715			N/A
Stillwater	Clerk & Recorder	4/25/22	386573	N/A	N/A	N/A
Treasure	Clerk & Recorder	4/25/22	2022-0071	24	912	N/A
Wheatland	Clerk & Recorder	4/25/22	112416	M	33207-33249	N/A
Yellowstone	Clerk & Recorder	4/26/22	4015159	N/A	N/A	N/A
<i>Oregon</i>						
Douglas	Recorder	5/13/22	2022-008644	N/A	N/A	N/A
Jackson	Recorder	4/28/22	2022-013988	N/A	N/A	N/A
Josephine	Recorder	5/31/22	2022-007340	N/A	N/A	N/A
Klamath	Recorder	4/25/22	2022-005225	N/A	N/A	N/A
Morrow	Recorder	4/25/22	2022-51075	N/A	N/A	N/A
Union	Recorder	4/25/22	20221343	N/A	N/A	N/A
Wallowa	Recorder	4/25/22	00086193	N/A	N/A	N/A

FIFTH AMENDMENT TO CREDIT AGREEMENT

This FIFTH AMENDMENT TO CREDIT AGREEMENT (this “**Amendment**”), dated as of June 8, 2023, is entered into by AVISTA CORPORATION, a Washington corporation (the “**Borrower**”), the financial institutions identified on the signature pages hereof as “Lenders” (the “**Lenders**”), U.S. BANK NATIONAL ASSOCIATION, as an Issuing Bank, WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing Bank, and MUFG BANK, LTD. (as successor by appointment to MUFG Union Bank, N.A.), as Administrative Agent (in such capacity, the “**Administrative Agent**”) and an Issuing Bank.

Recitals

A. The parties hereto are party to that certain Credit Agreement, dated as of February 11, 2011, as amended, supplemented or otherwise modified by the First Amendment to Credit Agreement and Waiver Thereunder, dated as of December 14, 2011, the Second Amendment to Credit Agreement, dated as of April 18, 2014, the letter agreement entitled “Extension of Expiration Date of Credit Facility”, dated May 16, 2016, the Third Amendment to Credit Agreement, dated as of June 4, 2020, and the Fourth Amendment to Credit Agreement, dated as of June 4, 2021 (as so amended, supplemented or otherwise modified, the “**Existing Credit Agreement**”; the Existing Credit Agreement, as amended by this Amendment, the “**Amended Credit Agreement**”). Terms defined in the Existing Credit Agreement and not otherwise defined herein have the same respective meanings when used herein, and the provisions of Section 1.02 of the Existing Credit Agreement are incorporated herein by reference.

B. The Borrower and the Lenders wish to amend the Existing Credit Agreement to, among other things, (i) extend the Expiration Date to June 8, 2028, (ii) revise Section 2.20 of the Existing Credit Agreement to provide for possible additional extensions of the Expiration Date, (iii) increase the aggregate amount of the Commitments to \$500,000,000, and (iv) replace the LIBOR interest rate provisions with the Administrative Agent’s current market standard Term SOFR provisions. Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Lenders, the Issuing Banks and the Administrative Agent hereby agree as set forth below.

SECTION 1. Amendments to Existing Credit Agreement. Subject to satisfaction of the conditions precedent set forth in Section 2 of this Amendment, the parties hereto hereby agree that the Existing Credit Agreement is amended as of the Effective Date (as defined below) as follows:

(a) Credit Agreement. The Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the form of the Amended Credit Agreement attached as Exhibit A hereto. For the avoidance of doubt, Exhibit A hereto intentionally excludes the exhibits and schedules to the Existing Credit Agreement, which, except as expressly set forth in subsection (b) below, are not being amended hereby.

(b) Schedules. Schedules 2.01 and 3.13 to the Existing Credit Agreement are hereby replaced in their entirety with the corresponding Schedules attached as Exhibit B hereto.

SECTION 2. Conditions Precedent. This Amendment shall become effective on the date (the “**Effective Date**”), not later than June 30, 2023, on which all of the conditions set forth below have been fulfilled.

(a) The Administrative Agent shall have received all of the following, each dated the Effective Date (unless otherwise specified below), in form and substance satisfactory to the Administrative Agent and in the number of originals requested thereby:

(i) this Amendment, duly executed by the Borrower, the Lenders and the Issuing Banks;

(ii) a new First Mortgage Bond in substitution for the First Mortgage Bond, dated June 4, 2020, referencing (among other things) the extension of the Expiration Date effected pursuant to Section 1(a) of this Amendment (the “**New First Mortgage Bond**”), together with the related Supplemental Indenture (the “**New Supplemental Indenture**”) and the related bond delivery agreement (the “**New Bond Delivery Agreement**”), in each case duly executed and delivered by all of the parties thereto, together with a copy of the bond application (including all attachments thereto) relating to the New First Mortgage Bond;

(iii) a copy of the First Mortgage, certified by the Chief Financial Officer, the Treasurer or the Assistant Treasurer of the Borrower;

(iv) a copy of title insurance policy number NSL 31426-SEA issued by First American Title Insurance Company, together with all endorsements thereto through the Effective Date (collectively, the “**Title Policy**”), including an endorsement dated a recent date confirming that the Title Policy (A) insures the Lien of the First Mortgage (including as modified by the New Supplemental Indenture) securing the New First Mortgage Bond, in each case with the Expiration Date extended to June 8, 2028, (B) insures the trustee under the First Mortgage as the insured party and (C) insures the Borrower’s title to the real property subject to the Lien of the First Mortgage, and the validity and first priority of the Lien of the First Mortgage (subject to Liens permitted to exist by the terms of the First Mortgage), in an amount not less than \$785,000,000, certified by the Chief Financial Officer, the Treasurer or the Assistant Treasurer of the Borrower;

(v) to the extent requested by any Lenders pursuant to Section 2.04(e) of the Existing Credit Agreement, a new Note payable to the order of each such Lender (collectively, the “**New Notes**”);

(vi) opinions of Davis Wright Tremaine LLP, counsel to the Borrower, Hawley Troxell Ennis & Hawley LLP, Idaho counsel to the Borrower, and Crowley Fleck PLLP, special Montana counsel to the Administrative Agent (or such other firm or firms as approved by the Administrative Agent), each addressed to the Administrative Agent, the Lenders and the Issuing Banks, with respect to such matters relating to (A) the Borrower, (B) this Amendment, the New First Mortgage Bond, the New Supplemental Indenture, the

New Bond Delivery Agreement and the New Notes (collectively, the “**Amendment Documents**”) and (C) the Loan Documents, as modified or replaced by the Amendment Documents, as the Administrative Agent or any Lender or Issuing Bank may reasonably request (the Borrower hereby instructing each such counsel to deliver its opinion to the Administrative Agent);

(vii) evidence that the Borrower has obtained all consents and approvals of, and has made all filings and registrations with, any Governmental Authority required in order to consummate the Transactions (as defined in Section 3(b) hereof), in each case without the imposition of any condition that, in the judgment of the Administrative Agent, could adversely affect the rights or interests of the Lenders, the Issuing Banks or the Administrative Agent under any of the Amendment Documents or the Loan Documents as modified or replaced thereby;

(viii) a copy of the articles of incorporation of the Borrower (as most recently amended and restated), including all amendments thereto, certified as of a recent date by the Secretary of State of the State of Washington;

(ix) certificates, each dated as of a recent date, from the appropriate Governmental Authorities of the States of Washington, Idaho, Montana and Oregon as to the good standing of the Borrower to do business in those states;

(x) a certificate of the Secretary or Assistant Secretary of the Borrower certifying (A) that attached thereto is a true and complete copy of the restated articles of incorporation and the bylaws of the Borrower as in effect on the Effective Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors of the Borrower authorizing the Transactions and that such resolutions have not been modified, rescinded or amended and are in full force and effect, (C) that the articles of incorporation of the Borrower have not been amended since the date of the last amendment thereto shown on the certification with respect thereto furnished pursuant to clause (viii) above and (D) as to the incumbency and specimen signature of each officer executing any Amendment Document or any other document delivered in connection therewith on behalf of the Borrower;

(xi) a certificate of another officer of the Borrower as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate provided pursuant to clause (x) above;

(xii) a certificate of the Chief Financial Officer, the Treasurer or the Assistant Treasurer of the Borrower certifying that the representations and warranties set forth in Sections 3(f) and (g) of this Amendment are true and correct;

(xiii) to the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to the Borrower, in form and substance reasonably satisfactory to any Lender that requests such a Beneficial Ownership Certification;

(xiv) to the extent requested by any Issuing Bank, a letter agreement between the Borrower and such Issuing Bank concerning such Issuing Bank's maximum Issuing Bank Exposure, duly executed by all parties thereto;

(xv) the Borrower shall have repaid in full the outstanding principal amount of all loans (if any) under that certain Credit Agreement, dated as of November 29, 2022 (as amended by the First Amendment to Credit Agreement, dated as of December 15, 2022, and as further amended, supplemented or otherwise modified from time to time prior to the date hereof, the "**KeyBank Credit Agreement**"), among the Borrower, the lenders named therein and from time to time party thereto, and KeyBank National Association, as administrative agent, together with all accrued and unpaid interest thereon and all fees, costs, expenses and other amounts payable thereunder, and the KeyBank Credit Agreement, all commitments thereunder and all related loan documents shall have been terminated; and

(xvi) such other documents as the Administrative Agent or any Lender, or legal counsel to any of them, may reasonably request.

(b) All fees payable by the Borrower to the Administrative Agent, the Issuing Banks, the Lenders or any of their respective Affiliates on or prior to the Effective Date with respect to this Amendment (including, without limitation, all fees payable by the Borrower to the joint lead arrangers with respect to this Amendment pursuant to those certain fee letter agreements, each dated May 15, 2023), and all amounts payable by the Borrower pursuant to Section 10.05 of the Existing Credit Agreement for which invoices have been delivered to the Borrower on or prior to the Effective Date, shall have been paid in full or arrangements satisfactory to the Administrative Agent shall have been made to cause them to be paid in full.

(c) The Borrower shall have paid to the Administrative Agent, for the account of the Lenders, in immediately available funds, all unpaid interest, Facility Fees and LC Participation Fees, in each case, that is accrued to but excluding the Effective Date under the Existing Credit Agreement.

(d) The Administrative Agent and the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation.

(e) All legal matters incident to the Amendment Documents, the Loan Documents as modified or replaced thereby and the Transactions shall be reasonably satisfactory to the Administrative Agent, the Lenders, the Issuing Banks and their respective legal counsel.

SECTION 3. Representations and Warranties. In order to induce the Lenders, the Issuing Banks and the Administrative Agent to enter into this Amendment, the Borrower represents and warrants to them as set forth below.

(a) The Borrower has the corporate power and authority (i) to execute and deliver the Amendment Documents, (ii) to perform its obligations under the Amendment Documents and under the Loan Documents as modified or replaced thereby and (iii) to borrow Loans and procure the issuance of Letters of Credit.

(b) The execution and delivery of the Amendment Documents by the Borrower, the performance by the Borrower of its obligations under the Amendment Documents and under the Loan Documents as modified or replaced thereby, and the borrowing of Loans and procurement of Letters of Credit under the Existing Credit Agreement as amended hereby (collectively the “**Transactions**”), (i) have been duly authorized by all requisite corporate and, if required, stockholder action and (ii) will not (A) violate any provision of law, statute, rule or regulation the violation of which could reasonably be expected to impair the validity or enforceability of any Amendment Document or of any Loan Document as modified or replaced thereby or materially impair the rights of or benefits available to the Lenders, the Issuing Banks or the Administrative Agent under any Amendment Document or under any Loan Document as modified or replaced thereby, (B) violate any provision of the certificate or articles of incorporation or other constitutive documents or bylaws of the Borrower or any Significant Subsidiary, (C) violate any order of any Governmental Authority the violation of which could reasonably be expected to impair the validity or enforceability of any Amendment Document or of any Loan Document as modified or replaced thereby or materially impair the rights of or benefits available to the Lenders, the Issuing Banks or the Administrative Agent under any Amendment Document or under any Loan Document as modified or replaced thereby, (D) violate any provision of any indenture or other material agreement or instrument evidencing or relating to borrowed money to which the Borrower or any Significant Subsidiary is a party or by which any of them or any of their property is or may be bound, in a manner that could reasonably be expected to impair the validity or enforceability of any Amendment Document or of any Loan Document as modified or replaced thereby or materially impair the rights of or benefits available to the Lender, the Issuing Banks or the Administrative Agent under any Amendment Document or under any Loan Document as modified or replaced thereby, (E) be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under any such indenture, agreement or other instrument in a manner that could reasonably be expected to impair the validity or enforceability of any Amendment Document or of any Loan Document as modified or replaced thereby or materially impair the rights of or benefits available to the Lenders, the Issuing Banks or the Administrative Agent under any Amendment Document or under any Loan Document as modified or replaced thereby or (F) result in the creation or imposition under any such indenture, agreement or other instrument of any Lien (other than the Lien under the First Mortgage related to the New First Mortgage Bond and the New Supplemental Indenture) upon or with respect to any property or assets now owned or hereafter acquired by the Borrower.

(c) This Amendment has been duly executed and delivered by the Borrower and constitutes, and each other Amendment Document when executed and delivered by the Borrower will constitute, a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms.

(d) No action, consent or approval of, registration or filing with or other action by any Governmental Authority is or will be required in connection with the Transactions, except such as have been made or obtained and are in full force and effect.

(e) The First Mortgage, as modified by the New Supplemental Indenture, constitutes a valid and perfected first-priority Lien on the collateral purported to be encumbered thereby (subject to Liens permitted to exist by the terms of the First Mortgage, as modified by the New Supplemental Indenture), enforceable against all third parties in all jurisdictions, and secures the

payment of all obligations of the Borrower under the New First Mortgage Bond, and the execution, delivery and performance of this Amendment and the other Amendment Documents do not adversely affect the Lien of the First Mortgage, as modified by the New Supplemental Indenture.

(f) The representations and warranties set forth in the Amended Credit Agreement and in each other Loan Document are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by “Material Adverse Effect” or any other materiality qualification, true and correct in all respects) on and as of the Effective Date after giving effect to the Amendment Documents, except to the extent that any such representations and warranties expressly relate to an earlier date (in which case such representations and warranties are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by “Material Adverse Effect” or any other materiality qualification, true and correct in all respects) as of such earlier date).

(g) No Default or Event of Default has occurred and is continuing either before or after giving effect to the Amendment Documents.

SECTION 4. Reallocation of Borrowings. Effective as of the Effective Date, (a) each Lender with a Commitment (as defined in the Amended Credit Agreement) that exceeds its Commitment under the Existing Credit Agreement (each such Lender, an “**Increasing Lender**”) as of such date shall fund to the Administrative Agent such amount as shall be required (and designated by the Administrative Agent) so that the aggregate outstanding amount of its Loans shall be equal to its Pro Rata Share (as determined after giving effect to this Amendment) of all the outstanding Loans, (b) the Administrative Agent shall apply such portion of the funds advanced by each Increasing Lender pursuant to clause (a) above to repay the Loans of each other Lender to the extent required so that, after giving effect to such repayments, the aggregate amount of the Loans of each Lender shall be equal to its Pro Rata Share (as determined after giving effect to this Amendment) of all the outstanding Loans, and (c) the amount of each Borrowing held by each Lender shall be deemed reallocated so that the portion of each Borrowing held by each Lender shall be its Pro Rata Share (as determined after giving effect to this Amendment) of such Borrowing. In addition, on the Effective Date, each Increasing Lender shall be deemed to have purchased by assignment from the other Lenders (and such other Lenders shall be deemed to have assigned to the Increasing Lenders) a portion of the participations (if any) then held by such other Lenders in the outstanding LC Exposure, to the extent required so that, after giving effect to all such deemed purchases and assignments, each Lender’s LC Exposure shall equal such Lender’s Pro Rata Share (as determined after giving effect to this Amendment) of the aggregate LC Exposure at such time. In connection with the foregoing repayments and reallocation, the Borrower shall pay any amounts required to be paid under Section 2.14 of the Existing Credit Agreement.

SECTION 5. Reference to and Effect on Loan Documents.

(a) On and after the Effective Date, (i) each reference in the Existing Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Amended Credit Agreement, (ii) each reference in the Existing Credit Agreement to “the First Mortgage Bond,” “thereunder,” “thereof,” “therein” or words of like import referring to the First Mortgage Bond shall mean and be a reference to the New First Mortgage Bond, (iii) each reference in the Existing Credit

Agreement to “the Supplemental Indenture,” “thereunder,” “thereof,” “therein” or words of like import referring to the Supplemental Indenture shall mean and be a reference to the New Supplemental Indenture, (iv) each reference in the Existing Credit Agreement to “the Bond Delivery Agreement,” “thereunder,” “thereof,” “therein” or words of like import referring to the Bond Delivery Agreement shall mean and be a reference to the New Bond Delivery Agreement, and (v) each reference in any other Loan Document to “the Credit Agreement,” “thereunder,” “thereof,” “therein” or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Amended Credit Agreement.

(b) Except as specifically contemplated by this Amendment, the Existing Credit Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed. Without limiting the generality of the foregoing, the First Mortgage, as modified by the New Supplemental Indenture, and all of the collateral described therein do and shall continue to secure the payment of all obligations under the New First Mortgage Bond.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent, any Issuing Bank or any Lender under any of the Loan Documents or constitute a waiver of any provision of any of the Loan Documents, except as expressly provided herein.

SECTION 6. Execution in Counterparts; Electronic Execution. This Amendment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or other electronic transmission shall be effective as an original executed counterpart and shall be deemed a representation that the original executed counterpart will be delivered. The words “execution,” “executed,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided, that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent; provided, further, that, without limiting the foregoing, upon the request of the Administrative Agent, any electronic signature shall be promptly followed by such manually executed counterpart.

SECTION 7. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

SECTION 8. Headings. Section headings in this Amendment are for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 9. 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 RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AMENDMENT, THE EXISTING CREDIT AGREEMENT, AS AMENDED BY THIS AMENDMENT, OR ANY OF THE OTHER LOAN DOCUMENTS. 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 AMENDMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.

SECTION 10. Miscellaneous. This Amendment shall be subject to the provisions of Sections 10.12 and 10.15 of the Existing Credit Agreement, each of which is incorporated by reference herein, *mutatis mutandis*.

SECTION 11. Eurodollar Rate Provisions. The amendments to LIBOR Related Definitions (as defined below) and provisions with respect thereto set forth in the pages of the Amended Credit Agreement attached as Exhibit A hereto shall not apply with respect to (a) any Loan requested, made or outstanding that bears interest at a rate determined by reference to the Eurodollar Rate (a "**LIBOR Loan**") that (i) is or was set prior to the Effective Date and (ii) is held constant for a specifically designated period and is not reset on a daily or substantially daily basis (disregarding day count, weekend or holiday conventions) and (b) any retroactive margin, yield, fee or commission increases available to the Administrative Agent or the Lenders as a result of any inaccuracy in any financial statement or compliance certificate that, if corrected, would have led to the application of a higher interest margin or yield with respect to any Loan or any higher fee or commission for any applicable period, and in each case, the LIBOR Related Definitions and provisions with respect thereto (as in effect immediately prior to giving effect to the provisions of this Amendment) shall continue in effect solely for such purpose; provided that, with respect to any such LIBOR Loan described in subclause (a) of this Section 11, such LIBOR Loan shall only continue in effect in accordance with its terms until the then-current Interest Period (as defined in the Existing Credit Agreement) for such LIBOR Loan has concluded. As used in this Section 11, "**LIBOR Related Definitions**" means any term defined in the Existing Credit Agreement or any other Loan Document (or any partial definition thereof) as in effect immediately prior to giving effect to the provisions of this Amendment on the Effective Date, however phrased, primarily relating to the determination, administration or calculation of the Eurodollar Rate, including by way of example any instances of "Eurodollar" or "Eurodollar Rate".

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]

The parties hereto have caused this Amendment to be executed by their respective duly authorized representatives as of the date first written above.

AVISTA CORPORATION

By: /s/ Jason E. Lang
Name: Jason E. Lang
Title: Assistant Treasurer and Director of Finance and Risk

MUFG BANK, LTD., as Administrative Agent

By: /s/ Lawrence Blat
Name: Lawrence Blat
Title: Authorized Signatory

MUFG BANK, LTD., as an Issuing Bank and a Lender

By: /s/ Matthew Bly
Name: Matthew Bly
Title: Director

U.S. BANK NATIONAL ASSOCIATION, as an Issuing Bank and a Lender

By: /s/ Eugene Butera
Name: Eugene Butera
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing Bank and a Lender

By: /s/ Gregory R. Gredvig
Name: Gregory R. Gredvig
Title: Director

COBANK, ACB, as a Lender

By: /s/ Kelli Cholas
Name: Kelly Cholas
Title: Assistant Corporate Secretary

[Signature Page to Fifth Amendment to Avista Corporation Credit Agreement]

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Jonathan Bouvet

Name: Jonathan Bouvet

Title: Senior Vice President

BANK OF AMERICA, N.A., as a Lender

By: /s/ Daryl K. Hogge

Name: Daryl K. Hogge

Title: Senior Vice President

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ Khawaja Tariq

Name: Khawaja Tariq

Title: Vice President

[Signature Page to Fifth Amendment to Avista Corporation Credit Agreement]

EXHIBIT A TO FIFTH AMENDMENT TO CREDIT AGREEMENT
CREDIT AGREEMENT

dated as of February 11, 2011

among

AVISTA CORPORATION,
as Borrower,

THE LENDERS PARTY HERETO,

KEYBANK NATIONAL ASSOCIATION
and U.S. BANK NATIONAL ASSOCIATION,
as Co-Documentation Agents,

U.S. BANK NATIONAL ASSOCIATION,
as an Issuing Bank,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Syndication Agent and an Issuing Bank,

and

MUFG BANK, LTD.,
as Administrative Agent and an Issuing Bank

MUFG BANK, LTD., U.S. BANK NATIONAL ASSOCIATION and WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers and Joint Book Managers

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	1
Section 1.01 Defined Terms	1
Section 1.02 Terms Generally	21
Section 1.03 Divisions	22
Section 1.04 Rates	22
ARTICLE II THE CREDITS	22
Section 2.01 Commitments	22
Section 2.02 Loans	23
Section 2.03 Notice of Borrowings	24
Section 2.04 Repayment of Loans; Evidence of Debt	24
Section 2.05 Letters of Credit	25
Section 2.06 Fees	30
Section 2.07 Interest on Loans; Term SOFR Conforming Changes	31
Section 2.08 Default Interest	31
Section 2.09 Inability to Determine Rates	32
Section 2.10 Termination, Reduction and Increase in Commitments	32
Section 2.11 Prepayment	34
Section 2.12 Increased Costs	34
Section 2.13 Illegality	36
Section 2.14 Compensation for Losses	36
Section 2.15 Pro Rata Treatment	37
Section 2.16 Sharing of Setoffs	37
Section 2.17 Payments	38
Section 2.18 Taxes	38
Section 2.19 Termination or Assignment of Commitments under Certain Circumstances	41
Section 2.20 Extension of Expiration Date	42
Section 2.21 Defaulting Lenders	44
ARTICLE III REPRESENTATIONS AND WARRANTIES	46
Section 3.01 Organization; Powers	46
Section 3.02 Authorization	46
Section 3.03 Enforceability	47
Section 3.04 Governmental Approvals	47
Section 3.05 Financial Statements	47
Section 3.06 No Material Adverse Change	47
Section 3.07 Litigation; Compliance with Laws	48
Section 3.08 Federal Reserve Regulations	48
Section 3.09 Investment Company Act	48
Section 3.10 No Material Misstatements	48
Section 3.11 Employee Benefit Plans	49
Section 3.12 Environmental and Safety Matters	49

Section 3.13	Significant Subsidiaries	49
Section 3.14	Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions	49
Section 3.15	Beneficial Ownership Certification	50
Section 3.16	Plan Assets; Prohibited Transactions	50
Section 3.17	Affected Financial Institution	50
ARTICLE IV CONDITIONS TO BORROWINGS, LETTERS OF CREDIT AND EXTENSIONS		50
Section 4.01	All Borrowings and Letters of Credit	50
Section 4.02	First Borrowing or Letter of Credit	51
Section 4.03	Extensions	53
ARTICLE V AFFIRMATIVE COVENANTS		54
Section 5.01	Existence; Businesses and Properties	54
Section 5.02	Insurance	55
Section 5.03	Taxes and Obligations	55
Section 5.04	Financial Statements, Reports, etc	55
Section 5.05	Litigation and Other Notices	56
Section 5.06	ERISA	57
Section 5.07	Maintaining Records; Access to Properties and Inspections	57
Section 5.08	Use of Proceeds and Letters of Credit	58
ARTICLE VI NEGATIVE COVENANTS		58
Section 6.01	Liens	58
Section 6.02	Sale-Leaseback Transactions	60
Section 6.03	Mergers, Consolidations and Acquisitions	60
Section 6.04	Disposition of Assets	62
Section 6.05	Consolidated Total Debt to Consolidated Total Capitalization Ratio	62
Section 6.06	Public Utility Regulatory Borrowing Limits	62
Section 6.07	Use of Proceeds	62
Section 6.08	Sanctions, Anti-Corruption and Anti-Money Laundering Use of Proceeds	63
ARTICLE VII EVENTS OF DEFAULT		63
ARTICLE VIII RELEASE OF COLLATERAL		66
Section 8.01	Borrower's Election	66
Section 8.02	Release upon Commitment Reduction	66
Section 8.03	Release upon Termination and Repayment	66
ARTICLE IX THE ADMINISTRATIVE AGENT		67
Section 9.01	Appointment and Powers	67
Section 9.02	Limitation on Liability; Reliance by Administrative Agent	67
Section 9.03	Other Transactions with Borrower, Etc	69
Section 9.04	Reimbursement; Indemnification	69
Section 9.05	Absence of Reliance	70

Section 9.06	Resignation of Administrative Agent	70
Section 9.07	Syndication Agent and Co-Documentation Agents	71
Section 9.08	Removal of Lender	71
Section 9.09	Administrative Agent May File Proofs of Claim	72
Section 9.10	Erroneous Payments	72
ARTICLE X MISCELLANEOUS		75
Section 10.01	Notices	75
Section 10.02	Survival of Agreement	76
Section 10.03	Binding Effect	77
Section 10.04	Successors and Assigns	77
Section 10.05	Expenses; Indemnity, Damage Waiver	79
Section 10.06	Right of Setoff	81
Section 10.07	Applicable Law	81
Section 10.08	Waivers; Amendment	81
Section 10.09	Interest Rate Limitation	82
Section 10.10	Entire Agreement	82
Section 10.11	Waiver of Jury Trial	82
Section 10.12	Severability	82
Section 10.13	Counterparts; Electronic Execution	83
Section 10.14	Headings	83
Section 10.15	Jurisdiction; Consent to Service of Process	83
Section 10.16	USA Patriot Act Notification	84
Section 10.17	Acknowledgment Regarding any Supported QFCs	84
Section 10.18	Certain ERISA Matters	85
Section 10.19	Acknowledgment and Consent to Bail-In of Affected Financial Institutions	86
Section 10.20	Benchmark Replacement Setting	87
Section 10.21	No Advisory or Fiduciary Responsibility	89
Exhibit A	Form of Note	
Exhibit B	Form of Assignment and Assumption	
Exhibit C	Form of Administrative Questionnaire	
Exhibit D	Form of Commitment Increase Supplement	
Exhibit E	Form of Commitment Extension Supplement	
Schedule 2.01	Names, Commitments and Addresses of Initial Lenders	
Schedule 3.13	Significant Subsidiaries	
Schedule 4.02(a)(ii)	Required Governmental Approvals	
Schedule 6.01	Existing Secured Indebtedness	

CREDIT AGREEMENT, dated as of February 11, 2011, among AVISTA CORPORATION, a Washington corporation, the Lenders listed in Schedule 2.01 and from time to time party hereto, KEYBANK NATIONAL ASSOCIATION, as a Co-Documentation Agent, U.S. BANK NATIONAL ASSOCIATION, as a Co-Documentation Agent and an Issuing Bank, WELLS FARGO BANK, NATIONAL ASSOCIATION, as Syndication Agent and an Issuing Bank, and MUFG BANK, LTD. (as successor by appointment to MUFG Union Bank, N.A.), as Administrative Agent and an Issuing Bank.

The Borrower has requested that the Lenders agree to make loans, and to acquire participations in letters of credit issued by the Issuing Banks, on a revolving credit basis during the period commencing with the date hereof and ending on the Expiration Date (as defined herein) in an aggregate principal amount not in excess of \$500,000,000 at any time outstanding (subject to increase at the election of the Borrower by an aggregate amount not to exceed \$100,000,000, upon satisfaction of certain conditions as hereinafter provided). The proceeds of such borrowings and such letters of credit are to be used for general corporate purposes.

In consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings specified below:

“**ABR**” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“**ABR Borrowing**” shall mean a Borrowing comprised of ABR Loans.

“**ABR Loan**” shall mean any Loan bearing interest at a rate determined by reference to the Alternate Base Rate in accordance with the provisions of Article II.

“**ABR Term SOFR Determination Day**” shall have the meaning assigned to such term in the definition of “Term SOFR”.

“**Additional Commitment Lender**” means (a) a Lender that increases its Commitment pursuant to Section 2.10(c) or 2.20(e) or (b) an Eligible Assignee that becomes a Lender pursuant to Section 2.10(c) or 2.20(e).

“**Adjusted Term SOFR**” shall mean, for purposes of any calculation, the rate *per annum* equal to (a) Term SOFR for such calculation *plus* (b) 0.10%.

“**Administrative Agent**” shall mean MUFG, as administrative agent for the Lenders under the Loan Documents, and any successor Administrative Agent appointed pursuant to Section 9.06.

“**Administrative Questionnaire**” shall mean an Administrative Questionnaire in the form of Exhibit C.

“**Affected Financial Institution**” shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affiliate**” shall mean, when used with respect to a specified person, another person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person specified.

“**Agreement**” shall mean this Agreement, including all exhibits and schedules hereto.

“**Alternate Base Rate**” shall mean, for any day, a rate per annum (rounded upwards, if necessary, to the nearest 1/16 of 1%) equal to the greatest of (a) the Prime Rate in effect on such day, (b) the sum of (i) the Federal Funds Effective Rate in effect for such day plus (ii) ½ of 1% and (c) Term SOFR for a one-month tenor in effect on such day plus 1%. If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, the Alternate Base Rate shall be determined without regard to clause (b) of the first sentence of this definition until the circumstances giving rise to such inability no longer exist. Notwithstanding the foregoing, in no event shall the Alternate Base Rate be less than zero. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or Adjusted Term SOFR shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or Adjusted Term SOFR, respectively.

“**Amendment No. 3 Effective Date**” shall mean June 4, 2020.

“**Amendment No. 5 Effective Date**” shall mean June 8, 2023.

“**Anti-Corruption Laws**” shall mean all laws, rules and regulations of any jurisdiction, including the FCPA, applicable to the Borrower or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

“**Anti-Money Laundering Laws**” shall mean all laws, rules and regulations of any jurisdiction regarding money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes, including, without limitation, the Currency and Foreign Transactions Reporting Act of 1970, as amended (otherwise known as the Bank Secrecy Act), and the PATRIOT Act.

“**Applicable Rate**” shall mean, on any date with respect to the Facility Fee, SOFR Loans, ABR Loans or the LC Participation Fee, the rate per annum set forth in the following table in the ‘Facility Fee,’ ‘SOFR Margin,’ ‘ABR Margin’ or ‘LC Participation Fee’ column, as applicable, for the Pricing Level in effect for such date.

Pricing Level	Facility Fee	SOFR Margin	ABR Margin	LC Participation Fee
I	0.075%	0.800%	0.000%	0.800%
II	0.100%	0.900%	0.000%	0.900%
III	0.125%	1.000%	0.000%	1.000%
IV	0.175%	1.075%	0.075%	1.075%
V	0.225%	1.275%	0.275%	1.275%
VI	0.275%	1.475%	0.475%	1.475%

For purposes of determining which Pricing Level is applicable in the foregoing table, the following rules will apply:

‘Pricing Level I’ will be applicable at any date if, at such date, the Senior Debt Rating is Sixth Lowest Investment Grade or higher;

‘Pricing Level II’ will be applicable at any date if, at such date, the Senior Debt Rating is Fifth Lowest Investment Grade and Pricing Level I is not applicable;

‘Pricing Level III’ will be applicable at any date if, at such date, the Senior Debt Rating is Fourth Lowest Investment Grade and neither Pricing Level I nor Pricing Level II is applicable;

‘Pricing Level IV’ will be applicable at any date if, at such date, the Senior Debt Rating is Third Lowest Investment Grade and none of Pricing Level I, Pricing Level II or Pricing Level III is applicable;

‘Pricing Level V’ will be applicable at any date if, at such date, the Senior Debt Rating is Second Lowest Investment Grade and none of Pricing Level I, Pricing Level II, Pricing Level III or Pricing Level IV is applicable;

‘Pricing Level VI’ will be applicable at any date if, at such date, (i) the Senior Debt Rating is Lowest Investment Grade or lower or (ii) there is no applicable Senior Debt Rating.

“**Assignment and Assumption**” shall mean an assignment and assumption agreement entered into by a Lender and an Eligible Assignee in the form of Exhibit B or such other form as shall be approved by the Administrative Agent.

“**Attributable Debt**” shall mean, in connection with any Sale-Leaseback, the present value (discounted in accordance with GAAP at the discount rate implied in the lease) of the obligations of the lessee for rental payments during the term of the lease.

“**Availability Period**” shall mean the period from and including the date of this Agreement to but excluding the Expiration Date.

“**Available Tenor**” shall mean, as of any date of determination and with respect to the then- current Benchmark, as applicable, if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such

Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 10.20(d).

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

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

“**Benchmark**” shall mean, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” shall mean the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 10.20(a).

“**Benchmark Replacement**” shall mean, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“**Benchmark Replacement Adjustment**” shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

“**Benchmark Replacement Date**” shall mean the earliest to occur of the following events with respect to the then-current Benchmark:

- a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof); or
- b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if such Benchmark (or such component thereof) or, if such Benchmark is a term rate, any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

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

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

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

- c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

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

“**Benchmark Transition Start Date**” shall mean, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“**Benchmark Unavailability Period**” shall mean the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 10.20 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 10.20.

“**Beneficial Ownership Certification**” shall mean a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“**Beneficial Ownership Regulation**” shall mean 31 C.F.R. § 1010.230, as amended, or any successor thereto.

“**Benefit Plan**” shall mean any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“**Board**” shall mean the Board of Governors of the Federal Reserve System of the United States.

“Bond Delivery Agreement” shall mean the Bond Delivery Agreement, dated as of February 11, 2011, between the Borrower and the Administrative Agent.

“Borrower” shall mean Avista Corporation, a Washington corporation, and its successors and assigns.

“Borrowing” shall mean a group of Loans of the same Type made on the same date and, in the case of SOFR Loans, as to which a single Interest Period is in effect.

“Business Day” shall mean any day that is not (i) a Saturday, Sunday or other day that is a legal holiday under the laws of the State of New York or (ii) a day on which banking institutions in such state are authorized or required by Law to close.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of shares representing more than 30% of the aggregate ordinary voting power represented by the issued and outstanding capital stock of the Borrower; or (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed by directors so nominated; provided, that no event described in clause (a) or clause (b) shall constitute a “Change in Control” if, immediately after giving effect to the transaction that would otherwise constitute a Change in Control, the Senior Debt Rating assigned by two nationally recognized credit rating agencies is equal to or higher than Lowest Investment Grade.

“Change in Law” means the occurrence, after the Amendment No. 5 Effective Date, 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, (x) the Dodd-Frank Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) 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 the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” shall mean the date on which the conditions precedent set forth in Sections 4.01 and 4.02 are first satisfied or waived, which date is February 11, 2011.

“Code” shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time.

“Commitment” shall mean, with respect to each Lender, (a) (i) in the case of a Lender listed on Schedule 2.01, the amount set forth opposite such Lender’s name under the heading “Commitment” on such Schedule, (ii) in the case of a person that becomes a Lender pursuant to Section 2.10 or 2.20, the amount specified as such person’s Commitment in the Commitment Increase Supplement or Commitment Extension Supplement pursuant to which such person

becomes a Lender and (iii) in the case of a person that becomes a Lender pursuant to an assignment under Section 10.04, the amount specified as assigned to such person in the Assignment and Assumption pursuant to which such person becomes a Lender, in each case, as the same may be reduced from time to time pursuant to Section 2.10(b), increased from time to time pursuant to Section 2.10(c) or 2.20(e), or reduced or increased from time to time pursuant to assignments in accordance with Section 10.04, or (b) as the context may require, the obligation of such Lender to make Loans or acquire participations in Letters of Credit in an aggregate unpaid principal amount not exceeding such amount.

“Commitment Extension Supplement” shall have the meaning assigned to such term in Section 2.20(e).

“Commitment Increase Supplement” shall have the meaning assigned to such term in Section 2.10(c).

“Conforming Changes” shall mean, with respect to either the use or administration of Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.14 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consolidated Total Capitalization” on any date means the sum, without duplication, of the following with respect to the Borrower and its consolidated Subsidiaries: (a) total capitalization as of such date, as determined in accordance with GAAP, (b) the current portion of liabilities which as of such date would be classified in whole or part as long-term debt in accordance with GAAP (it being understood that the noncurrent portion of such liabilities is included in the total capitalization referred to in clause (a)), (c) all obligations as lessee which, in accordance with GAAP, are capitalized as liabilities (including the current portion thereof), and (d) all other liabilities which would be classified as short-term debt in accordance with GAAP.

“Consolidated Total Debt” on any date means the sum, without duplication, of the following with respect to the Borrower and its consolidated Subsidiaries: (a) all liabilities which as of such date would be classified in whole or in part as long-term debt in accordance with GAAP (including the current portion thereof), (b) all obligations as lessee which, in accordance with GAAP, are capitalized as liabilities (including the current portion thereof), (c) all other liabilities which would

be classified as short-term debt in accordance with GAAP, and (d) all Guarantees of or by the Borrower.

“**Control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through the ownership of voting securities, by contract or otherwise, and “Controlling” and “Controlled” shall have meanings correlative thereto.

“**Current Expiration Date**” shall have the meaning assigned to such term in Section 2.20(a).

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

“**Default**” shall mean any event or condition which upon notice, lapse of time or both would constitute an Event of Default.

“**Defaulting Lender**” shall mean, at any time, subject to Section 2.21(d), any Lender that at such time (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans or its participations in Letters of Credit, within two Business Days of the date on which any funding is required by it hereunder, unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in writing) has not been satisfied, (b) has notified the Borrower or the Administrative Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after written request by the Administrative Agent (based on its reasonable belief that such Lender may not fulfill its funding obligations hereunder), to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations hereunder or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any debtor-relief law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar person charged with reorganization or liquidation of its business or a custodian appointed for it, (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in, any such proceeding or appointment or (iv) become the subject of a Bail-in Action; provided, however, that a Lender shall not be a Defaulting Lender solely by virtue of the control, ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority.

“**Dodd-Frank Act**” shall mean the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203), as amended.

“**dollars**” or “**\$**” shall mean lawful money of the United States of America.

“**Ecova**” shall mean Ecova, Inc., a Washington corporation.

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

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

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

“Electronic Delivery” shall have the meaning assigned to such term in Section 5.04(a).

“Eligible Assignee” means (a) a financial institution organized under the laws of the United States of America, or any state thereof, and having a combined capital and surplus of at least \$100,000,000 or the obligations of which are directly guaranteed by a financial institution organized under the laws of the United States of America, or any state thereof, and having a combined capital and surplus of at least \$100,000,000; (b) a commercial bank organized under the laws of any other country that is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and having a combined capital and surplus of at least \$100,000,000, provided that such bank is acting through a branch or agency located in the United States of America; (c) a Person that is (i) a subsidiary of a Lender, (ii) a subsidiary of a Person of which a Lender is a subsidiary or (iii) a Person of which a Lender is a subsidiary; or (d) another Lender; provided, however, that neither the Borrower nor any Affiliate of the Borrower, nor any Defaulting Lender, shall qualify as an Eligible Assignee.

“Equity Interests” shall mean shares of stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a person, and all options, warrants or other rights to acquire any such equity ownership interests in a person.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that is a member of a group of which the Borrower is a member and which is treated as a single employer under Section 414 of the Code.

“Erroneous Payment” shall have the meaning assigned to such term in Section 9.10(a).

“Erroneous Payment Deficiency Assignment” shall have the meaning assigned to such term in Section 9.10(d).

“Erroneous Payment Return Deficiency” shall have the meaning assigned to such term in Section 9.10(d).

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

“Event of Default” shall have the meaning assigned to such term in Article VII.

“Evergreen Letter of Credit” shall mean a Letter of Credit that, by its terms, provides that it shall be automatically renewed or extended for a stated period of time at the end of its then scheduled expiration date unless the Issuing Bank thereof notifies the beneficiary thereof prior to such expiration date that such Issuing Bank elects not to renew or extend such Letter of Credit.

“Existing Commitments” shall have the meaning assigned to such term in Section 2.20(c).

“Expiration Date” shall mean June 8, 2028.

“Extending Lender” shall have the meaning assigned to such term in Section 2.20(a).

“Facility Fee” shall have the meaning assigned to such term in Section 2.06(a).

“FATCA” shall mean Sections 1471 through 1474 of the Code, as of the Amendment No. 3 Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

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

“Federal Funds Effective Rate” shall mean, for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, that (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate quoted to the Administrative Agent on such day on such transactions as determined by the Administrative Agent and (iii) if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Fees” shall mean the Facility Fee and the other fees referred to in Section 2.06.

“Fifth Lowest Investment Grade” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the rating granted by the applicable credit-rating agency which is

generally treated as “investment grade” in the ratings regime of that credit-rating agency and is higher than Fourth Lowest Investment Grade.

“**Finance Lease Obligations**” of any person shall mean the obligations of such person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as finance leases on a balance sheet of such person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“**Financial Officer**” of any corporation shall mean the chief financial officer or treasurer of such corporation.

“**First Mortgage**” shall mean the Mortgage and Deed of Trust dated as of June 1, 1939, made by the Borrower in favor of Citibank, N.A., as successor trustee, as the same has been amended, modified or supplemented to date and as the same may be further amended, modified or supplemented from time to time hereafter.

“**First Mortgage Bond**” shall mean (a) a first mortgage bond of the Fifty-third Series issued to the Administrative Agent on the Closing Date under a supplemental indenture to the First Mortgage, in a principal amount equal to the total Commitments on the date of execution and delivery of this Agreement, and/or (b) any first mortgage bond issued under a supplemental indenture to the First Mortgage in addition to, or in substitution for, a first mortgage bond previously delivered to the Administrative Agent pursuant to this Agreement, including in connection with an increase in the total Commitments pursuant to Section 2.10(c) or a reduction in the total Commitments pursuant to Section 2.10(b), 2.20 or 9.08(a).

“**Floor**” shall mean a rate of interest equal to 0.00%.

“**Fourth Lowest Investment Grade**” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the rating granted by the applicable credit-rating agency which is generally treated as “investment grade” in the ratings regime of that credit-rating agency and is higher than Third Lowest Investment Grade but lower than Fifth Lowest Investment Grade.

“**GAAP**” shall mean generally accepted accounting principles, applied on a consistent basis.

“**Governmental Authority**” shall mean, whether domestic or foreign, any national, federal, state or local government, any political subdivision thereof, or any governmental, quasi-governmental, judicial, public or statutory agency, authority, instrumentality, body or entity, including any central bank and any comparable authority.

“**Guarantee**” of or by any person shall mean any obligation, contingent or otherwise, of such person guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other person (the “**primary obligor**”) in any manner, whether directly or indirectly, and including any obligation of such person, direct or indirect, (a) to purchase or pay (or to advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness, (b) to purchase property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment

of such Indebtedness or (c) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness; provided, however, that the term “Guarantee” shall not include endorsements for collection or deposit, in either case in the ordinary course of business.

“**Illegality Notice**” shall have the meaning assigned to such term in Section 2.13.

“**Indebtedness**” of any person shall mean, without duplication, (a) all obligations of such person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such person upon which interest charges are customarily paid, (d) all obligations of such person under conditional-sale or other title-retention agreements relating to property or assets purchased by such person, (e) all obligations of such person issued or assumed as the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such person, whether or not the obligations secured thereby have been assumed, but limited, if such obligations are without recourse to such person, to the lesser of the principal amount of such Indebtedness or the fair-market value of such property, (g) all Guarantees by such person of Indebtedness of others, (h) all Finance Lease Obligations of such person, (i) all obligations of such person in respect of interest rate protection agreements, foreign currency exchange agreements or other interest or exchange rate hedging arrangements (the amount of any such obligation to be the amount that would be payable upon the acceleration, termination or liquidation thereof) and (j) all obligations of such person as an account party in respect of letters of credit and bankers’ acceptances. The Indebtedness of any person shall include the Indebtedness of any partnership in which such person is a general partner.

“**Interest Payment Date**” shall mean (a) in the case of any Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and (b) in addition, in the case of a SOFR Loan that is part of a SOFR Borrowing with an Interest Period of more than three months’ duration, each day that would have been an Interest Payment Date had successive Interest Periods of three months’ duration been applicable to such Borrowing.

“**Interest Period**” shall mean (a) as to any SOFR Borrowing, the period commencing on the date of such Borrowing and ending on, as the Borrower may elect, the numerically corresponding day in the calendar month that is 1, 3 or 6 months thereafter (in each case, subject to availability thereof), and (b) as to any ABR Borrowing, the period commencing on the date of such Borrowing and ending on the earlier of (i) the next succeeding March 31, June 30, September 30 or December 31 and (ii) the Expiration Date; provided, however, that (A) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless, in the case of a SOFR Borrowing only, such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (B) any Interest Period in respect of any SOFR Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, (C) no Interest Period shall extend beyond the Expiration Date and (D) no tenor that has been removed from this definition

pursuant to Section 10.20(d) shall be available for election. Interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period.

“Issuing Bank” shall mean MUFG, U.S. Bank National Association or Wells Fargo Bank, in each case acting in its capacity as the issuer of a Letter of Credit, or any Lender (or other financial institution satisfactory to the Borrower and the Administrative Agent) succeeding to such capacity or added in such capacity pursuant to Section 2.05(k). The Issuing Bank of a Letter of Credit may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to any Letters of Credit issued by such Affiliate.

“Issuing Bank Exposure” shall mean, with respect to any Issuing Bank at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit issued by such Issuing Bank at such time plus (b) the aggregate amount of all LC Disbursements by such Issuing Bank that have not yet been reimbursed by or on behalf of the Borrower at such time.

“Laws” shall mean, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“LC Disbursement” shall mean a payment made by an Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” shall mean, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Pro Rata Share of the total LC Exposure at such time.

“LC Participation Fee” shall have the meaning assigned to such term in Section 2.06(b).

“Lender” shall mean (a) any person listed on Schedule 2.01, (b) any person that becomes a Lender pursuant to Section 2.10(c) or 2.20(e) and (c) any person that is assigned any or all of the rights or obligations of a Lender pursuant to Section 10.04.

“Letter of Credit” shall mean (a) each standby letter of credit issued pursuant to this Agreement and (b) each standby letter of credit issued under the 2004 Credit Agreement and outstanding on the Closing Date.

“Lien” shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, encumbrance, charge or security interest in or on such asset, (b) the interest of a vendor or a lessor under any conditional-sale agreement, finance lease or title-retention agreement relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loan Documents” shall mean this Agreement, the First Mortgage Bond, the First Mortgage, the Supplemental Indenture, the Bond Delivery Agreement, any Notes, any letter of credit applications executed and delivered by the Borrower with respect to Letters of Credit, each letter agreement between the Borrower and an Issuing Bank referred to in Section 2.05(a), the agreement between the Borrower and the Administrative Agent referred to in Section 2.06(c) and the Funds Transfer Agreement and related documents referred to in Section 4.02(a)(xii).

“Loans” shall mean loans made by the Lenders to the Borrower pursuant to this Agreement.

“Lowest Investment Grade” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the lowest rating granted by the applicable credit-rating agency which is generally treated as “investment grade” in the ratings regime of that credit-rating agency.

“Margin Stock” shall have the meaning given such term under Regulation U.

“Material Adverse Effect” shall mean an effect on the business, assets, operations or financial condition of the Borrower and the Subsidiaries taken as a whole which could reasonably be expected to have a material adverse effect on the creditworthiness of the Borrower.

“MUFG” shall mean MUFG Bank, Ltd.

“non-Defaulting Lenders” shall have the meaning assigned to such term in Section 2.21(a)(i).

“Notes” shall mean any promissory notes of the Borrower, substantially in the form of Exhibit A, evidencing Loans, as may be delivered pursuant to Section 2.04.

“Other Taxes” shall have the meaning assigned to such term in Section 2.18(b).

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107 56 (signed into law October 26, 2001)).

“Payment Recipient” shall have the meaning assigned to such term in Section 9.10(a).

“PBGC” shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA.

“Periodic Term SOFR Determination Day” shall have the meaning assigned to such term in the definition of “Term SOFR”.

“person” or **“Person”** shall mean (a) a corporation, association, partnership, trust, limited liability company, organization, business or individual or (b) a Governmental Authority.

“Plan” shall mean any pension plan subject to the provisions of Title IV of ERISA or Section 412 of the Code which is maintained for employees of the Borrower or any ERISA Affiliate.

“Plan Asset Regulations” shall mean 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“Prime Rate” means the rate of interest per annum publicly announced from time to time by the Person acting as the Administrative Agent as its prime rate in effect at its principal office in New York City. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. The Administrative Agent or any Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate. Any change in the Prime Rate shall take effect at the opening of business on the day specified in the public announcement of such change.

“Pro Rata Share” shall mean, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Pro Rata Shares of the Lenders shall be determined based upon the Commitments most recently in effect.

“PTE” shall mean a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Recipient” shall mean, as applicable, (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank.

“Register” shall have the meaning given to such term in Section 10.04(c).

“Regulation D” shall mean Regulation D of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof and shall include any successor or other regulation or official interpretation of the Board relating to reserve requirements applicable to member banks of the Federal Reserve System.

“Regulation U” shall mean Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“Regulation X” shall mean Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“Related Parties” means, with respect to any person, such person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such person and of such person’s Affiliates.

“Relevant Governmental Body” shall mean the Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board or the Federal Reserve Bank of New York, or any successor thereto.

“Reportable Event” shall mean any reportable event as defined in Section 4043(c) of ERISA or the regulations issued thereunder with respect to a Plan (other than a Plan maintained by an ERISA Affiliate which is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code).

“Required Lenders” shall mean, at any time, Lenders having Revolving Credit Exposures representing more than 50.0% of the aggregate Revolving Credit Exposures or, if there shall be no Revolving Credit Exposures, Lenders having Commitments representing more than 50.0% of the

aggregate Commitments; ~~provided, however,~~ that if any Lender is a Defaulting Lender at such time, then the Commitment of such Lender shall be excluded from the determination of Required Lenders at such time.

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

“Responsible Officer” of any corporation shall mean any executive officer or Financial Officer of such corporation and any other officer or similar official thereof responsible for the administration of the obligations of such corporation in respect of this Agreement.

“Revolving Credit Exposure” shall mean, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Loans and its LC Exposure at such time.

“RTO Transaction” shall mean any sale, transfer or other disposition of transmission assets entered into in connection with the formation of a regional transmission organization pursuant to or in a manner consistent with regulatory requirements applicable to the Borrower.

“Sale-Leaseback” shall mean any arrangement whereby any person shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property which it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

“Sanctions” shall have the meaning assigned to such term in Section 3.14.

“Second Lowest Investment Grade” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the rating granted by the applicable credit-rating agency which is generally treated as “investment grade” in the ratings regime of that credit-rating agency and is higher than Lowest Investment Grade but lower than Third Lowest Investment Grade.

“Senior Debt Rating” means, as of any date of determination, as of the close of business on such date, (a) if the obligations of the Borrower under this Agreement are secured by the First Mortgage and are not rated, the rating assigned to the Borrower’s most senior secured long-term public Indebtedness (without credit enhancement), (b) if such obligations are not secured by the First Mortgage and are not rated, the rating assigned to the Borrower’s most senior unsecured long-term public Indebtedness (without credit enhancement) and (c) if such obligations are rated, the rating assigned to such obligations (without credit enhancement), in each such case by a nationally recognized credit-rating agency designated by the Borrower, reasonably approved by the Administrative Agent and not objected to by the Required Lenders within five Business Days following notice of such designation. Notwithstanding the foregoing, (i) if the Senior Debt Rating(s) assigned by any of the other nationally recognized credit-rating agencies is or are different from the Senior Debt Rating assigned by the agency designated by the Borrower and the ratings (including that of the agency designated by the Borrower) are split by just one level, then the higher rating will apply, and (ii) if the ratings (including that of the agency designated by the Borrower) are split by more than one level, then the level that is one level below the highest rating will apply.

“Significant Subsidiary” shall mean a Subsidiary meeting any one of the following conditions:

(a) the investments in and advances to such Subsidiary by the Borrower and the other Subsidiaries, if any, as at the end of the Borrower’s latest fiscal quarter exceeded 10% of the total assets of the Borrower and its Subsidiaries at such date, computed and consolidated in accordance with GAAP; or (b) the Borrower’s and the other Subsidiaries’ proportionate share of the total assets (after intercompany eliminations) of such Subsidiary as at the end of the Borrower’s latest fiscal quarter exceeded 10% of the total assets of the Borrower and its Subsidiaries at such date, computed and consolidated in accordance with GAAP; or (c) the equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principles of such Subsidiary (excluding amounts attributable to any minority interests therein) for the period of four consecutive fiscal quarters ending at the end of the Borrower’s latest fiscal quarter exceeded 10% of such income of the Borrower and its Subsidiaries for such period, computed and consolidated in accordance with GAAP; or (d) such Subsidiary is the parent of one or more Subsidiaries and together with such Subsidiaries would, if considered in the aggregate, constitute a Significant Subsidiary.

“Sixth Lowest Investment Grade” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the rating granted by the applicable credit-rating agency which is generally treated as “investment grade” in the ratings regime of that credit-rating agency and is higher than Fifth Lowest Investment Grade.

“SOFR” shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Borrowing” shall mean a Borrowing comprised of SOFR Loans.

“SOFR Loan” shall mean a Loan that bears interest at a rate based on Adjusted Term SOFR, other than pursuant to clause (c) of the definition of “Alternate Base Rate”.

“subsidiary” shall mean, for any person (the **“Parent”**), any corporation, limited liability company, partnership or other entity of which securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, limited liability company, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, limited liability company, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) are at the time directly or indirectly owned or controlled by the Parent or one or more of its subsidiaries or by the Parent and one or more of its subsidiaries.

“Subsidiary” shall mean a subsidiary of the Borrower.

“Supplemental Indenture” shall mean (a) the Fifty-first Supplemental Indenture, dated as of February 1, 2011, between the Borrower and Citibank, N.A., as trustee under the First Mortgage, and/or (b) any supplemental indenture to the First Mortgage, in form and substance satisfactory to

the Administrative Agent, pursuant to which a first mortgage bond is issued in addition to, or in substitution for, a first mortgage bond previously delivered to the Administrative Agent pursuant to this Agreement, including in connection with an increase in the total Commitments pursuant to Section 2.10(c) or a reduction in the total Commitments pursuant to Section 2.10(b), 2.20 or 9.08(a).

“**Swap Contract**” shall mean (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, that are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “**Master Agreement**”), including any such obligations or liabilities under any Master Agreement.

“**Taxes**” shall have the meaning assigned to such term in Section 2.18(a).

“**Term SOFR**” shall mean,

- a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and
 - b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “**ABR Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not
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been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

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

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

“Terminating Lender” shall have the meaning assigned to such term in Section 2.20(c).

“Third Lowest Investment Grade” shall mean that the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower is a rating which, as reasonably determined by the Administrative Agent, would be the rating granted by the applicable credit-rating agency which is generally treated as “investment grade” in the ratings regime of that credit-rating agency and is higher than Second Lowest Investment Grade but lower than Fourth Lowest Investment Grade.

“Transactions” shall have the meaning assigned to such term in Section 3.02.

“Transferee” shall have the meaning assigned to such term in Section 2.18(a).

“2004 Credit Agreement” shall mean the Credit Agreement dated as of December 17, 2004, as amended to the date hereof, among the Borrower, the banks party thereto as lenders, Bank of America, N.A., as managing agent, KeyBank, National Association, as documentation agent, U.S. Bank, National Association, as documentation agent, Wells Fargo, as documentation agent and an issuing bank, MUFG, as syndication agent and an issuing bank, and The Bank of New York Mellon, as administrative agent and an issuing bank.

“2009 Credit Agreement” shall mean the Credit Agreement dated as of November 25, 2009 among the Borrower, the financial institutions party thereto as lenders, JPMorgan Chase Bank, N.A. and UBS Securities LLC, as co-documentation agents, Wells Fargo Securities, LLC as syndication agent, and MUFG, as administrative agent.

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

“**Rate**” shall mean, in the case of a Loan or Borrowing, Adjusted Term SOFR or the Alternate Base Rate.

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

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

“**Unadjusted Benchmark Replacement**” shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

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

“**U.S. Special Resolution Regimes**” has the meaning assigned to such term in Section 10.17.

“**Wells Fargo Bank**” shall mean Wells Fargo Bank, National Association.

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

Section 1.02 Terms Generally. The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” All references herein to Articles, Sections, Exhibits and Schedules shall be deemed references to Articles and Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP as in effect at that time. Financial statements and other information required to be delivered by the Borrower to the Administrative Agent, the Lenders and the Issuing Banks pursuant to Section 5.04 shall be prepared in accordance with GAAP as in effect at the time of such preparation, and

calculations in connection with the definitions, covenants and other provisions hereof shall utilize accounting principles and policies in conformity with GAAP as in effect at the time of such preparation. If the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, such provision shall be interpreted on the basis of GAAP as in effect at that time until such provision is amended in accordance herewith. Anything in this Agreement or any other Loan Document to the contrary notwithstanding, GAAP will be deemed to treat any obligation of a Person under a lease (whether existing as of the Amendment No. 5 Effective Date or entered into in the future) that would have been classified and accounted for as an operating lease in accordance with GAAP as in effect on December 31, 2018 in a manner consistent with the treatment of such leases under GAAP as in effect on December 31, 2018, notwithstanding (x) the adoption of any changes in, or (y) any changes in the application of, GAAP thereafter; provided, that all payments under any such lease shall continue to be treated as an expense for purposes of calculating net income.

Section 1.03 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any person becomes the asset, right, obligation or liability of a different person, then it shall be deemed to have been transferred from the original person to the subsequent person, and (b) if any new person comes into existence, such new person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.04 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Alternate Base Rate, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark, or any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender, any Issuing Bank or any other person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs,

losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II
THE CREDITS

Section 2.01 Commitments. Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Lender agrees, severally and not jointly, to make Loans to the Borrower, at any time and from time to time during the Availability Period, in an aggregate principal amount at any time outstanding that will not result in (a) the Revolving Credit Exposure of any Lender exceeding such Lender's Commitment or (b) the total Revolving Credit Exposures exceeding the total Commitments. Within the limits set forth in the preceding sentence, the Borrower may borrow, pay or prepay, and reborrow Loans during the Availability Period, subject to the terms, conditions and limitations set forth herein.

Section 2.02 Loans.

- (a) Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their Commitments. The failure of any Lender to make any Loan required to be made hereunder shall not in itself relieve any other Lender of its obligation to lend hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to make any Loan required to be made by such other Lender). The Loans comprising each Borrowing shall be in the aggregate principal amount of \$1,000,000 or a whole-integer multiple of \$100,000 in excess thereof.
 - (b) Subject to Section 2.09, each Borrowing shall be comprised entirely of ABR Loans or SOFR Loans, as the Borrower may request pursuant to Section 2.03. Each Lender may at its option fulfill its Commitment with respect to any SOFR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement or any applicable Note. Borrowings of more than one Type may be outstanding at the same time; provided, however, that the Borrower shall not be entitled to request any Borrowing which, if made, would result in an aggregate of more than fifteen separate SOFR Loans of any Lender being outstanding hereunder at any one time. For purposes of the foregoing, Loans having different Interest Periods, regardless of whether they commence on the same date, shall be considered separate Loans.
 - (c) Subject to paragraph (e) below, each Lender shall make a Loan in the amount of its Pro Rata Share of each Borrowing on the proposed date thereof by wire transfer of immediately available funds to the Administrative Agent in Los Angeles, California, not later than 2:00 p.m., New York, New York time, and the Administrative Agent shall by 4:00 p.m., New York, New York time, make available to the Borrower in immediately available funds the amounts so
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received (i) by wire transfer for credit to the account of the Borrower with Wells Fargo Bank bearing Account Number 4168814770, ABA # 121000248, re: Avista Corp. or (ii) as otherwise specified by the Borrower in its notice of Borrowing or, if a Borrowing shall not occur on such date because any condition precedent herein specified shall not have been met, return the amounts so received to the respective Lenders. Unless the Administrative Agent shall have received notice from a Lender prior to the date of any SOFR Borrowing or prior to 2:00 p.m., New York, New York time, on the date of any ABR Borrowing that such Lender will not make available to the Administrative Agent such Lender's portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such Borrowing in accordance with this paragraph (c), 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 made such 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 the Loans comprising such Borrowing and (ii) in the case of such Lender, the Federal Funds Effective Rate. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

- (d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request any Borrowing if the Interest Period requested with respect thereto would end after the Expiration Date.
- (e) The Borrower may refinance all or any part of any Borrowing with a new Borrowing of the same or a different Type, subject to the conditions and limitations set forth in this Agreement. Any Borrowing or part thereof so refinanced shall be deemed to be repaid or prepaid in accordance with Section 2.04 or 2.11, as applicable, with the proceeds of the new Borrowing, and the proceeds of the new Borrowing, to the extent they do not exceed the principal amount of the Borrowing being refinanced, shall not be paid by the Lenders to the Administrative Agent or by the Administrative Agent to the Borrower pursuant to paragraph (c) above.

Section 2.03 Notice of Borrowings. To request a Borrowing, the Borrower shall give the Administrative Agent notice thereof (a) in the case of a SOFR Borrowing, not later than 12:00 noon, New York, New York time, three (3) U.S. Government Securities Business Days before a proposed borrowing and (b) in the case of an ABR Borrowing, not later than 12:00 noon, New York, New York time, the day of a proposed borrowing. Such notice shall be irrevocable and shall in each case refer to this Agreement and specify (i) whether the Borrowing then being requested is to be a SOFR Borrowing or an ABR Borrowing; (ii) the date of such Borrowing (which shall be

a Business Day) and the amount thereof; and (iii) if such Borrowing is to be a SOFR Borrowing, the Interest Period with respect thereto. If no election as to the Type of Borrowing is specified in any such notice, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period with respect to any SOFR Borrowing is specified in any such notice, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. If the Borrower shall not have given notice in accordance with this Section 2.03 of its election to refinance a Borrowing or given notice to the Administrative Agent not later than 12:00 noon, New York, New York time, on the last day of the Interest Period applicable to such Borrowing that it will not refinance such Borrowing, then the Borrower shall be deemed to have given notice of an election to refinance such Borrowing with an ABR Borrowing. The Administrative Agent shall promptly advise the Lenders of any notice given pursuant to this Section 2.03 and of each Lender's portion of the requested Borrowing.

Section 2.04 Repayment of Loans; Evidence of Debt.

- a. The Borrower hereby unconditionally promises to pay each Lender the then unpaid principal amount of each Loan of such Lender on the last day of the Interest Period applicable to such Loan and on the Expiration Date. Each Loan shall bear interest on the outstanding principal balance thereof as set forth in Section 2.07.
 - b. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.
 - c. The Administrative Agent shall maintain accounts in which it shall record (i) the amount and date of each Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal, interest or fees due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any principal, interest or fees received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.
 - d. The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.
 - e. Any Lender may request that Loans made by it be evidenced by a Note. In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns). Thereafter, the Loans evidenced by such Note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more Notes in such form payable to the
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order of the payee named therein (or, if such Note is a registered Note, to such payee and its registered assigns).

Section 2.05 Letters of Credit.

- a) Subject to the terms and conditions set forth herein, the Borrower may request the issuance of Letters of Credit for its own account, in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, an Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control; provided, however, that any letter agreement entered into by the Borrower with an Issuing Bank from time to time with respect to the maximum Issuing Bank Exposure of such Issuing Bank shall control with respect thereto.
 - b) To request the issuance of a Letter of Credit (or the renewal, extension or other amendment of an outstanding Letter of Credit), the Borrower shall hand-deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to the applicable Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, renewal, extension or other amendment) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be renewed, extended or otherwise amended, and specifying the date of issuance, renewal, extension or other amendment (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, renew, extend or otherwise amend such Letter of Credit. If requested by such Issuing Bank, the Borrower shall also submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, renewed, extended or otherwise amended only if (and upon the issuance, renewal, extension or other amendment of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, renewal, extension or other amendment, (i) the total LC Exposure would not exceed \$200,000,000 and (ii) the total Revolving Credit Exposures would not exceed the total Commitments.
 - c) Each Letter of Credit shall expire (or, in the case of an Evergreen Letter of Credit, shall expire if the applicable Issuing Bank gives the required notice of nonrenewal or nonextension) not later than the close of business on the date that is five Business Days prior to the first anniversary of the Expiration Date. Each Issuing Bank agrees to notify the Borrower, substantially simultaneously with its notice to the beneficiary of an Evergreen Letter of Credit, if such Issuing Bank decides not to renew or extend such Evergreen Letter of Credit; provided, however, that such Issuing Bank's failure to so notify the Borrower shall not affect the nonrenewal or nonextension of such Evergreen Letter of Credit.
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- d) By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the applicable Issuing Bank or any Lender, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Pro Rata Share of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Issuing Bank, such Lender's Pro Rata Share of (i) each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section and (ii) any reimbursement payment required to be refunded to the Borrower for any reason, to the extent received by such Lender. Each Lender acknowledges and agrees that its obligation to acquire participations in respect of Letters of Credit pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any renewal, extension or other amendment of any Letter of Credit or the occurrence and continuance of a Default or Event of Default or a reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.
- e) If the Issuing Bank of a Letter of Credit shall make an LC Disbursement in respect of such Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 3:00 p.m., New York, New York time, on (i) the Business Day on which the Borrower receives notice of such LC Disbursement, if such notice is received prior to 1:00 p.m., New York, New York time, on the day of receipt, or (ii) the Business Day immediately following the day on which the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided, however, that, if such LC Disbursement is in the amount of \$1,000,000 or more, the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with an ABR Borrowing in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Pro Rata Share thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Pro Rata Share of the payment then due from the Borrower, in the same manner as provided in Section 2.02 with respect to Loans made by such Lender (and Section 2.02 shall apply, *mutatis mutandis*, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to such Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the relevant Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the Issuing Bank of a Letter of Credit for any LC Disbursement (other than the funding of ABR Loans as contemplated above) shall
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not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

- f) The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect, or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent nor any Lender or Issuing Bank, nor any of their respective directors, officers, employees or agents, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit, any payment or failure to make payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of any technical term or any consequence arising from any cause beyond the control of the applicable Issuing Bank; provided, however, that the foregoing shall not excuse the Issuing Bank of a Letter of Credit from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Bank's gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and nonappealable judgment). The parties hereto agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank of a Letter of Credit (as determined by a court of competent jurisdiction in a final and nonappealable judgment), such Issuing Bank shall be deemed to have exercised reasonable care in each action taken or not taken thereby in respect of such Letter of Credit. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to each document presented that appears on its face to be in substantial compliance with the terms of a Letter of Credit, the applicable Issuing Bank may, in its sole discretion, either accept and make payment upon such document without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such document if such document is not in strict compliance with the terms of such Letter of Credit.
- g) The Issuing Bank of a Letter of Credit shall, promptly following its receipt of documents purporting to represent a demand for payment under such Letter of Credit, examine all such documents. Such Issuing Bank shall promptly notify the
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Administrative Agent and the Borrower by telephone (confirmed by telecopier) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement in respect thereof; provided, however, that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

- h) If the Issuing Bank of a Letter of Credit shall make an LC Disbursement under such Letter of Credit, then, unless the Borrower shall reimburse such LC Disbursement in full on the date on which such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date on which such LC Disbursement is made to but excluding the date on which the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Loans; provided, however, that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.08 shall apply. Interest accrued pursuant to this paragraph shall be for the account of such Issuing Bank, except that interest accrued on or after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.
- i) If any Event of Default shall occur and be continuing, then, on the Business Day on which the Borrower receives notice from the Administrative Agent, at the request of any Issuing Bank of an outstanding Letter of Credit or the Required Lenders, demanding the deposit of cash collateral pursuant to this paragraph, the Borrower shall deposit into an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Issuing Banks and the Lenders, an amount in cash equal to the total LC Exposure as of such date plus any accrued and unpaid interest thereon; provided, however, that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (g) or (h) of Article VII. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrower under the Loan Documents, pursuant to documentation executed by the Borrower in form and substance reasonably satisfactory to the Administrative Agent. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Such deposits may, at the option and sole discretion of the Administrative Agent, be invested in one or more money-market accounts, but such deposits shall not otherwise be invested or bear interest. Interest or other profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuing Banks for LC Disbursements for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the total LC Exposure at such time or be applied to satisfy other obligations of the Borrower under the Loan Documents. If the Borrower is required to provide cash collateral hereunder as a result of the occurrence of an Event of Default, the full amount of such cash collateral (to the extent not applied as aforesaid) shall be
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returned to the Borrower within three Business Days after all Events of Default have been cured or waived. The Borrower hereby grants to the Administrative Agent a security interest in all such accounts in the name of the Administrative Agent and the cash collateral and investments held therein or pursuant thereto from time to time, including any interest or other profits on any such investments, to secure the obligations of the Borrower to the Administrative Agent, the Issuing Banks and the Lenders under this Agreement and the other Loan Documents.

- j) In the event that any Letter of Credit remains outstanding on the Expiration Date and has an expiration date thereafter, the Borrower shall either (i) deposit into an account with the Administrative Agent an amount in cash equal to the total LC Exposure as of such date with respect to such Letter of Credit, to be held and applied as provided in Section 2.05(i), or (ii) enter into an agreement with the Issuing Bank of such Letter of Credit (which such Issuing Bank may do or not do in its sole and absolute discretion), effective as of the Expiration Date, whereby such Letter of Credit shall thereafter be governed by such agreement and shall cease to be governed by this Agreement, whereupon all participations of the Lenders in such Letter of Credit shall automatically terminate; provided, however, that such agreement, cessation and termination shall not affect the obligation of the Borrower with respect to amounts accrued or owing at such time under the Loan Documents with respect to such Letter of Credit. The provisions of this paragraph shall apply to each Letter of Credit outstanding on the Expiration Date and having an expiration date thereafter.
- k) Any Issuing Bank may be replaced at any time, or a Lender or other financial institution may be added as an Issuing Bank, by written agreement between the Borrower and the Administrative Agent; provided, however, that (i) each Issuing Bank shall be either a Lender or another financial institution satisfactory to the Administrative Agent, and (ii) without limiting the effect of the foregoing clause (i), the Administrative Agent shall review any such proposed agreement for form only and not with respect to the identity of any successor or additional Issuing Bank or, if applicable, the identity of the Issuing Bank to be replaced. The Administrative Agent shall notify the Lenders of any such replacement or addition of an Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.06(b) (ii) and shall return to such Issuing Bank each Letter of Credit issued by such Issuing Bank. From and after the effective date of any such replacement or addition of an Issuing Bank, (A) the successor or additional Issuing Bank shall have all of the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued by it on such effective date or thereafter, and (B) references herein to "Issuing Bank" shall be deemed to refer to such successor or additional Issuing Bank and/or to any previous Issuing Bank, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall continue to have all of the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it before such replacement, but such replaced Issuing Bank shall not be required to issue additional Letters of Credit.
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- 1) Each “Letter of Credit” outstanding under the 2004 Credit Agreement on the Closing Date shall automatically, without further action on the part of the Borrower, the applicable Issuing Bank or any other person, be deemed to have been issued under this Section 2.05 and shall be a Letter of Credit under this Agreement for all purposes.

Section 2.06 Fees.

- a) The Borrower agrees to pay to each Lender, through the Administrative Agent, on the first Business Day of January, April, July and October of each year and on the date on which the Commitment of such Lender shall be reduced or terminated as provided herein, a facility fee at the Applicable Rate (a “**Facility Fee**”) on the daily amount of the Commitment of such Lender during the preceding quarter (or shorter period commencing with the date hereof or ending with the Expiration Date or the date on which the Commitment of such Lender shall be reduced or terminated); provided, however, that no Lender shall be entitled to receive any Facility Fee with respect to the unused portion of its Commitment (i.e., its Commitment minus its Revolving Credit Exposure) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any Facility Fee that it otherwise would have been required to pay to that Lender with respect to the unused portion of its Commitment). The Facility Fees shall accrue on each day at a rate per annum equal to the Applicable Rate in effect on such day. All Facility Fees shall be computed on the basis of a year of 365 or 366 days, as the case may be, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Facility Fee due to each Lender shall commence to accrue on the date of this Agreement and shall cease to accrue on the date on which the Commitment of such Lender shall be terminated as provided herein.
 - b) The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender, a participation fee with respect to its participations in Letters of Credit, which fee shall accrue at the Applicable Rate (an “**LC Participation Fee**”) on the average daily amount of such Lender’s LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the date of this Agreement to but excluding the later of the date on which such Lender’s Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to each Issuing Bank, a fronting fee for Letters of Credit issued by such Issuing Bank, which fee shall accrue at the rate of 0.20% per annum on the average daily amount of such Issuing Bank’s Issuing Bank Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements of such Issuing Bank) during the period from and including the date of this Agreement to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any Issuing Bank Exposure (with the calculation and payment of such fee to be determined by such Issuing Bank and the Borrower). LC Participation Fees and Letter of Credit fronting fees shall be payable quarterly in arrears on the first Business Day of January, April, July and October of each year and on the date on which the Commitments terminate as provided herein; provided, however, that all such fees accruing after the date on which the Commitments terminate shall be
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payable on demand. All LC Participation Fees and Letter of Credit fronting fees shall be computed on the basis of a year of 365 or 366 days, as the case may be, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day) during the period in question.

- c) The Borrower agrees to pay to the Administrative Agent, for its own account, the fees separately agreed between the Administrative Agent and the Borrower.
- d) Once paid, none of the Fees shall be refundable under any circumstances.

Section 2.07 Interest on Loans; Term SOFR Conforming Changes.

- a) Subject to the provisions of Section 2.08, the Loans comprising each ABR Borrowing shall bear interest at a rate per annum equal to the Alternate Base Rate plus the Applicable Rate.
 - b) Subject to the provisions of Section 2.08, the Loans comprising each SOFR Borrowing shall bear interest at a rate per annum equal to Adjusted Term SOFR for the Interest Period in effect for such Borrowing plus the Applicable Rate.
 - c) Interest on each Loan shall be payable on the Interest Payment Dates applicable to such Loan except as otherwise provided in this Agreement.
 - d) Interest computed on the basis of the Alternate Base Rate (including interest payable on overdue amounts under Section 2.08) shall be computed on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days elapsed so long as the Prime Rate is the applicable rate for calculation of the Alternate Base Rate, and on the basis of a year of 360 days for the actual number of days elapsed so long as the Federal Funds Effective Rate is the applicable rate for calculation of the Alternate Base Rate. Interest computed on the basis of Adjusted Term SOFR (including interest payable on overdue amounts under Section 2.08) shall be computed on the basis of a year of 360 days for the actual number of days elapsed.
 - e) The applicable Alternate Base Rate or Adjusted Term SOFR for each Interest Period or day within an Interest Period, as the case may be, shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.
 - f) In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.
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Section 2.08 Default Interest. If the Borrower shall default in the payment of the principal of or interest on any Loan or any other amount becoming due under the Loan Documents, by acceleration or otherwise, the Borrower shall on demand from time to time pay interest, to the extent permitted by law, on such defaulted amount up to (but not including) the date of actual payment (after as well as before judgment) at a rate per annum equal to the Alternate Base Rate plus the Applicable Rate plus 2% (except that the interest rate applicable to an overdue amount of principal of a SOFR Borrowing that became due on a day other than on the last day of the Interest Period applicable thereto shall, for the period until the last day of such Interest Period, be equal to 2% above the rate that would otherwise be applicable thereto during such Interest Period).

Section 2.09 Inability to Determine Rates. Subject to Section 10.20, if, on or prior to the firstday of any Interest Period for any SOFR Loan:

- a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that “Term SOFR” or “Adjusted Term SOFR”, as applicable, cannot be determined pursuant to the definition thereof; or
- b) the Required Lenders determine that for any reason in connection with any request for a SOFR Loan or a conversion thereto or continuation thereof that Term SOFR or Adjusted Term SOFR, as applicable, for any requested Interest Period with respect to such SOFR Loan does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loan, and the Required Lenders have provided notice of such determination to the Administrative Agent;

then, in each case, the Administrative Agent will promptly so notify the Borrower and each Lender.

Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to refinance all or any part of any Borrowing with a new SOFR Borrowing, shall be suspended (to the extent of the affected SOFR Loans or affected Interest Periods) until the Administrative Agent (with respect to clause (b) above, at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of SOFR Loans or a refinancing of all or any part of any Borrowing with a new SOFR Borrowing (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of ABR Loans in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into ABR Loans at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 2.14. Subject to Section 10.20, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that “Term SOFR” or “Adjusted Term SOFR” cannot be determined pursuant to the definition thereof on any given day, the interest rate on ABR Loans shall be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate” until the Administrative Agent revokes such determination.

Section 2.10 Termination, Reduction and Increase in Commitments.

- a) The Commitments shall automatically terminate on the Expiration Date.
- b) Upon at least three Business Days' prior irrevocable notice to the Administrative Agent, the Borrower may at any time in whole permanently terminate, or from time to time in part permanently reduce, the unused portion of the Commitments; provided, however, that (i) each partial reduction of the Commitments shall be in the aggregate amount of \$5,000,000 or a higher whole-integer multiple thereof, and (ii) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the sum of the Revolving Credit Exposures would exceed the total Commitments.
- c) At any time following the date of this Agreement and prior to the Expiration Date, the total Commitments may, at the option of the Borrower, be increased by an aggregate amount not in excess of \$100,000,000, either by newly establishing or increasing Commitments of one or more persons that become Additional Commitment Lenders pursuant to this Section 2.10(c); provided that (i) each such Additional Commitment Lender shall be selected or approved by the Borrower and shall be reasonably acceptable to the Administrative Agent and the Issuing Banks, (ii) no Lender shall have an obligation to become such an Additional Commitment Lender, (iii) no Default or Event of Default shall exist immediately prior to or after the effective date of each such increase in the total Commitments, (iv) the representations and warranties set forth in Article III shall be true and correct in all material respects on and as of the effective date of each such increase in the total Commitments with the same effect as if made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date, (v) each such newly established Commitment shall be in an amount equal to or greater than \$5,000,000, (vi) each increase in the total Commitments pursuant to this Section 2.10(c) shall be in the aggregate amount of \$10,000,000 or a whole-integer multiple of \$5,000,000 in excess thereof, (vii) the aggregate amount of increases in the total Commitments pursuant to this Section 2.10(c) shall not exceed \$100,000,000, and (viii) no such newly established Commitment or increase in a Commitment shall become effective unless and until the Borrower, the Administrative Agent, the Issuing Banks and the relevant Additional Commitment Lender shall have executed and delivered an agreement substantially in the form of Exhibit D (a "**Commitment Increase Supplement**") with respect thereto, (B) such Additional Commitment Lender, if not already a Lender, shall have delivered an Administrative Questionnaire to the Administrative Agent, and (C) if the obligations of the Borrower under this Agreement are then secured by the First Mortgage, the Administrative Agent shall have received a substitute First Mortgage Bond in an amount equal to the total Commitments after giving effect to the increase in the total Commitments, together with a supplemental indenture, a bond delivery agreement, mortgage title insurance, legal opinions and other certificates and documents with respect thereto comparable to those delivered pursuant to Section 4.02(a) with respect to the First Mortgage Bond issued under the First Mortgage and delivered to the Administrative Agent on the Closing Date, in each case in form and substance satisfactory to the Administrative Agent. Upon compliance with the provisions of this Section 2.10(c), each Additional Commitment Lender
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hereunder shall have the Commitment specified in its Commitment Increase Supplement and, if not already a Lender, shall constitute a “Lender” hereunder.

- d) On the effective date of each increase in the total Commitments pursuant to Section 2.10(c), each relevant Additional Commitment Lender shall purchase, as an assignment from each other Lender, the portion of such other Lender’s Loans, unreimbursed LC Disbursements and participations in Letters of Credit outstanding at such time such that, after giving effect to such assignments, the respective aggregate amount of Loans, unreimbursed LC Disbursements and participations in Letters of Credit of each Lender shall be equal to such Lender’s Pro Rata Share of the aggregate Loans, unreimbursed LC Disbursements and participations in Letters of Credit outstanding. The purchase price for the Loans, unreimbursed LC Disbursements and participations in Letters of Credit so assigned shall be the sum of (i) the principal amount of the Loans and unreimbursed LC Disbursements so assigned plus the amount of accrued and unpaid interest thereon as of the date of assignment and (ii) the amount of accrued and unpaid LC Participation Fees as of the date of assignment on the participations in Letters of Credit so assigned. Each such Additional Commitment Lender shall pay the aggregate purchase price payable by it to the Administrative Agent on the effective date of the corresponding increase in the total Commitments, and the Administrative Agent shall promptly forward to each other Lender the portion thereof payable to it. Upon payment of such purchase price, each other Lender shall be automatically deemed to have sold and made such an assignment to each such Additional Commitment Lender and shall, to the extent of the interest assigned, be released from its obligations under the Loan Documents, and each such Additional Commitment Lender shall be automatically deemed to have purchased and assumed such an assignment from each other Lender and, if not already a Lender hereunder, shall be a party hereto and, to the extent of the interest assigned, have the rights and obligations of a Lender under the Loan Documents.

Section 2.11 Prepayment. The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, upon at least three (3) U.S. Government Securities Business Days’ prior notice to the Administrative Agent, in the case of a prepayment of a SOFR Borrowing, and upon at least one Business Day’s prior notice, in the case of a prepayment of an ABR Borrowing; provided, however, that each partial prepayment shall be in the amount of \$1,000,000 or a higher whole-integer multiple thereof. Each notice of prepayment shall specify the prepayment date and the principal amount of each Borrowing (or portion thereof) to be prepaid, shall be irrevocable and shall commit the Borrower to prepay such Borrowing by the amount stated therein on the date stated therein. All prepayments under this Section 2.11 shall be subject to Section 2.14 but otherwise without premium or penalty. All prepayments under this Section 2.11 shall be accompanied by accrued interest on the principal amount being prepaid to (but excluding) the date of payment.

Section 2.12 Increased Costs.

- a) If any Change in Law shall:
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- (i) impose, modify or deem applicable any reserve (including pursuant to regulations issued from time to time by the Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities” in Regulation D)), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or any Issuing Bank;
- (ii) subject any Recipient to any Taxes (other than (i) Taxes imposed on or with respect to any payment made by the Borrower under any Loan Document, which shall be solely governed by Section 2.18, and (ii) Other Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or
- (iii) impose on any Lender or any Issuing Bank any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation in any such Loan or Letter of Credit;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing, refinancing or maintaining any Loan or of maintaining its obligation to make or refinance any such Loan, or to increase the cost to such Lender, such Issuing Bank or such other Recipient of issuing or maintaining any Letter of Credit or purchasing or maintaining a participation therein or to reduce the amount of any sum received or receivable by such Lender, such Issuing Bank or such other Recipient hereunder or under any Notes (whether of principal, interest or otherwise) by an amount deemed by such Lender, such Issuing Bank or such other Recipient to be material, then the Borrower will pay to such Lender, such Issuing Bank or such other Recipient, as the case may be, upon demand such additional amount or amounts as will compensate such Lender, such Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

- b) If any Lender or Issuing Bank shall have determined that the applicability of any law, rule, regulation, agreement or guideline adopted after the date hereof regarding capital adequacy or liquidity requirements, or any change in any of the foregoing or the adoption after the date hereof of any change in any law, rule, regulation, agreement or guideline existing on the date hereof or in the interpretation or administration of any of the foregoing by any Governmental Authority charged with the interpretation or administration thereof, or compliance by any Lender or Issuing Bank (or any lending office thereof) or any Lender’s or Issuing Bank’s holding company with any request or directive regarding capital adequacy or liquidity requirements (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Lender’s or Issuing Bank’s capital or on the capital of such Lender’s or Issuing Bank’s holding company, if any, with respect to this Agreement, any Loan or any Letter of Credit or participation therein to a level below that which such Lender or Issuing Bank or such Lender’s or Issuing Bank’s holding company could have achieved but for such applicability,
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adoption, change or compliance (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy or liquidity) by an amount deemed by such Lender or Issuing Bank to be material, then from time to time the Borrower shall pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered. It is acknowledged that this Agreement is being entered into by the Lenders and the Issuing Banks on the understanding that the Lenders and the Issuing Banks will not be required to maintain capital against their obligations to make Loans or issue Letters of Credit or purchase participations therein under currently applicable laws, regulations and regulatory guidelines. In the event that any Lender or Issuing Bank shall be advised by any Governmental Authority, or shall otherwise determine on the basis of pronouncements of any Governmental Authority, that such understanding is incorrect, it is agreed that each such Lender or Issuing Bank will be entitled to make claims under this paragraph based upon market requirements prevailing on the date hereof for commitments under comparable credit facilities against which capital is required to be maintained.

- c) A certificate of a Lender or Issuing Bank setting forth in reasonable detail such amount or amounts as shall be necessary to compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company as specified in paragraph (a) or (b) above, as the case may be, and the manner in which such Lender or Issuing Bank has determined the same, shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or Issuing Bank, as the case may be, the amount shown as due on any such certificate delivered by it within 10 days after its receipt of the same.
 - d) Failure on the part of any Lender or Issuing Bank to demand compensation for any increased costs or reduction in amounts received or receivable or reduction in return on capital with respect to any period shall not constitute a waiver of such Lender's or Issuing Bank's right to demand compensation with respect to such period or any other period; provided that the Borrower shall not be required to compensate a Lender or Issuing Bank pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or Issuing Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof). The protection of this Section shall be available to each Lender and Issuing Bank regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.
 - e) For purposes of this Agreement, notwithstanding anything in this Agreement to the contrary, the Dodd-Frank Act and all rules, regulations, interpretations, agreements,
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guidelines, directives and requests in connection therewith are deemed to have been adopted, and to have gone into effect, after the date of this Agreement, regardless of the date on which the same were actually adopted or went into effect.

Section 2.13 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or to determine or charge interest based upon SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent) (an “**Illegality Notice**”), (a) any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to refinance all or any part of any Borrowing with a new SOFR Borrowing, shall be suspended, and (b) the interest rate on ABR Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate”, in each case until each affected Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, the Borrower shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, refinance all SOFR Loans with ABR Loans (the interest rate on which ABR Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of “Alternate Base Rate”), on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such SOFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such SOFR Loans to such day. Upon any such prepayment or refinancing, each applicable Borrower shall also pay accrued interest on the amount so prepaid or refinanced, together with any additional amounts required pursuant to Section 2.14.

Section 2.14 Compensation for Losses. In the event of (a) the payment of any principal of any SOFR Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion or refinancing of any SOFR Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (c) the failure by the Borrower to borrow, convert, continue, refinance or prepay any SOFR Loan on the date specified in any notice delivered by the Borrower pursuant hereto, or (d) the assignment of any SOFR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19(b), then, in any such event, the Borrower shall compensate each Lender for any loss, cost and expense attributable to such event, including any loss, cost or expense arising from the liquidation or redeployment of funds or from any fees payable. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section, and the manner in which such Lender has determined the same, shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

Section 2.15 Pro Rata Treatment. Except as required under Sections 2.12, 2.14 and 2.18, each Borrowing, each payment or prepayment of principal of any Borrowing or LC Disbursement, each payment of interest on the Loans or LC Disbursements, each payment of the Fees, and each reduction of the Commitments shall be allocated among the Lenders in accordance with their

respective Pro Rata Shares. Each Lender agrees that, in computing such Lender's portion of any Borrowing to be made hereunder, the Administrative Agent may, in its discretion, round each Lender's Pro Rata Share of such Borrowing to the next higher or lower whole-dollar amount.

Section 2.16 Sharing of Setoffs. Each Lender agrees that if it shall, through the exercise of a right of banker's lien, setoff or counterclaim against the Borrower, or pursuant to a secured claim under Section 506 of Title 11 of the United States Code or other security or interest arising from, or in lieu of, such secured claim, received by such Lender under any applicable bankruptcy, insolvency or other similar law or otherwise, or by any other means, obtain payment (voluntary or involuntary) in respect of its Loans or participations in LC Disbursements as a result of which the unpaid principal portion of its Loans or participations in LC Disbursements shall be proportionately less than the unpaid principal portion of the Loans or participations in LC Disbursements of any other Lender, it shall be deemed simultaneously to have purchased from such other Lender at face value, and shall promptly pay to such other Lender the purchase price for, a participation in the Loans or participations in LC Disbursements of such other Lender ("**Sharing Participations**"), so that (a) the aggregate unpaid principal amount of the Loans, participations in LC Disbursements and Sharing Participations held by each Lender shall be in the same proportion to the aggregate unpaid principal amount of all Loans and LC Disbursements then outstanding as (b) the principal amount of its Loans, participations in LC Disbursements and Sharing Participations prior to such exercise of banker's lien, setoff or counterclaim or other event was to the principal amount of all Loans and LC Disbursements outstanding prior to such exercise of banker's lien, setoff or counterclaim or other event; provided, however, that, if any such purchase or purchases or adjustments shall be made pursuant to this Section and the payment giving rise thereto shall thereafter be recovered, such purchase or purchases or adjustments shall be rescinded to the extent of such recovery and the purchase price or prices or adjustment restored without interest. The Borrower expressly consents to the foregoing arrangements and agrees that any Lender holding a participation in a Loan or in a participation in an LC Disbursement deemed to have been so purchased may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by the Borrower to such Lender by reason thereof as fully as if such Lender had made a Loan directly to the Borrower or had acquired a participation in an LC Disbursement directly from the applicable Issuing Bank, as the case may be, in the amount of such participation.

Section 2.17 Payments.

- a. The Borrower shall make each payment (including for principal of or interest on any Borrowing, reimbursements of LC Disbursements, Fees and other amounts) hereunder and under any other Loan Document not later than 12:00 noon, New York, New York time, on the date when due in dollars to the Administrative Agent at its offices at 1221 Avenue of the Americas, New York, New York 10020, in immediately available funds.
 - b. Whenever any payment (including for principal of or interest on any Borrowing, reimbursements of LC Disbursements, Fees and other amounts) hereunder or under any other Loan Document shall become due, or otherwise would occur, on a day that is not a Business Day, such payment may be made on the next
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succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or Fees, if applicable.

Section 2.18 Taxes.

- a) Any and all payments by the Borrower hereunder and under any other Loan Document shall be made, in accordance with Section 2.17, 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 (i) taxes imposed on the net income of the Administrative Agent, any Lender or any Issuing Bank (or any transferee or assignee thereof, including a participation holder (any such entity being called a “**Transferee**”)) and franchise taxes imposed on the Administrative Agent, any Lender or any Issuing Bank (or any Transferee) by the United States or any jurisdiction under the laws of which the Administrative Agent or any such Lender or Issuing Bank (or Transferee) or the applicable lending office, is organized or any political subdivision thereof, and (ii) any U.S. federal withholding taxes imposed on amounts payable to or for the account of such Lender or Issuing Bank pursuant to the law in effect on the date on which (A) such Lender or Issuing Bank becomes a party to this Agreement or, with respect to a Loan attributable to a transferred or increased Commitment of a Lender, the date such Lender acquired its transferred or increased Commitment (in each case, other than pursuant to an assignment request by the Borrower under Section 2.19(b)) or (B) such Lender or Issuing Bank changes its lending office, except in each case to the extent that amounts with respect to such taxes were payable to such Lender’s or Issuing Bank’s assignor immediately before such Lender or Issuing Bank became a party hereto or to such Lender or Issuing Bank immediately before it changed its lending office (all such nonexcluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as “**Taxes**”). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable under any Loan Document to any Lender or Issuing Bank (or Transferee) or the Administrative Agent, (i) the sum payable shall be increased by the amount necessary so that after making all required deductions of Taxes (including deductions applicable to additional sums payable under this Section 2.18) such Lender or Issuing Bank (or Transferee) or the Administrative Agent (as the case may be) shall receive an amount equal to the sum it would have received had no such deductions of Taxes been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxing authority or other Governmental Authority in accordance with applicable law; provided, however, that no Transferee of any Lender shall be entitled to receive any greater payment under this paragraph (a) than such Lender would have been entitled to receive with respect to the rights assigned, participated or otherwise transferred except to the extent that such greater payment arises from circumstances not in existence at the time such assignment, participation or transfer shall have been made.
- b) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made under any Loan Document or from the execution, delivery or
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registration of, or otherwise with respect to, this Agreement or any other Loan Document (hereinafter referred to as "**Other Taxes**").

- c) The Borrower will indemnify each Lender (or Transferee), each Issuing Bank (or Transferee) and the Administrative Agent for the full amount of any Taxes and Other Taxes paid by such Lender or Issuing Bank (or Transferee) or the Administrative Agent, as the case may be, and any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted by the relevant taxing authority or other Governmental Authority. Such indemnification shall be made within 30 days after the date any Lender or Issuing Bank (or Transferee) or the Administrative Agent, as the case may be, makes written demand therefor. If a Lender or Issuing Bank (or Transferee) or the Administrative Agent shall become aware that it is entitled to receive a refund in respect of Taxes or Other Taxes as to which it has been indemnified by the Borrower pursuant to this Section 2.18, it shall promptly notify the Borrower of the availability of such refund and shall, within 30 days after receipt of a request by the Borrower, apply for such refund at the Borrower's expense.
 - d) If any Lender or Issuing Bank (or Transferee) or the Administrative Agent receives a refund in respect of any Taxes or Other Taxes as to which it has been indemnified by the Borrower pursuant to this Section 2.18, it shall promptly notify the Borrower of such refund and shall repay such refund to the Borrower (to the extent of amounts that have been paid by the Borrower under this Section 2.18 with respect to such refund) within 30 days (or promptly upon receipt, if the Borrower has requested application for such refund pursuant hereto), net of all reasonable out-of-pocket expenses of such Lender or Issuing Bank (or Transferee) and without interest (other than interest included in such refund); provided that the Borrower, upon the request of such Lender or Issuing Bank (or Transferee) or the Administrative Agent, agrees to return such refund (plus penalties, interest or other charges) to such Lender or Issuing Bank (or Transferee) or the Administrative Agent in the event such Lender or Issuing Bank (or Transferee) or the Administrative Agent is required to repay such refund. Nothing contained in this paragraph (d) shall require any Lender or Issuing Bank (or Transferee) or the Administrative Agent to make available any of its tax returns (or any other information relating to its taxes which it deems to be confidential); provided that Borrower, at its expense, shall have the right to receive an opinion from a firm of independent public accountants of recognized national standing acceptable to the Borrower that the amount due hereunder is correctly calculated.
 - e) Within 30 days after the date of any payment of Taxes or Other Taxes withheld by the Borrower in respect of any payment to any Lender or Issuing Bank (or Transferee) or the Administrative Agent, the Borrower will furnish to the Administrative Agent, at its address referred to in Section 10.01, the original or a certified copy of a receipt received by the Borrower evidencing payment thereof.
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- f) Without prejudice to the survival of any other agreement contained herein, the agreements and obligations contained in this Section 2.18 shall survive the payment in full of the principal of and interest on all Loans made hereunder.
- g) On or prior to the execution of this Agreement and on or before the transfer to a Transferee, the Administrative Agent shall notify the Borrower of each Lender's or Issuing Bank's (or Transferee's) address. On or prior to each Lender's or Issuing Bank's (or Transferee's) first Interest Payment Date, and from time to time as required by law, each Lender or Issuing Bank (or Transferee) that is not a United States person within the meaning of Section 7701(a)(30) of the Code (a "**Non-U.S. Person**") shall, if legally able to do so, deliver to the Borrower and the Administrative Agent (i) one duly completed and executed copy of United States Internal Revenue Service Form W-8BEN or W-8BEN-E (as applicable) or W-8ECI, (ii) if claiming exemption from United States Federal withholding tax pursuant to Section 871(h) or 881(c) of the Code, one duly completed and executed copy of a United States Internal Revenue Service Form W-8BEN or W-8BEN-E (as applicable) and a certificate representing that such Non-U.S. Person is not a bank for purposes of Section 881(c) of the Code, is not a 10 percent shareholder (within the meaning of Section 871(h)(3)(b) of the Code) of the Borrower and is not a controlled foreign corporation related to the Borrower (within the meaning of Section 864(d)(4) of the Code) or (iii) any successor applicable form of any thereof, establishing in each case that such Lender or Issuing Bank (or Transferee) is entitled to receive payments under the Loan Documents payable to it without deduction or withholding of any United States Federal income taxes, or is subject to a reduced rate thereof. Unless the Borrower and the Administrative Agent have received forms or other documents satisfactory to them indicating that such payments under the Loan Documents are not subject to United States Federal withholding tax or are subject to such tax at a rate reduced by an applicable tax treaty, the Borrower shall withhold taxes from such payments at the applicable statutory rate.
- h) The Borrower shall not be required to pay any additional amounts to any Lender or Issuing Bank (or Transferee) in respect of United States Federal withholding tax pursuant to paragraph (a) above if the obligation to pay such additional amounts would not have arisen but for a failure by such Lender or Issuing Bank (or Transferee) to comply with the provisions of paragraph (g) above; provided, however, that the Borrower shall be required to pay those amounts to any Lender or Issuing Bank (or Transferee) that it was required to pay hereunder prior to the failure of such Lender or Issuing Bank (or Transferee) to comply with the provisions of such paragraph (g).
- i) Notwithstanding anything to the contrary in this Section 2.18, the term "Taxes" shall not include U.S. federal withholding taxes imposed under FATCA. If a payment made to a Lender or Issuing Bank under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender or Issuing Bank 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 Issuing Bank shall deliver to the Borrower and the Administrative Agent at the time or
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times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender or Issuing Bank has complied with such Lender's or Issuing Bank's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. For purposes of this Section 2.18(i), "FATCA" shall include any amendments made to FATCA after the Amendment No. 3 Effective Date. If any form or certification a Lender or Issuing Bank previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

Section 2.19 Termination or Assignment of Commitments under Certain Circumstances.

- a) Any Lender or Issuing Bank (or Transferee) claiming any additional amounts payable pursuant to Section 2.12 or 2.18 or exercising its rights under Section 2.13 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document requested by the Borrower or to change the jurisdiction of its applicable lending office if the making of such a filing or change would avoid the need for or reduce the amount of any such additional amounts which may thereafter accrue or avoid the circumstances giving rise to such exercise and would not, in the sole determination of such Lender or Issuing Bank (or Transferee), be otherwise disadvantageous to such Lender or Issuing Bank (or Transferee).

 - b) In the event that any Lender shall have delivered a notice or certificate pursuant to Section 2.13, or the Borrower shall be required to make additional payments under Section 2.12 or 2.18 to any Lender or Issuing Bank (or Transferee) or to the Administrative Agent with respect to any Lender or Issuing Bank (or Transferee), the Borrower shall have the right, at its own expense, upon notice to such Lender or Issuing Bank (or Transferee) and the Administrative Agent (and, if a Commitment is being terminated or assigned, the Issuing Banks), (i) to terminate the Commitment of such Lender or Issuing Bank (or Transferee) or (ii) to require such Lender or Issuing Bank (or Transferee) to transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 10.04) all its interests, rights and obligations under the Loan Documents to another financial institution which shall assume such obligations; provided that (A) no such termination or assignment shall conflict with any law, rule or regulation or order of any Governmental Authority and (B) the Borrower or the assignee, as the case may be, shall pay to the affected Lender or Issuing Bank (or Transferee) in immediately available funds on the date of such termination or assignment the principal of and interest accrued to the date of payment on the Loans made by it hereunder and all other amounts accrued for its account and owed to it under the Loan Documents and, in the case of a termination or assignment
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by an Issuing Bank, shall cause all Letters of Credit issued by such Issuing Bank to be surrendered for cancellation on or prior to the date of such termination or assignment.

Section 2.20 Extension of Expiration Date.

- a. If no Event of Default has occurred and is continuing, the Borrower may request, by simultaneous notice to the Administrative Agent and each Lender given after the Amendment No. 5 Effective Date and no later than 60 days before the Expiration Date applicable on the date of such notice (the “**Current Expiration Date**”), that the Lenders extend their respective Commitments for an additional period of one year. If a Lender agrees, in its sole and absolute discretion, to so extend its Commitment, it will give notice to the Administrative Agent of its decision to do so within 30 days after the Borrower’s delivery of notice to the Administrative Agent and the Lenders requesting extension of the Current Expiration Date. Promptly after expiration of such 30-day period, the Administrative Agent will notify the Borrower and each Lender as to the Lenders (each an “**Extending Lender**”) from which it has received such a notice agreeing to so extend. Any failure by a Lender to so notify the Administrative Agent shall be deemed to be a decision by such Lender not to so extend its Commitment.
 - b. If all Lenders elect to so extend their respective Commitments, and provided that the additional conditions specified in Section 4.03 shall have been satisfied, then on the Current Expiration Date the Expiration Date shall automatically be extended by a period of one year.
 - c. If, at the time the Administrative Agent gives the notice contemplated by Section 2.20(a) to the Borrower and the Lenders, the Commitments of the Extending Lenders aggregate at least 66-2/3%, but less than 100%, of the Commitments of all of the Lenders at such time (the “**Existing Commitments**”), then, notwithstanding anything in Section 10.08(b) to the contrary, (i) as to each Extending Lender, on the Current Expiration Date the Expiration Date shall automatically be extended by a period of one year, provided that the additional conditions specified in Section 4.03 shall have been satisfied, (ii) the Expiration Date shall remain unchanged as to each Lender that is not an Extending Lender (each a “**Terminating Lender**”), (iii) each Terminating Lender’s Commitment shall terminate on the Current Expiration Date, and (iv) on the Current Expiration Date the Borrower shall (A) pay the outstanding Loans owed to each Terminating Lender and all other amounts owed to each Terminating Lender and (B) deposit into an account with the Administrative Agent an amount in cash equal to the aggregate LC Exposure of the Terminating Lenders plus any accrued and unpaid interest thereon, to be held and applied as provided in Section 2.05(i). If, at the time the Administrative Agent gives the notice contemplated by Section 2.20(a) to the Borrower and the Lenders, the Commitments of the Extending Lenders aggregate less than 66-2/3% of the Existing Commitments, then none of the Commitments (including the Commitment of any Extending Lender) shall be extended, and the Expiration Date shall remain unchanged.
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- d. The Borrower may use the process contemplated by this Section 2.20, at any time or times after the Amendment No. 5 Effective Date, no more than twice; provided, however, that no extension of the Expiration Date shall be permitted that would cause the remaining term until the Expiration Date to exceed five years at any time.
- e. If, at any time that the Administrative Agent gives a notice contemplated by Section 2.20(a) to the Borrower and the Lenders, the Commitments of the Extending Lenders aggregate at least 66-2/3% but less than 100% of the then Existing Commitments, the Borrower shall have the right to replace the Commitments of the Terminating Lenders by either newly establishing or increasing Commitments of one or more persons that become Additional Commitment Lenders pursuant to this Section 2.20(e); provided that (i) each such Additional Commitment Lender shall be selected or approved by the Borrower and shall be reasonably acceptable to the Administrative Agent and the Issuing Banks, (ii) no Extending Lender shall have an obligation to become such an Additional Commitment Lender, (iii) the additional conditions specified in Section 4.03 shall have been satisfied, (iv) each such newly established Commitment shall be in an amount equal to or greater than \$5,000,000, (v) the aggregate of such newly established Commitments and increases in Commitments shall not exceed the aggregate Commitments of the Terminating Lenders, and (vi) no such newly established Commitment or increase in a Commitment shall become effective unless and until (A) the Borrower, the Administrative Agent, the Issuing Banks and the relevant Additional Commitment Lender shall have executed and delivered an agreement substantially in the form of Exhibit E (a "**Commitment Extension Supplement**") with respect thereto, in each case in form and substance satisfactory to the Administrative Agent, and (B) such Additional Commitment Lender, if not already a Lender, shall have delivered an Administrative Questionnaire to the Administrative Agent. Upon compliance with the provisions of this Section 2.20(e), each Additional Commitment Lender hereunder shall have the Commitment specified in its Commitment Extension Supplement and, if not already a Lender, shall constitute a "Lender" hereunder.
- f. On the effective date of each replacement of all or a portion of one or more Commitments of Terminating Lenders pursuant to Section 2.20(e), each relevant Additional Commitment Lender shall purchase, as an assignment from each other Lender, the portion of such other Lender's Loans, unreimbursed LC Disbursements and participations in Letters of Credit outstanding at such time such that, after giving effect to such assignments, the respective aggregate amount of Loans, unreimbursed LC Disbursements and participations in Letters of Credit of each Lender shall be equal to such Lender's Pro Rata Share of the aggregate Loans, unreimbursed LC Disbursements and participations in Letters of Credit outstanding. The purchase price for the Loans, unreimbursed LC Disbursements and participations in Letters of Credit so assigned shall be the sum of (i) the principal amount of the Loans and unreimbursed LC Disbursements so
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assigned plus the amount of accrued and unpaid interest thereon as of the date of assignment and (ii) the amount of accrued and unpaid LC Participation Fees as of the date of assignment on the participations in Letters of Credit so assigned. Each such Additional Commitment Lender shall pay the aggregate purchase price payable by it to the Administrative Agent on the effective date of the corresponding replacement of all or a portion of one or more Commitments of Terminating Lenders, and the Administrative Agent shall promptly forward to each other Lender the portion thereof payable to it. Upon payment of such purchase price, each other Lender shall be automatically deemed to have sold and made such an assignment to each such Additional Commitment Lender and shall, to the extent of the interest assigned, be released from its obligations under the Loan Documents, and each such Additional Commitment Lender shall be automatically deemed to have purchased and assumed such an assignment from each other Lender and, if not already a Lender hereunder, shall be a party hereto and, to the extent of the interest assigned, have the rights and obligations of a Lender under the Loan Documents.

Section 2.21 Defaulting Lenders.

- a) If any Letters of Credit are outstanding at the time a Lender becomes a Defaulting Lender, and the Commitments have not been terminated in accordance with Article VII, then:
- (i) so long as no Default or Event of Default has occurred and is continuing, all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the Lenders that are not Defaulting Lenders (“**non-Defaulting Lenders**”) in accordance with their respective Pro Rata Shares (disregarding any Defaulting Lender’s Commitment), but only to the extent that the sum of (A) the aggregate principal amount of all Loans made by such non-Defaulting Lenders and outstanding at such time, plus (B) the aggregate amount of such non-Defaulting Lenders’ LC Exposures (before giving effect to the reallocation contemplated herein), plus (C) such Defaulting Lender’s LC Exposure does not exceed the total of all non- Defaulting Lenders’ Commitments, and in no event shall the sum of the aggregate principal amount of all Loans made by a non-Defaulting Lender plus its LC Exposure after giving effect to the reallocation described in this clause (i) exceed such non-Defaulting Lender’s Commitment;
 - (ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall, within one Business Day following notice by any Issuing Bank, cash-collateralize such Defaulting Lender’s LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) by providing cash collateral to such Issuing Bank in accordance with Section 2.05(i); provided, however, that, so long as no Default or Event of Default has occurred and is continuing, such cash collateral shall be released promptly upon the earliest of (A) the full reallocation of the LC Exposure among non-Defaulting Lenders in accordance with clause (i) above, (B) the
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termination of the Defaulting Lender status of the applicable Lender and (C) such Issuing Bank's good-faith determination that there exists excess cash collateral (in which case, the amount equal to such excess cash collateral shall be released);

- (iii) if and to the extent that the LC Exposures of the non-Defaulting Lenders are reallocated pursuant to this Section 2.21(a), then the LC Participation Fees payable to the Lenders pursuant to Section 2.06(b) shall be adjusted in accordance with such non-Defaulting Lenders' reallocated percentage of the total LC Exposure; or
 - (iv) if and to the extent that any Defaulting Lender's LC Exposure is neither reallocated nor cash-collateralized pursuant to this Section 2.21(a), then, without prejudice to any other rights or remedies of any Issuing Bank or any Lender hereunder, all LC Participation Fees payable under Section 2.06(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the applicable Issuing Bank until such Defaulting Lender's LC Exposure is fully reallocated and/or cash-collateralized.
- b) So long as any Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, renew, extend or otherwise amend any Letter of Credit unless it is satisfied that (i) its exposure in respect of all outstanding Letters of Credit is fully covered by the Commitments of non-Defaulting Lenders and/or cash collateral provided by the Borrower in accordance with Section 2.21(a), and (ii) participating interests in any such newly issued or increased Letter of Credit will be allocated among non-Defaulting Lenders and/or cash-collateralized in a manner consistent with Section 2.21(a) (and Defaulting Lenders shall not participate therein).
- c) No Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 2.21, the performance by the Borrower of its obligations under this Agreement shall not be excused or otherwise modified, as a result of the operation of this Section 2.21. The rights and remedies against a Defaulting Lender under this Section 2.21 are in addition to any other rights and remedies that the Borrower, the Administrative Agent, any Issuing Bank or any Lender might have against such Defaulting Lender. The failure of any Lender to perform its obligations under this Agreement shall not excuse or relieve any other Lender or any Issuing Bank of its obligations under this Agreement, and no Lender or Issuing Bank shall be responsible for the default of any other Lender or Issuing Bank except to the extent expressly provided herein.
- d) If the Borrower, the Administrative Agent and each Issuing Bank agree in writing, in their reasonable determination, that a Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the other parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to cash collateral), that Lender will purchase such portion of outstanding Loans of the other Lenders and/or participations of the other Lenders in outstanding Letters of Credit, and
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take such other actions, as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to Section 2.21(a)), whereupon such Lender will cease to be a Defaulting Lender; provided, however, that (i) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender, and (ii) subject to Section 10.19 and except to the extent expressly agreed otherwise by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

- e) Notwithstanding anything to the contrary contained in this Agreement, any payment of principal, interest, Facility Fees (with respect to the used portion of a Defaulting Lender's Commitment), LC Participation Fees or other amounts received by the Administrative Agent for the account of any Defaulting Lender under this Agreement (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Banks hereunder; third, if so determined by the Administrative Agent or requested by any Issuing Bank, to be held as cash collateral for future funding obligations of such Defaulting Lender in respect of any participation in any Letter of Credit; fourth, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held as cash collateral and released in order to satisfy obligations of such Defaulting Lender to fund Loans under this Agreement; sixth, to the payment of any amount owing to any Lender or Issuing Bank as a result of any judgment of a court of competent jurisdiction obtained by such Lender or Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, however, that if (i) any such payment is a payment of the principal amount of any Loan in respect of which such Defaulting Lender has not fully funded its appropriate share, and (ii) such Loan was made or the related Letter of Credit was issued at a time when the applicable conditions set forth in Article IV were satisfied or waived, then such payment shall be applied solely to repay the Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the repayment of any Loan or portion thereof of such Defaulting Lender; and further provided, however, that any amounts held as cash collateral for funding obligations of a Defaulting Lender shall be returned to such Defaulting Lender upon the termination of this Agreement and the satisfaction of such Defaulting Lender's obligations hereunder. Any payments,
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prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 2.21 shall be deemed to have been paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents thereto.

- f) Upon any Lender becoming a Defaulting Lender, the Borrower may remove and replace such Lender in accordance with Section 9.08.

ARTICLE III
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to each of the Lenders and Issuing Banks that:

Section 3.01 Organization; Powers. Each of the Borrower and the Significant Subsidiaries (a) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority to own its property and assets and to carry on its business as now conducted and as proposed to be conducted, (c) is qualified to do business in every jurisdiction where such qualification is required, except where the failure so to qualify would not result in a Material Adverse Effect, and (d) in the case of the Borrower, has the corporate power and authority to execute, deliver and perform its obligations under each of the Loan Documents and each other agreement or instrument contemplated thereby to which it is or will be a party and to borrow hereunder.

Section 3.02 Authorization. The execution, delivery and performance by the Borrower of each of the Loan Documents, and the Borrowings and procurement of Letters of Credit hereunder (collectively, the “**Transactions**”), (a) have been duly authorized by all requisite corporate and, if required, stockholder action and (b) will not (i) violate (A) any provision of law, statute, rule or regulation the violation of which could reasonably be expected to impair the validity and enforceability of this Agreement or any other Loan Document or materially impair the rights of or benefits available to the Lenders or the Issuing Banks under the Loan Documents, or of the certificate or articles of incorporation or other constitutive documents or bylaws of the Borrower or any Significant Subsidiary, (B) any order of any Governmental Authority the violation of which could reasonably be expected to impair the validity or enforceability of this Agreement or any other Loan Document, or materially impair the rights of or benefits available to the Lenders or the Issuing Banks under the Loan Documents, or (C) any provision of any indenture or other material agreement or instrument evidencing or relating to borrowed money to which the Borrower or any Significant Subsidiary is a party or by which any of them or any of their property is or may be bound in a manner which could reasonably be expected to impair the validity and enforceability of this Agreement or any other Loan Document or materially impair the rights of or benefits available to the Lenders or the Issuing Banks under the Loan Documents, (ii) be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under any such indenture, agreement or other instrument in a manner which could reasonably be expected to impair the validity and enforceability of this Agreement or any other Loan Document or materially impair the rights of or benefits available to the Lenders or the Issuing Banks under the Loan Documents or (iii) result in the creation or imposition under any such indenture, agreement or other instrument of any Lien upon or with respect to any property or assets now owned or hereafter acquired by the Borrower.

Section 3.03 Enforceability. This Agreement has been duly executed and delivered by the Borrower and constitutes, and each other Loan Document when executed and delivered by the Borrower will constitute, a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms.

Section 3.04 Governmental Approvals. No action, consent or approval of, registration or filing with or any other action by any Governmental Authority is or will be required in connection with the Transactions, except such as have been made or obtained and are in full force and effect.

Section 3.05 Financial Statements. The Borrower has heretofore furnished to the Lenders and the Issuing Banks its (a) consolidated balance sheets and statements of income and statements of cash flow as of and for the fiscal year ended December 31, 2022, audited by and accompanied by the opinion of Deloitte & Touche LLP, independent public accountants, and (b) unaudited consolidated balance sheets and statements of income and statements of cash flow as of and for the fiscal quarter ended March 31, 2023, certified by a Financial Officer of the Borrower. All such financial statements present fairly the financial condition and results of operations of the Borrower and its consolidated Subsidiaries as of such dates and for such periods. Such balance sheets and the notes thereto, together with the Borrower's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, reflect all liabilities, direct or contingent, of the Borrower and its consolidated Subsidiaries as of the dates thereof which are material on a consolidated basis. Such financial statements were prepared in accordance with GAAP applied (except as noted therein) on a consistent basis.

Section 3.06 No Material Adverse Change. Except as disclosed in the Borrower's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and in any document filed after December 31, 2022, but prior to the Amendment No. 5 Effective Date, pursuant to Section 13(a), 14 or 15(d) of the Securities Exchange Act of 1934, there has been no change in the business, assets, operations or financial condition of the Borrower and the Subsidiaries, taken as a whole, since December 31, 2022, which could reasonably be expected to have a Material Adverse Effect. For the avoidance of doubt, the representation set forth in this Section 3.06 is and will be made solely at and as of the Amendment No. 5 Effective Date, at and as of the effective date of any increase in the Commitments pursuant to Section 2.10(c) and at and as of the effective date of any extension of the Expiration Date pursuant to Section 2.20.

Section 3.07 Litigation; Compliance with Laws.

- a. Except as set forth in the Annual Report of the Borrower on Form 10-K for the year ended December 31, 2022, or in any document filed after December 31, 2022, but prior to the Amendment No. 5 Effective Date pursuant to Section 13(a), 14 or 15(d) of the Securities Exchange Act of 1934, there are not any actions, suits or proceedings at law or in equity or by or before any Governmental Authority now pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any Subsidiary or any business, property or rights of any such person (i) which involve any Loan Document or the Transactions or (ii) which could reasonably be anticipated, individually or in the aggregate, to result in a Material Adverse Effect.
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- b. Neither the Borrower nor any of the Subsidiaries is in violation of any law, rule or regulation, or in default with respect to any judgment, writ, injunction or decree of any Governmental Authority, where such violation or default would be reasonably likely to result in a Material Adverse Effect.

Section 3.08 Federal Reserve Regulations.

- a) Neither the Borrower nor any of the Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock.
- b) No part of the proceeds of any Loan or Letter of Credit will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, (i) to purchase or carry Margin Stock or to extend credit to others for the purpose of purchasing or carrying Margin Stock or to refund indebtedness originally incurred for such purpose, or (ii) for any purpose which entails a violation of, or which is inconsistent with, the provisions of the Regulations of the Board, including Regulation U or X.

Section 3.09 Investment Company Act. The Borrower is not an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.10 No Material Misstatements. No information, report, financial statement, exhibit or schedule furnished by or on behalf of the Borrower to the Administrative Agent, any Lender or any Issuing Bank in connection with the negotiation of any Loan Document or included therein or delivered pursuant thereto contained, contains or will contain any material misstatement of fact or, when considered together with all reports theretofore filed with the Securities and Exchange Commission, omitted, omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not misleading.

Section 3.11 Employee Benefit Plans. Each of the Borrower and its ERISA Affiliates is in compliance in all material respects with the applicable provisions of ERISA and the regulations and published interpretations thereunder. No Reportable Event has occurred as to which the Borrower or any ERISA Affiliate was required to file a report with the PBGC. The value of the assets of each Plan is at least 80% of the “funding target” (as defined in Code Section 430(d)(1)) of such Plan as of the last annual valuation date applicable thereto.

Section 3.12 Environmental and Safety Matters. Each of the Borrower and the Subsidiaries has complied with all Federal, state, local and other statutes, ordinances, orders, judgments, rulings and regulations relating to environmental pollution or to environmental or nuclear regulation or control or to employee health or safety, except where noncompliance would not be reasonably likely to result in a Material Adverse Effect. Neither the Borrower nor any Subsidiary has received notice of any failure so to comply, except where noncompliance would not be reasonably likely to result in a Material Adverse Effect. The Borrower’s and the Subsidiaries’ plants do not manage any hazardous wastes, hazardous substances, hazardous materials, toxic substances, toxic

pollutants or substances similarly denominated, as those terms or similar terms are used in the Resource Conservation and Recovery Act, the Comprehensive Environmental Response Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, the Clean Air Act, the Clean Water Act or any other applicable law relating to environmental pollution or employee health and safety, or any nuclear fuel or other radioactive materials, in all cases in violation of any law or any regulations promulgated pursuant thereto, where such violation would be reasonably likely to result in a Material Adverse Effect. The Borrower is aware of no events, conditions or circumstances involving environmental pollution or contamination or employee health or safety that could reasonably be expected to result in a Material Adverse Effect. The representations and warranties set forth in this Section 3.12 are, however, subject to any matters, circumstances or events set forth in the Borrower's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and in any document filed after December 31, 2022, but prior to the Amendment No. 5 Effective Date, pursuant to Section 13(a), 14 or 15(d) of the Securities Exchange Act of 1934; provided, however, that the inclusion of such matters, circumstances or events as exceptions (or any other exceptions contained in the representations and warranties which refer to the Borrower's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 or in any document filed after December 31, 2022, but prior to the Amendment No. 5 Effective Date, pursuant to Section 13(a), 14 or 15(d) of the Securities Exchange Act of 1934) shall not be construed to mean that the Borrower has concluded that any such matter, circumstance or effect is likely to result in a Material Adverse Effect.

Section 3.13 Significant Subsidiaries. Schedule 3.13 sets forth as of the Amendment No. 5 Effective Date a list of all Significant Subsidiaries of the Borrower and the percentage ownership interest of the Borrower therein.

Section 3.14 Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

- a) None of the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any director, officer, employee, agent, or Affiliate of the Borrower or any of its Subsidiaries is a person that is, or is owned or controlled by persons that are, (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), the U.S. Department of State, the United Nations Security Council, the European Union, any European Union member state, His Majesty's Treasury or any other relevant sanctions authority (collectively, "**Sanctions**"), or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions (including, as of the Amendment No. 5 Effective Date, the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).
 - b) The Borrower, its Subsidiaries and their respective officers and employees and, to the knowledge of the Borrower, the directors and agents of the Borrower and its Subsidiaries, are in compliance with all applicable Sanctions, all Anti-Corruption Laws and all Anti-Money Laundering Laws, in all material respects. The Borrower and its Subsidiaries have instituted and maintain policies and procedures designed to
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ensure continued compliance with applicable Sanctions, Anti-Money Laundering Laws, the FCPA and any other applicable Anti- Corruption Laws.

- c) No Borrowing, Letter of Credit, use of proceeds of any Borrowing or Letter of Credit or other transaction contemplated by this Agreement will violate any Anti- Corruption Law, any Anti-Money Laundering Law or any applicable Sanction.

Section 3.15 Beneficial Ownership Certification. The information included in any Beneficial Ownership Certification delivered by the Borrower to the Administrative Agent or any Lender is true and correct in all respects at the time furnished.

Section 3.16 Plan Assets; Prohibited Transactions. None of the Borrower or any of its Subsidiaries is an entity deemed to hold “plan assets” (within the meaning of the Plan Asset Regulations), and neither the execution, delivery nor performance of the transactions contemplated under this Agreement, including the making of any Loan and the issuance of any Letter of Credit hereunder, will give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 3.17 Affected Financial Institution. The Borrower is not an Affected Financial Institution.

ARTICLE IV CONDITIONS TO BORROWINGS, LETTERS OF CREDIT AND EXTENSIONS

Section 4.01 All Borrowings and Letters of Credit. The obligations of the Lenders to make Loans on the date of each Borrowing (including the first Borrowing under this Agreement and each Borrowing in which Loans are refinanced with new Loans as contemplated by Section 2.02(e) or LC Disbursements are refinanced with Loans as contemplated by Section 2.05(e)), and the obligations of the Issuing Banks to issue, renew, extend or otherwise amend Letters of Credit (including the first issuance of a Letter of Credit under this Agreement (including pursuant to Section 2.05(l))), are subject to the satisfaction of the following conditions:

- a) The Administrative Agent shall have received (i) in the case of a Borrowing, a notice of such Borrowing as required by Section 2.03 and (ii) in the case of the issuance, renewal, extension or other amendment of a Letter of Credit, a notice requesting the same and any letter of credit application as required by Section 2.05; provided, however, that no such notice shall be required in respect of a Letter of Credit deemed to be issued pursuant to Section 2.05(l).
 - b) The representations and warranties set forth in Article III hereof (excluding (i) in the case of each Borrowing (including each Borrowing in which Loans or LC Disbursements are refinanced with new Loans) after the Closing Date and each issuance, renewal, extension or other amendment of a Letter of Credit after the Closing Date, the representation set forth in Section 3.06 and (ii) in the case of each refinancing of Loans or LC Disbursements and each issuance, renewal, extension or other amendment of a Letter of Credit, in each case if the same does not increase the Revolving Credit Exposure of any Lender, the representations set forth in Section
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3.07) shall be true and correct in all material respects on and as of the date of such Borrowing or the date of such issuance, renewal, extension or other amendment of a Letter of Credit, with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date.

- c) The Borrower shall be in compliance with all the terms and provisions set forth herein and in each other Loan Document on its part to be observed or performed, and no Event of Default or Default shall have occurred and be continuing at the time of and immediately after such Borrowing or such issuance, renewal, extension or other amendment of a Letter of Credit.

Each Borrowing and each issuance, renewal, extension or other amendment of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (b) and (c) of this Section 4.01.

Section 4.02 First Borrowing or Letter of Credit. The obligations of the Lenders to make Loans on the date of the first Borrowing under this Agreement, and the obligation of each Issuing Bank to issue its first Letter of Credit under this Agreement (including pursuant to Section 2.05(l)), are subject to the satisfaction of the following conditions:

- a) The Administrative Agent shall have received each of the following, in form and substance satisfactory to it:
 - (i) Opinions of Davis Wright Tremaine LLP, counsel to the Borrower, Hawley Troxell Ennis & Hawley LLP, Idaho counsel to the Borrower, and Crowley Fleck PLLP, Montana counsel to the Borrower (or such other firm or firms approved by the Administrative Agent), each dated the date of this Agreement and addressed to the Administrative Agent, the Lenders and the Issuing Banks (or, in the case of the latter two opinions, addressed to Davis Wright Tremaine LLP), with respect to such matters relating to the Borrower and the Loan Documents as the Administrative Agent or any Lender or Issuing Bank may reasonably request. The Borrower hereby instructs such counsel to deliver such opinion to the Administrative Agent.
 - (ii) Evidence satisfactory to the Administrative Agent and set forth on Schedule 4.02(a)(ii) that the Borrower shall have obtained all consents and approvals of, and shall have made all filings and registrations with, any Governmental Authority required in order to consummate the Transactions, in each case without the imposition of any condition which, in the judgment of the Lenders or the Issuing Banks, could adversely affect their rights or interests under the Loan Documents.
 - (iii) A copy of the certificate or articles of incorporation of the Borrower (as most recently amended and restated), including all amendments thereto, certified as of a recent date by the Secretary of State of the State of
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Washington, and a certificate as to the good standing of the Borrower as of a recent date, from such Secretary of State.

- (iv) A certificate of the Secretary or Assistant Secretary of the Borrower dated the date of this Agreement and certifying (A) that attached thereto is a true and complete copy of the restated articles of incorporation and the bylaws of the Borrower as in effect on the date of this Agreement and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors of the Borrower authorizing the execution, delivery and performance of the Loan Documents and borrowings and procurement of Letters of Credit hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, (C) that the certificate or articles of incorporation of the Borrower have not been amended since the date of the last amendment thereto shown on the certification with respect thereto furnished pursuant to clause (iii) above, and (D) as to the incumbency and specimen signature of each officer executing any Loan Document or any other document delivered in connection therewith on behalf of the Borrower.
 - (v) A certificate of another officer of the Borrower as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (iv) above.
 - (vi) A certificate, dated the date of this Agreement and signed by a Financial Officer of the Borrower, confirming compliance with the conditions precedent set forth in paragraphs (b) and (c) of Section 4.01.
 - (vii) This Agreement, the Supplemental Indenture, the Bond Delivery Agreement, the First Mortgage Bond and any Notes requested by the Lenders for issuance on the date of this Agreement, duly executed and delivered by all parties thereto, together with a copy of the bond application (including all attachments thereto) relating to the First Mortgage Bond.
 - (viii) A copy of the First Mortgage, certified by a Financial Officer of the Borrower.
 - (ix) A copy of title insurance policy No. NSL 31426-SEA issued by First American Title Insurance Company, together with copies of all endorsements thereto (including an endorsement extending the coverage of such policy to the Supplemental Indenture and the First Mortgage Bond), naming the trustee under the First Mortgage as the insured, insuring the Borrower's title to the real property subject to the Lien of the First Mortgage, and the validity and first priority of the Lien of the First Mortgage (subject to Liens permitted to exist by the terms of the First Mortgage), in an amount not less than \$785,000,000, certified by a Financial Officer of the Borrower.
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- (x) A letter agreement between the Borrower and MUFG concerning the fees payable pursuant to Section 2.06(c), duly executed and delivered by the Borrower.
 - (xi) Letter agreements between the Borrower and each Issuing Bank concerning such Issuing Bank's maximum Issuing Bank Exposure, duly executed and delivered by all parties thereto.
 - (xii) A Funds Transfer Agreement between MUFG and the Borrower (including a related Funds Transfer Authorization and Master Repetitive Wire Instruction referring to said Agreement), substantially in MUFG's usual form, duly executed and delivered by the Borrower.
 - (xiii) Such other documents as the Administrative Agent, any Lender, any Issuing Bank or legal counsel to any of the foregoing may reasonably request.
- b) All fees payable by the Borrower to the Administrative Agent, the "Joint Lead Arrangers" identified on the cover page of this Agreement, the Issuing Banks, the Lenders or any of their respective Affiliates on or prior to the date of this Agreement with respect to this Agreement, and all amounts payable by the Borrower pursuant to Section 10.05 for which invoices have been delivered to the Borrower on or prior to such date, shall have been paid in full or arrangements satisfactory to the Administrative Agent shall have been made to cause them to be paid in full concurrently with the disbursement of the proceeds of any Borrowing to be made on such date.
- c) All legal matters incident to the Loan Documents and the transactions contemplated thereby shall be reasonably satisfactory to the Administrative Agent, the Lenders and their respective legal counsel.
- d) The commitments of the lenders under the 2004 Credit Agreement and the lenders under the 2009 Credit Agreement shall have been terminated, and the obligations of the Borrower under the 2004 Credit Agreement and under the 2009 Credit Agreement shall have been paid in full.

Section 4.03 Extensions. Each extension of the Expiration Date pursuant to Section 2.20 is subject to the satisfaction of the following additional conditions on the effective date of such extension:

- a) [Reserved.]
 - b) The representations and warranties set forth in Article III shall be true and correct in all material respects on and as of the date of such extension with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date.
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- c) The Borrower shall be in compliance with all the terms and provisions set forth herein and in each other Loan Document on its part to be observed or performed, and at the time of and immediately after such extension no Event of Default or Default shall have occurred and be continuing.
- d) The Borrower shall have furnished to the trustee under the First Mortgage the evidence of extension, executed by the Administrative Agent, contemplated by Article I, Section 1, subsection (II)(h) of the initial Supplemental Indenture or any comparable provision of a subsequent Supplemental Indenture.
- e) An extension of the Expiration Date shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (b) and (c) of this Section 4.03.

ARTICLE V
AFFIRMATIVE COVENANTS

The Borrower covenants and agrees with each Lender and each Issuing Bank that, so long as any Commitment shall remain in effect or the principal of or interest on any Loan or LC Disbursement, any Fees or any other amounts payable under any Loan Document shall be unpaid or any Letter of Credit shall remain outstanding:

Section 5.01 Existence; Businesses and Properties.

- a) The Borrower shall, and shall cause each Significant Subsidiary to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence, except as otherwise expressly permitted under Section 6.03.
 - b) The Borrower shall, and shall cause each Significant Subsidiary to, (i) do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, franchises, authorizations, patents, copyrights, trademarks and trade names utilized in the conduct of its business, except where the failure so to obtain, preserve, renew, extend or maintain any of the foregoing would not result in a Material Adverse Effect; (ii) maintain and operate its business in substantially the manner in which it is presently conducted and operated, except as otherwise expressly permitted under this Agreement comply in all material respects with all applicable laws, rules, regulations and orders of any Governmental Authority, whether now in effect or hereafter enacted if failure to comply with such requirements would result in a Material Adverse Effect; and (iv) at all times maintain and preserve all property material to the conduct of its business and keep such property in good repair, working order and condition and from time to time make, or cause to be made, all needful and proper repairs, renewals, additions, improvements and replacements thereto necessary in order that the business carried on in connection therewith may be properly conducted at all times; provided, however, that the Borrower or any Significant Subsidiary may cause the discontinuance of the operation or a reduction in the capacity of any of its facilities, or any element or unit thereof, including real and
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personal properties, facilities, machinery and equipment, (A) if, in the judgment of the Borrower or such Significant Subsidiary, it is no longer advisable to operate the same, or to operate the same at its former capacity, and such discontinuance or reduction would not result in a Material Adverse Effect, or (B) if the Borrower or a Significant Subsidiary intends to sell and dispose of its interest in the same in accordance with the terms of this Agreement and within a reasonable time shall endeavor to effectuate the same.

- c) The Borrower shall maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower and its Subsidiaries, and their respective directors, officers, employees and agents, with the Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions.

Section 5.02 Insurance.

- a) The Borrower shall, and shall cause each Significant Subsidiary to, (i) maintain insurance, to such extent and against such risks, as is customary with companies in the same or similar businesses and owning similar properties in the same general area in which it operates and (ii) maintain such other insurance as may be required by law. All insurance required by this Section 5.02 shall be maintained with financially sound and reputable insurers or through self-insurance; provided, however, that the portion of such insurance constituting self-insurance shall be comparable to that usually maintained by companies engaged in the same or similar businesses and owning similar properties in the same general area in which the Borrower or such Significant Subsidiary, as applicable, operates and the reserves maintained with respect to such self-insured amounts are deemed adequate by its officer or officers responsible for insurance matters.

Section 5.03 Taxes and Obligations. The Borrower shall, and shall cause each Significant Subsidiary to, pay and discharge promptly when due all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its property, before the same shall become delinquent or in default, as well as all lawful claims for labor, materials and supplies or otherwise which, if unpaid, might give rise to a Lien upon such properties or any part thereof; provided, however, that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy or claim so long as the validity or amount thereof shall be contested in good faith by appropriate proceedings and the Borrower shall, to the extent required by GAAP, have set aside on its books adequate reserves with respect thereto.

Section 5.04 Financial Statements, Reports, etc. The Borrower shall furnish to the Administrative Agent, each Lender and each Issuing Bank:

- a. within 105 days after the end of each fiscal year of the Borrower, consolidated and consolidating balance sheets and related statements of income and statements of cash flow, showing the financial condition of the Borrower and its consolidated Subsidiaries as of the close of such fiscal year and the results of their operations during such year, all audited by Deloitte & Touche LLP or other independent public accountants of recognized national standing acceptable to the Required Lenders and accompanied by an opinion of such accountants (which
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shall not be qualified in any material respect) to the effect that such consolidated financial statements fairly present the financial condition and results of operations of the Borrower on a consolidated basis (except as noted therein) in accordance with GAAP consistently applied; provided, however, that the Borrower shall be deemed to have satisfied the requirement to furnish such financial statements and opinion if and to the extent that the Borrower has, within the period specified above, (i) filed documents meeting the requirements set forth above with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, and (ii) posted such documents on the Borrower's home page on the worldwide web (at the date of this Agreement, located at <http://www.avistacorp.com>) (such filing and posting being referred to as "**Electronic Delivery**");

- b. within 50 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, consolidated and, to the extent otherwise available, consolidating balance sheets and related statements of income and statements of cash flow, showing the financial condition of the Borrower and its consolidated Subsidiaries as of the close of such fiscal quarter and the results of their operations during such fiscal quarter and the then elapsed portion of the fiscal year, all certified by a Financial Officer of the Borrower as fairly presenting the financial condition and results of operations of the Borrower on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments; provided, however, that the Borrower shall be deemed to have satisfied the requirement to furnish such financial statements and certification if and to the extent that the Borrower has, within the period specified above, made Electronic Delivery thereof;
 - c. concurrently with any delivery of financial statements under (a) or (b) above, (i) a certificate of the relevant accounting firm opining on or certifying such statements or of a Financial Officer of the Borrower (which certificate, when furnished by an accounting firm, may be limited to accounting matters and disclaim responsibility for legal interpretations) certifying that, to the knowledge of the accounting firm or the Financial Officer, as the case may be, no Event of Default or Default has occurred or, if an Event of Default or Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, and (ii) a certificate of a Financial Officer of the Borrower setting forth in reasonable detail such calculations as are required to establish whether the Borrower was in compliance with Section 6.05 on the date of such financial statements;
 - d. promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by it with the Securities and Exchange Commission, or any Governmental Authority succeeding to any of or all the functions of said Commission, or with any national securities exchange, or distributed to its shareholders, as the case may be; provided, however, that the Borrower shall be deemed to have satisfied the requirement to furnish such
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reports, statements and other materials if and to the extent that the Borrower has, within the period specified above, made Electronic Delivery thereof; and

- e. promptly, from time to time, (i) such other information regarding the operations, business affairs and financial condition of the Borrower or any Significant Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent, any Lender or any Issuing Bank may reasonably request, and (ii) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with (A) applicable “know your customer” requirements under the PATRIOT Act or other applicable anti-money laundering laws or (B) the Beneficial Ownership Regulation.

Section 5.05 Litigation and Other Notices. The Borrower shall furnish to the Administrative Agent, each Lender and each Issuing Bank prompt notice of the following:

- a) any Event of Default or Default, specifying the nature and extent thereof and the corrective action (if any) proposed to be taken with respect thereto;
- b) the filing or commencement of, or any written threat or notice of intention of any person to file or commence, any action, suit or proceeding, whether at law or in equity or by or before any Governmental Authority, against the Borrower or any Subsidiary which could reasonably be anticipated to result in a Material Adverse Effect;
- c) any development that has resulted in, or could reasonably be anticipated to result in, a Material Adverse Effect; and
- d) any change in the information provided in a Beneficial Ownership Certification, to the extent applicable, that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification.

Section 5.06 ERISA. The Borrower shall, and shall cause each Significant Subsidiary to, comply in all material respects with the applicable provisions of ERISA, and the Borrower shall furnish to the Administrative Agent, each Lender and each Issuing Bank (a) as soon as possible, and in any event within 30 days after any Responsible Officer of the Borrower or any ERISA Affiliate either knows or has reason to know that any Reportable Event has occurred that alone or together with any other Reportable Event could reasonably be expected to result in liability of the Borrower to the PBGC in an aggregate amount exceeding \$25,000,000, a statement of a Financial Officer of the Borrower setting forth details as to such Reportable Event and the action proposed to be taken with respect thereto, together with a copy of the notice, if any, of such Reportable Event given to the PBGC, (b) as soon as possible, and in any event within 30 days after any Responsible Officer of the Borrower or any ERISA Affiliate either knows or has reason to know that the value of the assets of any Plan is less than 80% of the “funding target” (as defined in Code Section 430(d)(1)) of such Plan as of the last annual valuation date applicable thereto, a statement of a Financial Officer of the Borrower setting forth details as to such event, (c) promptly after

receipt thereof, a copy of any notice the Borrower or any ERISA Affiliate may receive from the PBGC relating to the intention of the PBGC to terminate any Plan or Plans (other than a Plan maintained by an ERISA Affiliate which is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the Code) or to appoint a trustee to administer any Plan or Plans and (d) within 10 days after the due date for filing with the PBGC pursuant to Section 430(k) of the Code of a notice of failure to make a required installment or other payment with respect to a Plan, a statement of a Financial Officer of the Borrower setting forth details as to such failure and the action proposed to be taken with respect thereto, together with a copy of such notice given to the PBGC.

Section 5.07 Maintaining Records; Access to Properties and Inspections. The Borrower shall, and shall cause each Significant Subsidiary to, (a) maintain all financial records in accordance with GAAP and (b) permit any representatives designated by the Administrative Agent, any Lender or any Issuing Bank to visit and inspect its financial records and properties at reasonable times and as often as requested and to make extracts from and copies of such financial records, and permit any representatives designated by the Administrative Agent, any Lender or any Issuing Bank to discuss its affairs, finances and condition with its chief financial officer, or other person designated by the chief financial officer, and independent accountants therefor.

Section 5.08 Use of Proceeds and Letters of Credit. The Borrower shall use the proceeds of the Loans and the Letters of Credit only for the purposes set forth in the preamble to this Agreement.

ARTICLE VI NEGATIVE COVENANTS

The Borrower covenants and agrees with each Lender and each Issuing Bank that, so long as any Commitment shall remain in effect or the principal of or interest on any Loan or LC Disbursement, any Fees or any other amounts payable under any Loan Document shall be unpaid or any Letter of Credit shall remain outstanding:

Section 6.01 Liens. The Borrower shall not create, incur, assume or permit to exist any Lien on any property or assets (including stock or other securities of any person, including any Subsidiary) now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except:

- a) Liens on property or assets of the Borrower created by the documents, instruments or agreements existing on the date hereof and which are listed as exhibits to the Borrower's Annual Report on Form 10-K for the fiscal year ended December 31, 2009, to the extent that such Liens secure only obligations arising under such existing documents, agreements or instruments and the amount of Indebtedness secured thereby does not exceed the amount thereof as of the date hereof as set forth on Schedule 6.01;
 - b) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition and (ii) such Lien does not apply to any other property or assets of the Borrower;
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- c) the Lien of the First Mortgage and the Lien of any collateral trust mortgage or similar instrument which would be intended to eventually replace (in one transaction or a series of transactions) the First Mortgage (as amended, modified or supplemented from time to time, "***Collateral Trust Mortgage***") on properties or assets of the Borrower to secure bonds, notes and other obligations of the Borrower but only to the extent such Liens, collectively, secure Indebtedness, whether now existing or hereafter created, in an aggregate amount no greater than the aggregate amount of first mortgage bonds permitted to be issued under the First Mortgage;
 - d) Liens not prohibited under the First Mortgage or the Collateral Trust Mortgage (whether or not such Liens cover properties or assets subject to the Lien of the First Mortgage or the Collateral Trust Mortgage);
 - e) Liens for taxes, assessments or governmental charges not yet due or which are being contested in compliance with Section 5.03;
 - f) carriers', warehousemen's, mechanic's, materialmen's, repairmen's or other like Liens arising in the ordinary course of business and securing obligations that are not due or which are being contested in compliance with Section 5.03;
 - g) pledges and deposits made in the ordinary course of business in compliance with workmen's compensation, unemployment insurance and other social security laws or regulations;
 - h) Liens incurred or created in connection with or to secure the performance of bids, tenders, trade contracts (other than for Indebtedness), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
 - i) zoning restrictions, easements, rights-of-way, restrictions on use of real property and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and do not materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries;
 - j) Liens (i) which secure obligations not assumed by the Borrower, (ii) on account of which the Borrower has not and does not expect to pay interest directly or indirectly and (iii) which exist upon real estate or rights in or relating to real estate in respect of which the Borrower has a right-of-way or other easement for purposes of substations or transmission or distribution facilities;
 - k) rights reserved to or vested in any federal, state or local governmental body or agency by the terms of any right, power, franchise, grant, license, contract or permit, or by any provision of law, to recapture or to purchase, or designate a purchase of or order the
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sale of, any property of the Borrower or to terminate any such right, power, franchise, grant, license, contract or permit before the expiration thereof;

- l) Liens of judgments covered by insurance, or upon appeal and covered by bond, or to the extent not so covered not exceeding at one time \$40,000,000 in aggregate amount;
 - m) any Liens, moneys sufficient for the discharge of which shall have been deposited in trust with the trustee or mortgagee under the instrument evidencing such Lien, with irrevocable authority of such trustee or mortgagee to apply such moneys to the discharge of such Lien to the extent required for such purpose;
 - n) rights reserved to or vested in any federal, state or local governmental body or agency or other public authority to control or regulate the business or property of the Borrower;
 - o) any obligations or duties affecting the property of the Borrower to any federal, state or local governmental body or agency or other public authority with respect to any authorization, permit, consent or license of such body, agency or authority, given in connection with the purchase, construction, equipping, testing and operation of the Borrower's utility property;
 - p) with respect to any property which the Borrower may hereafter acquire, any exceptions or reservations therefrom existing at the time of such acquisition or any terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments, respectively, under and by virtue of which the Borrower shall hereafter acquire such property, none of which terms, conditions, agreements, covenants, exceptions and reservations materially impairs the use of such property for the purposes for which it is acquired by the Borrower;
 - q) leases and subleases entered into in the ordinary course of business;
 - r) banker's Liens and other Liens in the nature of a right of setoff;
 - s) renewals, replacements, amendments, modifications, supplements, refinancings or extensions of Liens set forth in clauses (a)-(d) above to the extent that the principal amount of Indebtedness secured by such Lien immediately prior thereto is not increased and such Lien is not extended to other property;
 - t) security deposits or amounts paid into trust funds for the reclamation of mining properties;
 - u) restrictions on transfer or use of properties and assets, first rights of refusal, and rights to acquire properties and assets granted to others;
 - v) non-consensual equitable Liens on the Borrower's tenant-in-common or other interest in joint projects;
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- w) Liens on the Borrower's tenant-in-common or other interest in joint projects incurred by the project sponsor without the express consent of the Borrower to such incurrence;
- x) cash collateral in favor of the Administrative Agent as contemplated by this Agreement; and
- y) Liens on receivables and related properties or interests therein.

Section 6.02 Sale-Leaseback Transactions. The Borrower shall not enter into any Sale- Leaseback if as a result thereof the aggregate outstanding principal amount of Attributable Debt outstanding in connection with all Sale-Leasebacks entered into after the date hereof would exceed 5% of the total tangible assets of the Borrower as of the date of the financial statements most recently delivered under Section 5.04(a) or (b) at such time.

Section 6.03 Mergers, Consolidations and Acquisitions. The Borrower shall not, and shall not permit any Significant Subsidiary (without the consent of the Required Lenders, not to be unreasonably withheld) to, merge with or into or consolidate with any other person, or purchase, lease or otherwise acquire (in one transaction or a series of transactions) all or substantially all of the assets of any other person (whether directly by purchase, lease or other acquisition of all or substantially all of the assets of such person or indirectly by purchase or other acquisition of all or substantially all of the capital stock of such other person) other than acquisitions in the ordinary course of the Borrower's or such Significant Subsidiary's business, except that, if at the time thereof and immediately after giving effect thereto no Event of Default or Default shall have occurred and be continuing, (a) the Borrower or any Significant Subsidiary may merge with or into or consolidate with the Borrower or any Subsidiary, provided that, in any transaction involving the Borrower, the Borrower is the surviving person, (b) the Borrower or any Significant Subsidiary may purchase, lease or otherwise acquire from any Subsidiary all or substantially all of its assets, (c) the Borrower may merge with or into or consolidate with any other person so long as (i) in the case where the business of such other person, or an Affiliate of such other person, entirely or primarily consists of an electric or gas utility business, (A) if the Borrower is the surviving person, then, immediately after such merger or consolidation, the Senior Debt Rating assigned to the applicable Indebtedness of the Borrower by two nationally recognized credit-rating agencies shall be equal to or higher than Lowest Investment Grade and (B) if the Borrower is not the surviving person, (1) the surviving person shall assume in writing the obligations of the Borrower under this Agreement and any other Loan Documents and (2) immediately after such merger or consolidation, the ratings assigned to the most senior secured public Indebtedness of the surviving person by two nationally recognized credit rating agencies shall be equal to or higher than the ratings comparable to the Second Lowest Investment Grade, and (ii) in the case where such other person's business does not entirely or primarily consist of an electric or gas utility business, (A) the assets of such person at the time of such consolidation or merger do not exceed 10% of the total assets of the Borrower and its Subsidiaries after giving effect to such merger or consolidation, computed and consolidated in accordance with GAAP consistently applied and (B) if the Borrower is not the surviving person, the surviving person shall assume in writing the obligations of the Borrower under this Agreement and the other Loan Documents, (d) the Borrower may purchase, lease or otherwise acquire all or substantially all of the assets of any other person (including by purchase or other acquisition of all or substantially all of the capital stock of such person) so long as (i) the assets being purchased, leased or acquired (or the assets of the person whose capital stock

is being acquired) entirely or primarily consist of electric or gas utility assets or (ii) in the case where the assets being purchased, leased or acquired (or the assets of the person whose capital stock is being acquired) do not entirely or primarily consist of electric or gas utility assets, the assets being purchased, leased or acquired (or the Borrower's proportionate share of the assets of the person whose capital stock is being acquired) do not exceed 10% of the total assets of the Borrower and its Subsidiaries, after giving effect to such purchase, lease or acquisition, computed and consolidated in accordance with GAAP consistently applied, (e) any Significant Subsidiary may merge with or into or consolidate with any other person so long as the assets of such person at the time of such merger or consolidation do not exceed 10% of the total assets of the Borrower and its Subsidiaries after giving effect to such merger or consolidation, computed and consolidated in accordance with GAAP consistently applied, and (f) any Significant Subsidiary may purchase, lease or otherwise acquire all or substantially all of the assets of any other person (including by purchase or other acquisition of all or substantially all of the capital stock of such person) so long as the assets being purchased, leased or acquired (or the Significant Subsidiary's proportionate share of the assets of the person whose capital stock is being acquired) do not exceed 10% of the total assets of the Borrower and its Subsidiaries after giving effect to such purchase, lease or acquisition, computed and consolidated in accordance with GAAP consistently applied; provided, however, that notwithstanding anything in this Section 6.03 to the contrary, this Section 6.03 shall not be deemed to prohibit any merger, consolidation or acquisition involving a Significant Subsidiary (and not also the Borrower) if, after giving effect to the consummation of such transaction, such Significant Subsidiary shall have or be deemed to have a ratio of total long-term Indebtedness to total stockholders' equity equal to or less than 1.857 to 1.0.

Section 6.04 Disposition of Assets. The Borrower shall not, and shall not permit any Significant Subsidiary (without the consent of the Required Lenders, not to be unreasonably withheld) to, sell, lease, transfer, assign or otherwise dispose of any assets or any interest therein (whether now owned or hereafter acquired), except (a) dispositions of obsolete or retired property not used or useful in its business, (b) grants of Liens by the Borrower permitted under Section 6.01 and grants of Liens by Significant Subsidiaries, (c) disposition by the Borrower of its interest in the Washington Public Power Supply System Nuclear Project No. 3 in accordance with the settlement agreement among the Borrower, the Washington Public Power Supply System and Bonneville Power Administration, as the same may be amended, modified or supplemented from time to time, (d) disposition by the Borrower of all or any portion of its transmission assets in one or more RTO Transactions, (e) disposition by the Borrower of its interests in the Colstrip Project and related assets, (f) disposition of receivables and related properties or interests therein, (g) other dispositions of assets (not otherwise permitted by clauses (a)-(f) of this Section) made in the ordinary course of business not exceeding in any fiscal year 5% of the assets of the Borrower and its Subsidiaries as of the end of the prior fiscal year, computed and consolidated in accordance with GAAP consistently applied, and (h) other dispositions of assets (not otherwise permitted by clauses (a)-(f) of this Section) not exceeding in any fiscal year 10% of the assets of the Borrower and its Subsidiaries as of the end of the prior fiscal year, computed and consolidated in accordance with GAAP consistently applied; provided, however, that notwithstanding anything in this Section 6.04 to the contrary, this Section 6.04 shall not be deemed to prohibit any disposition by a Significant Subsidiary if, after giving effect to the consummation of such transaction, such Significant Subsidiary shall have or be deemed to have a ratio of total long-term Indebtedness to total stockholders' equity equal to or less than 1.857 to 1.0.

Section 6.05 Consolidated Total Debt to Consolidated Total Capitalization Ratio. The Borrower shall not permit the ratio of Consolidated Total Debt to Consolidated Total Capitalization to be, at any time, greater than 0.65 to 1.00.

Section 6.06 Public Utility Regulatory Borrowing Limits. The Borrower shall not incur actual borrowings or commitments or issued and outstanding debt of the Borrower in excess of the amount authorized by statute or by orders of public utility commissions, as in effect from time to time.

Section 6.07 Use of Proceeds. The Borrower shall not request any Borrowing or Letter of Credit and shall not use, and shall procure that its Subsidiaries and its and their respective directors, officers, employees and agents shall not use, any of the proceeds of any Borrowing or Letter of Credit, whether directly or indirectly (a) to purchase or carry Margin Stock, or to extend credit to others for the purpose of purchasing or carrying Margin Stock or to refund indebtedness originally incurred for such purpose, or (b) in any manner that would result in a violation of any applicable Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions.

Section 6.08 Sanctions, Anti-Corruption and Anti-Money Laundering Use of Proceeds. The Borrower will not, directly or indirectly, use the proceeds of any Loans or any Letter of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other person, (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 the FCPA or any other applicable Anti-Corruption Law or (b) (i) for the purpose of funding, financing or facilitating any activity, business or transaction of or with any person that is, or is owned or controlled by persons that are, the subject of any Sanction, (ii) to fund any activities or business in any country or territory that, at the time of such funding, is the subject of Sanctions, or (iii) in any other manner that would result in a violation of Sanctions or Anti-Money Laundering Laws by any person (including any person participating in the Loans or the Letters of Credit, whether as Administrative Agent, Lender, joint lead arranger, underwriter, advisor, investor, or otherwise).

ARTICLE VII EVENTS OF DEFAULT

In case of the happening (and during the continuance) of any of the following events ("***Events of Default***"):

- a. any representation or warranty made or deemed made in or in connection with any Loan Document, any Borrowing or any Letter of Credit, or any representation or warranty contained in any certificate or other document furnished in connection with or pursuant to any Loan Document, shall prove to have been false or misleading in any material respect when so made or deemed made;
 - b. default shall be made in the payment of any principal of any Loan or LC Disbursement when and as the same shall become due and payable, whether at the scheduled maturity date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise;
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- c. default shall be made in the payment of any interest on any Loan or LC Disbursement or any Fee or other amount (other than an amount referred to in (b) above) due under any Loan Document, when and as the same shall become due and payable, and such default shall continue unremedied for a period of five Business Days;
 - d. default shall be made in the due observance or performance by the Borrower of any covenant, condition or agreement contained in Section 5.01(a), 5.05, 5.07(b) or 5.08 or in Article VI;
 - e. default shall be made in the due observance or performance by the Borrower of any covenant, condition or agreement (other than those specified in (b), (c) or (d) above) contained in any Loan Document, and such default shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent, any Lender or any Issuing Bank to the Borrower;
 - f. the Borrower or any Significant Subsidiary shall (i) fail to pay any principal or interest, regardless of amount, due in respect of any Indebtedness when the aggregate unpaid principal amount is in excess of \$40,000,000, when and as the same shall become due and payable (after expiration of any applicable grace period), or (ii) fail to observe or perform any other term, covenant, condition or agreement (after expiration of any applicable grace period) contained in any agreement or instrument evidencing or governing any such Indebtedness if the effect of any failure referred to in this clause (ii) is to cause, or to permit the holder or holders of such Indebtedness or a trustee on its or their behalf (with or without the giving of notice, the lapse of time or both) to cause, such Indebtedness to become due prior to its stated maturity;
 - g. an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Borrower or any Significant Subsidiary, or of a substantial part of the property or assets of the Borrower or a Significant Subsidiary, under Title 11 of the United States Code, as now constituted or hereafter amended, or any other Federal or state bankruptcy, insolvency, receivership or similar law, (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Significant Subsidiary or for a substantial part of the property or assets of the Borrower or a Significant Subsidiary or (iii) the winding-up or liquidation of the Borrower or any Significant Subsidiary; and such proceeding or petition shall continue undismissed, or an order or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 or more days;
 - h. the Borrower or any Significant Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or any other Federal or state
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bankruptcy, insolvency, receivership or similar law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or the filing of any petition described in (g) above, (ii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Significant Subsidiary or for a substantial part of the property or assets of the Borrower or any Significant Subsidiary, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (vii) take any action for the purpose of effecting any of the foregoing;

- i. a final judgment or judgments shall be rendered against the Borrower, any Significant Subsidiary or any combination thereof for the payment of money with respect to which an aggregate amount in excess of \$40,000,000 is not covered by insurance, and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to levy upon assets or properties of the Borrower or any Significant Subsidiary to enforce any such judgment;
 - j. a Reportable Event or Reportable Events, or a failure to make a required installment or other payment (within the meaning of Section 430(k)(1) of the Code), shall have occurred with respect to any Plan or Plans that reasonably could be expected to result in liability of the Borrower to the PBGC or to any Plan or Plans in an aggregate amount exceeding \$25,000,000, or the value of the assets of any Plan is less than 80% of the “funding target” (as defined in Code Section 430(d)(1)) of such Plan as of the last annual valuation date applicable thereto, and within 30 days after the reporting of any such Reportable Event to the Administrative Agent or after the receipt by the Administrative Agent of a statement required pursuant to Section 5.06, the Administrative Agent shall have notified the Borrower in writing that (i) the Required Lenders have made a determination that, on the basis of such Reportable Event or Reportable Events, such failure to make a required installment or other payment or the fact that the value of the assets of a Plan is less than 80% of the “funding target” (as defined in Code Section 430(d)(1)) of such Plan as of the last annual valuation date applicable thereto, there are reasonable grounds (A) for the termination of any such Plan by the PBGC, (B) for the appointment by the appropriate United States District Court of a trustee to administer any such Plan or (C) for the imposition of a Lien in favor of any such Plan, and (ii) as a result thereof an Event of Default exists hereunder; or a trustee shall be appointed by a United States District Court to administer any such Plan; or the PBGC shall institute proceedings to terminate any such Plan;
 - k. any Loan Document, at any time after its execution and delivery and for any reason, shall cease to be in full force and effect, or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any respect, or the Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan
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Document; provided, however, that the foregoing shall not apply to the First Mortgage Bond, the First Mortgage, the Supplemental Indenture or the Bond Delivery Agreement at any time when the Borrower's obligations under this Agreement are not secured by the First Mortgage pursuant to the Borrower's exercise of its rights under Section 8.01;

- l. a Change in Control shall occur
- m. except at any time when the Borrower's obligations under this Agreement are not secured by the First Mortgage pursuant to the Borrower's exercise of its rights under Section 8.01, the Lien purported to be created in any substantial portion of the property of the Borrower purported to be made subject thereto pursuant to the First Mortgage shall at any time fail to be a valid, perfected, first-priority Lien (subject to Liens permitted to exist by the terms of the First Mortgage) securing the obligations of the Borrower under the First Mortgage (including the obligations of the First Mortgage Bond), and such failure shall constitute or have resulted in a "Completed Default" under the First Mortgage; or
- n. except at any time when the Borrower's obligations under this Agreement are not secured by the First Mortgage pursuant to the Borrower's exercise of its rights under Section 8.01, (i) the mortgage title insurance policy referred to in Section 4.02(a)(ix) or any other mortgage title insurance policy purported to be issued for the benefit of the trustee under the First Mortgage, at any time after its issuance and for any reason, shall cease to be in full force and effect or is declared by a court of competent jurisdiction to be null and void, invalid or unenforceable in any respect, or (ii) the issuer of such policy denies that it has any or further liability or obligation under such policy, or purports to revoke, terminate or rescind such policy;

then, and in every such event (other than an event with respect to the Borrower described in paragraph (g) or (h) above), and at any time thereafter during the continuance of such event, the Administrative Agent, at the request of the Required Lenders, shall, by notice to the Borrower, take any or all of the following actions, at the same or different times: (i) terminate forthwith the Commitments, (ii) declare the Loans then outstanding to be forthwith due and payable in whole or in part, whereupon (A) the Commitments will automatically be terminated and (B) the principal of the Loans so declared to be due and payable, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall become forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding, and (iii) except at any time when the Borrower's obligations under this Agreement are not secured by the First Mortgage pursuant to the Borrower's exercise of its rights under Section 8.01, deliver to the Borrower notice demanding redemption of the First Mortgage Bond; and in any event with respect to the Borrower described in paragraph (g) or (h) above, the Commitments shall automatically terminate, and the principal of the Loans then outstanding, together with accrued interest thereon and any unpaid accrued Fees and all other liabilities of the Borrower accrued hereunder and under any other Loan Document, shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, all of which are hereby

expressly waived by the Borrower, anything contained herein or in any other Loan Document to the contrary notwithstanding.

ARTICLE VIII
RELEASE OF COLLATERAL

Section 8.01 Borrower's Election. If at any time (a) the Senior Debt Rating assigned to the Borrower's most senior long-term unsecured public Indebtedness (without credit enhancement) by two nationally recognized credit-rating agencies is equal to or higher than Lowest Investment Grade, in each case with a stable outlook, and (b) no Default or Event of Default has occurred and is continuing, then, upon demand by the Borrower, the Administrative Agent shall return to the Borrower the First Mortgage Bond then held by the Administrative Agent, without recourse, representation or warranty, and shall execute and deliver to the Borrower such documents of assignment as may be reasonably requested by the Borrower to terminate the Lien of the Administrative Agent evidenced by such First Mortgage Bond.

Section 8.02 Release upon Commitment Reduction. In connection with any permanent reduction in the Commitments, including pursuant to Section 2.10(b), 2.20 or 9.08(a), the Administrative Agent shall surrender to, or upon the order of, the Borrower the First Mortgage Bond then held by the Administrative Agent against receipt by the Administrative Agent of a substitute First Mortgage Bond in an amount equal to the total Commitments after giving effect to the reduction.

Section 8.03 Release upon Termination and Repayment. The Administrative Agent shall surrender to, or upon the order of, the Borrower all First Mortgage Bonds then held by it pursuant hereto at the first time at which the Commitments shall have been terminated and all amounts owing under this Agreement shall have been paid in full.

ARTICLE IX
THE ADMINISTRATIVE AGENT

Section 9.01 Appointment and Powers. In order to expedite the various transactions contemplated by the Loan Documents, MUFG is hereby appointed to act as Administrative Agent on behalf of the Lenders and the Issuing Banks. Each of the Lenders and the Issuing Banks hereby irrevocably authorizes and directs the Administrative Agent to take such action on behalf of such Lender or Issuing Bank under the terms and provisions of the Loan Documents, and to exercise such powers thereunder as are specifically delegated to or required of the Administrative Agent by the terms and provisions thereof, together with such actions and powers as are reasonably incidental thereto. The Administrative Agent is hereby expressly authorized on behalf of the Lenders and the Issuing Banks, without hereby limiting any implied authority, (a) to receive on behalf of each of the Lenders and the Issuing Banks any payment of principal of or interest on the Loans and LC Disbursements outstanding hereunder, any reimbursements of LC Disbursements and all other amounts accrued under the Loan Documents paid to the Administrative Agent, and to distribute to each Lender and Issuing Bank its proper share of all payments so received as soon as practicable; (b) to give notice promptly on behalf of each of the Lenders and the Issuing Banks to the Borrower of any Event of Default of which the Administrative Agent has actual knowledge acquired in connection with its agency hereunder; and (c) to distribute promptly to each Lender

and each Issuing Bank copies of all notices, agreements and other material as provided for in the Loan Documents as received by such Administrative Agent.

Section 9.02 Limitation on Liability; Reliance by Administrative Agent.

- a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:
- (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing;
 - (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law; and
 - (iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the person serving as the Administrative Agent or any of its Affiliates in any capacity.
- b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Article VII and Section 10.08), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default (as the case may be) is given to the Administrative Agent in writing by the Borrower or a Lender.
- c) Neither the Administrative Agent nor any of its Related Parties shall be liable to any Lender or Issuing Bank as such for any action taken or omitted by any of them under the Loan Documents except for its, his or her own gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and nonappealable judgment). Neither the Administrative Agent nor any of its Related
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Parties shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the due execution, validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

- d) The Administrative Agent shall in all cases be fully protected in acting, or refraining from acting, in accordance with written instructions signed by the Required Lenders, and, except as otherwise specifically provided herein, such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders and the Issuing Banks. The Administrative Agent shall, in the absence of knowledge to the contrary, be entitled to rely on any paper or document believed by it in good faith to be genuine and correct and to have been signed or sent by the proper person or persons.
 - e) Neither the Administrative Agent nor any of its Related Parties shall have any responsibility to the Borrower on account of the failure or delay in performance or breach by any Lender or Issuing Bank of any of its obligations under the Loan Documents or to any Lender or Issuing Bank on account of the failure of or delay in performance or breach by any other Lender or Issuing Bank or the Borrower of any of their respective obligations thereunder or in connection therewith. The Administrative Agent may execute any of its duties under the Loan Documents by or through agents, sub-agents or attorneys selected by it using reasonable care and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The exculpatory provisions of this Article shall apply to any such agents, sub agents or attorneys and to the Related Parties of the Administrative Agent and any such agents, sub agents or attorneys. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents, sub-agents or attorneys selected and authorized to act by it with reasonable care unless the damage complained of directly results from an act or failure to act on the part of the Administrative Agent which constitutes gross negligence or willful misconduct (as determined by a court of competent jurisdiction in a final and nonappealable judgment). Delegation to an attorney for the Administrative Agent shall not release the Administrative Agent from its obligation to perform or cause to be performed the delegated duty. The Administrative Agent shall be entitled to advice of legal counsel selected by it with respect to all matters arising under the Loan Documents and shall not be liable for any action taken or suffered in good faith by it in accordance with the advice of such counsel.
 - f) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or
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intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or issuance of any Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan or issuance of such Letter of Credit, as the case may be. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

- g) The provisions of this Article are solely for the benefit of the Administrative Agent, the Issuing Banks and the Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.03 Other Transactions with Borrower, Etc. The person serving as the Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders or the Issuing Banks. The person serving as the Administrative Agent shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the person serving as the Administrative Agent when acting in its individual capacity.

Section 9.04 Reimbursement; Indemnification. Each Lender agrees (a) to reimburse the Administrative Agent in the amount of such Lender’s Pro Rata Share of any expenses incurred for the benefit of the Lenders by the Administrative Agent, including reasonable counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, to the extent not reimbursed by the Borrower and (b) to indemnify and hold harmless the Administrative Agent and any of its Related Parties, on demand, in the amount of its Pro Rata Share, 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 it in its capacity as the Administrative Agent or any of them in any way relating to or arising out of the Loan Documents or any action taken or omitted by it or any

of them under the Loan Documents, to the extent not reimbursed by the Borrower; provided, however, that no Lender shall be liable to the Administrative Agent for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Administrative Agent or any of its Related Parties, as determined by a court of competent jurisdiction in a final and nonappealable judgment.

Section 9.05 Absence of Reliance. Each of the Lenders and the Issuing Banks acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender, any other Issuing Bank or any of their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each of the Lenders and the Issuing Banks also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Lender, any other Issuing Bank or any of their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own decisions in taking or not taking action under or based upon the Loan Documents, any related agreement or any document furnished thereunder. Each Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility and (ii) it is engaged in making, acquiring or holding commercial loans in the ordinary course and is entering into this Agreement as a Lender for the purpose of making, acquiring or holding commercial loans set forth herein as may be applicable to such Lender, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, and each Lender agrees not to assert a claim in contravention of the foregoing. Each Lender represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans, as may be applicable to such Lender, and either it, or the person exercising discretion in making its decision to make, acquire and/or hold such commercial loans, is experienced in making, acquiring or holding such commercial loans.

Section 9.06 Resignation of Administrative Agent.

- a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Banks and the Borrower and shall promptly give such notice in the event that the Administrative Agent becomes a Defaulting Lender. Upon receipt of any such notice of resignation, the Required Lenders may, with the consent of the Borrower (which consent shall not be unreasonably withheld and shall not be required during an Event of Default), appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent's giving of notice of resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks and after consultation with the Lenders, the Issuing Banks and the Borrower, appoint a successor Administrative Agent. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.
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- b) With effect from the Resignation Effective Date (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and Issuing Bank directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article IX and Section 10.05 shall continue in effect for the benefit of such retiring Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 9.07 Syndication Agent and Co-Documentation Agents. Neither the Syndication Agent nor any Co-Documentation Agent shall have any rights, powers, obligations, liabilities, responsibilities or duties under the Loan Documents other than those applicable to all Lenders as such. Without limiting the foregoing, none of the persons identified as "Syndication Agent" or "Co-Documentation Agent" shall have or be deemed to have any fiduciary relationship with any Lender or Issuing Bank. Each of the Lenders and the Issuing Banks acknowledges that it has not relied, and will not rely, on any of the persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 9.08 Removal of Lender.

- a) If a Lender (i) is a Defaulting Lender or (ii) fails to give its consent to any amendment, waiver or action for which consent of all of the Lenders was required and to which the Required Lenders consented, such Lender shall, upon notice from the Borrower, execute and deliver to the Administrative Agent one or more Assignment and Assumptions assigning all of that Lender's interests, rights and obligations under the Loan Documents to one or more Eligible Assignees designated by the Borrower, subject to (A) compliance with the provisions of Section 10.04, (B) payment in full of all principal, interest and fees owing to such Lender through the date of assignment (including any amounts payable pursuant to Section 2.14 but, in the case of a Defaulting Lender, excluding any amounts payable pursuant to Section 2.14(c) or (d)) and (C) delivery by such assignee(s) of such appropriate assurances and indemnities (which may include letters of credit) as such Lender may reasonably require with respect to its participation interests in any Letters of Credit then outstanding; provided, however, that the failure of any such Lender to execute and deliver to the
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Administrative Agent such Assignment and Assumption(s) shall not render such assignment(s) invalid, and the Administrative Agent shall record such assignment(s) in the Register. Alternatively, the Borrower may reduce the total Commitments (and for this purpose the minimum amounts for Commitment reductions shall not apply) by an amount equal to that Lender's Commitment and pay and provide to such Lender the amounts, assurances and indemnities described above and release such Lender from its Commitment; provided, however, that the Commitment of a Defaulting Lender may not be so reduced so long as any Default or Event of Default has occurred and is continuing. The Administrative Agent shall distribute an amended Schedule 2.01 (which shall thereafter be incorporated into this Agreement) to reflect any new Commitments and Pro Rata Shares.

- b) In order to make all Lenders' interests in any outstanding Loans and in any fees and other amounts due in respect of Letters of Credit ratable in accordance with any revised Pro Rata Shares after giving effect to the removal of any Lender, the Borrower shall pay or prepay, if necessary, on the effective date of such removal all outstanding Loans and fees and other amounts in respect of Letters of Credit and pay, to the extent applicable, any amounts due under Section 2.14. The Borrower may then borrow Loans from the Lenders in accordance with their revised Pro Rata Shares.

Section 9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise.

- a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other obligations and liabilities that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Banks and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Banks and the Administrative Agent under Section 10.05) allowed in such judicial proceeding; and
- b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and Issuing Bank to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and Issuing Banks, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements

and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 10.05.

Section 9.10 Erroneous Payments.

- a) If the Administrative Agent notifies a Lender or an Issuing Bank, or any person who has received funds on behalf of a Lender or an Issuing Bank (any such Lender, Issuing Bank or other recipient, a “**Payment Recipient**”) that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under paragraph (b) below) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Bank or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an “**Erroneous Payment**”) and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender or Issuing Bank shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two (2) Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this paragraph (a) shall be conclusive, absent manifest error.
- b) Without limiting paragraph (a) above, each Lender or Issuing Bank, or any person who has received funds on behalf of a Lender or an Issuing Bank, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender or Issuing Bank, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:
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- (i) (A) in the case of clause (x) or clause (y) above, an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of clause (z) above), in each case, with respect to such payment, prepayment or repayment; and
 - (ii) such Lender or Issuing Bank shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one (1) Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 9.10(b).
 - c) Each Lender and Issuing Bank hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender or Issuing Bank under any Loan Document against any amount due to the Administrative Agent under paragraph (a) above or under the indemnification provisions of this Agreement.
 - d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with paragraph (a) above, from any Lender or Issuing Bank that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “**Erroneous Payment Return Deficiency**”), upon the Administrative Agent’s notice to such Lender or Issuing Bank at any time, (i) such Lender or Issuing Bank shall be deemed to have assigned its Loans (but not its Commitments) or LC Disbursements (as applicable) to the Administrative Agent in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) or LC Disbursements, the “**Erroneous Payment Deficiency Assignment**”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, and such Lender or Issuing Bank shall deliver any Notes evidencing such Loans to the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning Issuing Bank shall cease to be a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning Issuing Bank and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Loans and LC Disbursements subject to the Erroneous Payment
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Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans or LC Disbursements acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender or Issuing Bank shall be reduced by the net proceeds of the sale of such Loans or LC Disbursements (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender or Issuing Bank (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Issuing Bank and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan or LC Disbursement (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Issuing Bank under the Loan Documents with respect to each Erroneous Payment Return Deficiency.

- e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any obligations owed by the Borrower, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower for the purpose of making such Erroneous Payment.
- f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.
- g) Each party’s obligations, agreements and waivers under this Section 9.10 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or an Issuing Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all obligations (or any portion thereof) of the Borrower under any Loan Document.

ARTICLE X
MISCELLANEOUS

Section 10.01 Notices. Notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed or sent by telecopy, graphic scanning or other telegraphic communications equipment of the sending party, as follows:

- a) if to the Borrower, to:
Avista Corporation
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1411 East Mission Avenue
P.O. Box 3727
Spokane, Washington 99202
Attention: Assistant Treasurer and Director of Finance and Risk Email: Jason.Lang@avistacorp.com
Telecopy: 509-495-4361

- b) if to the Administrative Agent:
MUFG Bank, Ltd.
1221 Avenue of the Americas New York, NY 10020
Attention: Loan Operations Department Telecopy: (201) 413-8901
E-mail: LODagencyervices@us.mufg.jp with a copy to:
MUFG Bank, Ltd.
1221 Avenue of the Americas New York, NY 10020 Attention: Agency Desk Telephone: (212) 405-6621
E-mail: Agencydesk@us.sc.mufg.jp
- c) if to any Lender or Issuing Bank, to it at its address (or telecopy number) set forth in Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender or Issuing Bank shall have become a party hereto.

All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt if delivered by hand or overnight courier service or sent by telecopy or other telegraphic communications equipment of the sender, or on the date five Business Days after dispatch by certified or registered mail if mailed, in each case delivered, sent or mailed (properly addressed) to such party as provided in this Section 10.01 or in accordance with the latest unrevoked direction from such party given in accordance with this Section 10.01.

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e mail, FpML, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that,

for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

Section 10.02 Survival of Agreement. All covenants, agreements, representations and warranties, including any indemnities and reimbursement obligations, made by the Borrower in the Loan Documents and in the certificates or other instruments prepared or delivered in connection therewith or pursuant thereto shall be considered to have been relied upon by the Lenders and the Issuing Banks and shall survive the making of any Loans by the Lenders, the issuance of any Letters of Credit by the Issuing Banks and the execution and delivery to the Lenders of any Notes evidencing such Loans, regardless of any investigation made by the Lenders or the Issuing Banks, or on their behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any Fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not been terminated.

Section 10.03 Binding Effect. This Agreement shall become effective when it shall have been executed by the Borrower and the Administrative Agent and when the Administrative Agent shall have received copies hereof which, when taken together, bear the signatures of each Lender and each Issuing Bank, and this Agreement shall thereafter be binding upon and inure to the benefit of the Borrower, the Administrative Agent, each Lender and each Issuing Bank and their respective successors and permitted assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and permitted assigns of such party; and all covenants, promises and agreements by or on behalf of the Borrower, the Administrative Agent, any Lender or any Issuing Bank that are contained in this Agreement shall bind and inure to the benefit of each such person's successors and permitted assigns.

Section 10.04 Successors and Assigns.

- a) Subject to Section 6.03, the Borrower may not assign or delegate any of its rights or duties under any of the Loan Documents without the prior written consent of each of the Lenders and the Issuing Banks.
 - b) Each Lender (including the Administrative Agent and any Issuing Bank when acting as a Lender) may assign to one or more Eligible Assignees all or a portion of its interests, rights and obligations under the Loan Documents (including all or a portion of its Commitment and the same portion of the applicable Loan or Loans at the time owing to it); provided, however, that (i) except in the case of an assignment to a Lender or an Affiliate of a Lender, the Borrower and the Administrative Agent must give their prior written consent to such assignment (which consents shall not be unreasonably withheld, delayed or conditioned), provided that (A) the Borrower shall be deemed to have consented to any such assignment unless it shall have objected thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof and (B) the consent of the Borrower shall not be required if an Event of Default shall exist, (ii) in the case of an assignment to a person other than a Lender of all or a portion of a Lender's Commitment or its obligation in
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respect of its LC Exposure, the Issuing Banks must give their prior written consent to such assignment (which consents shall not be unreasonably withheld), (iii) no assignee of any Lender shall be entitled to receive any greater payment or protection under Section 2.12, 2.13(a) or 2.18 than such Lender would have been entitled to receive with respect to the rights assigned or otherwise transferred unless such assignment or transfer shall have been made at a time when the circumstances giving rise to such greater payment did not exist, (iv) each such assignment shall be of a constant, and not a varying, percentage of all the assigning Lender's rights and obligations under this Agreement, (v) the amount of the Commitment of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 (or, if less, the total amount of such Lender's Commitment), (vi) the parties to each such assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption and a processing and recordation fee of \$3,500 and (vii) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire. Upon acceptance and recording pursuant to paragraph (d) of this Section 10.04, from and after the effective date specified in each Assignment and Assumption, which effective date shall be at least five Business Days after the execution thereof, (A) the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under the Loan Documents and (B) the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under the Loan Documents (and, in the case of an Assignment and Assumption covering all or the remaining portion of an assigning Lender's rights and obligations under the Loan Documents, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.12, 2.14, 2.18 and 10.05, as well as to any Fees accrued for its account and not yet paid).

- c) The Administrative Agent shall maintain a copy of each Assignment and Assumption delivered to it, including the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The Administrative Agent, the Lenders and the Issuing Banks may treat each person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of the Loan Documents. The Register shall be available for inspection by the Borrower, any Lender and any Issuing Bank at any reasonable time and from time to time upon reasonable prior notice.
 - d) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Eligible Assignee, an Administrative Questionnaire completed in respect of the Eligible Assignee (unless the Eligible Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) above and, to the extent required, the written consent of the Borrower, the Administrative Agent and the Issuing Banks to such assignment, the Administrative Agent shall (i) accept such Assignment and Assumption, (ii) record the
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information contained therein in the Register and (iii) give prompt notice thereof to the Borrower and the Issuing Banks. Upon the request of the assignee, the Borrower, at its own expense, shall execute and deliver to the Administrative Agent, a new Note or Notes to the order of such assignee in a principal amount equal to the applicable Commitment assumed by it pursuant to such Assignment and Assumption and, if the assigning Lender has retained a Commitment, upon the request of the assigning Lender, the Borrower shall execute and deliver a new Note to the order of such assigning Lender in a principal amount equal to the applicable Commitment retained by it. Canceled Notes shall be returned to the Borrower.

- e) Each Lender may, without the consent of the Borrower, the Administrative Agent or any Issuing Bank, sell participations to one or more banks or other entities in all or a portion of its rights and obligations under the Loan Documents (including all or a portion of its Commitment and the Loans owing to it and any Notes held by it); provided, however, that (i) such Lender's obligations under the Loan Documents shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participating banks or other entities shall be entitled to the benefit of the cost protection provisions contained in Sections 2.12, 2.14 and 2.18 to the same extent as if they were Lenders (provided, that the amount of such benefit shall be limited to the amount in respect of the interest sold to which the seller of such participation would have been entitled had it not sold such interest) and (iv) the Borrower, the Administrative Agent, the other Lenders and the Issuing Banks shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents, and such Lender shall retain the sole right to enforce the obligations of the Borrower relating to the Loans and to approve any amendment, modification or waiver of any provision of the Loan Documents (other than amendments, modifications or waivers (A) decreasing any Fees or the amount of principal or the rate at which interest is payable on any Loans or LC Disbursements, (B) extending any scheduled date for the payment of Fees or principal or interest on any Loans or LC Disbursements, (C) extending the expiration date of the Commitments, (D) extending the expiration date of any Letter of Credit to a date after the expiration date of the Commitments or (E) releasing the First Mortgage Bond or releasing all or substantially all of the collateral therefor, in each such case except pursuant to Article VIII).
 - f) Any Lender or participant may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.04, 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 of information designated by the Borrower as confidential, each such assignee or participant or proposed assignee or participant shall execute an agreement whereby such assignee or participant shall agree (subject to customary exceptions) to preserve the confidentiality of such confidential information.
 - g) Notwithstanding anything to the contrary contained herein, any Lender (a "**Granting Lender**") may grant to a special-purpose funding vehicle (an "**SPC**") the option to
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fund all or any part of any Loan that such Granting Lender would otherwise be obligated to fund pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to fund all or any part of such Loan, the Granting Lender shall be obligated to fund such Loan pursuant to the terms hereof. The funding of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent as if such Loan were funded by such Granting Lender. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or payment under the Loan Documents for which a Lender would otherwise be liable for so long as, and to the extent, the Granting Lender provides such indemnity or makes such payment. Notwithstanding anything to the contrary contained in this Agreement, any SPC may disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or guarantee to such SPC. This paragraph may not be amended without the prior written consent of each Granting Lender, all or any part of whose Loans are being funded by an SPC at the time of such amendment.

- h) Any Lender may at any time assign for security purposes all or any portion of its rights under the Loan Documents to a Federal Reserve Bank; provided that no such assignment shall release a Lender from any of its obligations thereunder.

Section 10.05 Expenses; Indemnity, Damage Waiver.

- a) The Borrower agrees to pay all reasonable out-of-pocket expenses (including the reasonable fees, charges and disbursements of internal or external legal counsel) (i) incurred by the Administrative Agent in connection with the preparation of the Loan Documents, in connection with any amendments, modifications or waivers of the provisions thereof (whether or not the transactions thereby contemplated shall be consummated) or in connection with the use of DXSyndicate, IntraLinks or any similar service in relation to this Agreement, (ii) incurred by any Issuing Bank in connection with the issuance, renewal, extension or other amendment of any Letter of Credit or any demand for payment thereunder or (iii) incurred by the Administrative Agent, any Lender or any Issuing Bank in connection with the enforcement or protection of its rights in connection with any Loan Document, any Loan or any Letter of Credit or participation therein.
 - b) The Borrower agrees that it shall indemnify the Administrative Agent, the Lenders and the Issuing Banks against, and hold them harmless from, any documentary taxes, assessments or charges made by any Governmental Authority by reason of the execution and delivery of this Agreement or any of the other Loan Documents.
 - c) The Borrower agrees to indemnify the Administrative Agent, each Lender and each Issuing Bank and each of their respective directors, officers, employees and agents (each such person being called an “**Indemnitee**”) against, and to hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses,
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including reasonable counsel fees, charges and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of, (i) the execution or delivery of this Agreement or any other Loan Document or any agreement or instrument contemplated thereby, the performance by the parties thereto of their respective obligations thereunder or the consummation of the Transactions and the other transactions contemplated thereby, (ii) the use of the proceeds of the Loans and of the Letters of Credit (including any refusal by an Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit) or (iii) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

- d) To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with or as a result of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof.
- e) The provisions of this Section 10.05 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Administrative Agent, any Lender or any Issuing Bank. All amounts due under this Section 10.05 shall be payable on written demand therefor.

Section 10.06 Right of Setoff. If an Event of Default shall have occurred and be continuing and the Loans shall have been accelerated as set forth in Article VII, each of the Lenders and the Issuing Banks 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 or Issuing Bank (or person Controlling such Lender or Issuing Bank) to or for the credit or the account of the Borrower against any of and all the obligations of the Borrower now or hereafter existing under this Agreement and other Loan Documents held by such Lender or Issuing Bank, irrespective of whether or not such Lender or Issuing Bank shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower are owed to a branch or office of such Lender or Issuing Bank different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender and each Issuing Bank under this Section are in addition to other rights and remedies (including other rights of setoff) which such

Lender or Issuing Bank may have. Any Lender or Issuing Bank, as the case may be, shall promptly notify the Borrower after exercising its rights under this Section.

Section 10.07 Applicable Law. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, OTHER THAN THE FIRST MORTGAGE BOND, THE FIRST MORTGAGE AND THE SUPPLEMENTAL INDENTURE, SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

Section 10.08 Waivers; Amendment.

- a) No failure or delay of the Administrative Agent, any Lender or any Issuing Bank in exercising any power or right under the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Lenders and the Issuing Banks hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies which they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

 - b) Except as otherwise expressly set forth in this Agreement (including Section 2.07(f) and Section 10.20), neither any Loan Document nor any provision thereof (excluding letter of credit applications, which may be waived, amended or otherwise modified by agreement of the Borrower and the applicable Issuing Bank) may be waived, amended or otherwise modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders; provided, however, that no such agreement shall (i) without the consent of the applicable Lender, (A) decrease the principal of or the rate of interest on such Lender's Loans or the Fees payable to such Lender, (B) extend the date for any scheduled payment of principal of or interest on such Lender's Loans or the Fees payable to such Lender, or (C) increase the amount or extend the expiration date of such Lender's Commitment, or (ii) without the consent of each Lender, (A) decrease the principal of or the rate of interest on any LC Disbursement, (B) extend the date for any scheduled payment of principal of or interest on any LC Disbursement, (C) extend the expiration date of any Letter of Credit after the Expiration Date has occurred, (D) release the First Mortgage Bond or release all or substantially all of the collateral therefor, in each such case except pursuant to Article VIII, or (E) amend or modify the provisions of Section 2.15, the provisions of this Section, the definition of "Required Lenders" or any other provision requiring the consent or agreement of each of the Lenders; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank under the Loan Documents without the prior written
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consent of the Administrative Agent or such Issuing Bank, as the case may be. Each Lender and each holder of a Note shall be bound by any waiver, amendment or modification authorized by this Section regardless of whether its Note shall have been marked to make reference thereto, and any consent by any Lender or holder of a Note pursuant to this Section shall bind any person subsequently acquiring a Note from it, whether or not such Note shall have been so marked.

Section 10.09 Interest Rate Limitation. Notwithstanding anything herein or in any Notes to the contrary, if at any time the applicable interest rate, together with all fees and charges which are treated as interest under applicable law (collectively the “**Charges**”), as provided for herein or in any other document executed in connection herewith, or otherwise contracted for, charged, received, taken or reserved by any Lender, shall exceed the maximum lawful rate (the “**Maximum Rate**”) which may be contracted for, charged, taken, received or reserved by such Lender in accordance with applicable law, the rate of interest payable under any Note held by such Lender, together with all Charges payable to such Lender, shall be limited to the Maximum Rate.

Section 10.10 Entire Agreement. Each Loan Document constitutes the entire contract between or among the parties relative to the subject matter thereof, and any previous agreement between or among the parties with respect to the subject matter thereof is superseded by such Loan Document. Nothing in this Agreement or in the other Loan Documents, expressed or implied, is intended to confer upon any party other than the parties hereto and thereto any rights, remedies, obligations or liabilities under or by reason of this Agreement or the other Loan Documents.

Section 10.11 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 respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement or any of the other Loan Documents. 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 and the other Loan Documents, as applicable, by, among other things, the mutual waivers and certifications in this Section 10.11.

Section 10.12 Severability. In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 10.13 Counterparts; Electronic Execution. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract, and shall become effective as provided in Section 10.13. Delivery of an executed counterpart of this Agreement by facsimile or other electronic transmission shall be effective as an original executed counterpart and shall be deemed a representation that the original executed counterpart will be delivered. The words “execution,” “executed,” “signed,” “signature,” “delivery,” and words of like import in or relating to any

document to be signed in connection with this Agreement, the other Loan Documents (including any Assignment and Assumption) and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided, that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent; provided, further, that, without limiting the foregoing, upon the request of the Administrative Agent, any electronic signature shall be promptly followed by such manually executed counterpart.

Section 10.14 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 10.15 Jurisdiction; Consent to Service of Process.

- a) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, any Lender or any Issuing Bank may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against the Borrower or its properties in the courts of any jurisdiction.
- b) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.
- c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.16 USA Patriot Act Notification. Each Lender and each Issuing Bank hereby notifies the Borrower that, pursuant to the requirements of the PATRIOT Act, it is required to

obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or Issuing Bank to identify the Borrower in accordance with the PATRIOT Act. The Borrower agrees to cooperate with each Lender and each Issuing Bank and to provide true, accurate and complete information to such Lender or Issuing Bank in response to any such request.

Section 10.17 Acknowledgment Regarding any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**” and each such QFC, a “**Supported QFC**”), the parties hereto acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation (or any successor thereto) under the Federal Deposit Insurance Act, as amended, and Title II of the Dodd-Frank Act, as amended (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”), in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

1. In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties hereto with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.
2. As used in this Section 10.17, the following terms have the following meanings:

“**BHC Act Affiliate**” of a party shall mean an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k), as amended) of such party.

“**Covered Entity**” shall mean any of the following: (A) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b), as amended; (B) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b), as amended; or

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

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

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D), as amended.

Section 10.18 Certain ERISA Matters.

- a. Each Lender (x) represents and warrants, as of the date such person became a Lender party hereto, to, and (y) covenants, from the date such person became a Lender party hereto to the date such person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any of its Subsidiaries or Affiliates, that at least one of the following is and will be true:
 - i. such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit, the Commitments or this Agreement,
 - ii. the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,
 - iii. (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and
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performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

- iv. such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

- b. In addition, unless sub-clause (i) in the immediately preceding paragraph (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding paragraph (a), such Lender further (x) represents and warrants, as of the date such person became a Lender party hereto, to, and (y) covenants, from the date such person became a Lender party hereto to the date such person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any of its Subsidiaries or Affiliates, that none of the Administrative Agent or any of its affiliates is a fiduciary with respect to the collateral contemplated by the Loan Documents or the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

Section 10.19 Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any parties hereto, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- a. the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

 - b. the effects of any Bail-in Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;
 - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
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- (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 10.20 Benchmark Replacement Setting.

- a). Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, the Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all affected Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 10.20(a) will occur prior to the applicable Benchmark Transition Start Date.
- b). Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.
- c). Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 10.20(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 10.20, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 10.20.
- d). Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such
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Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- e). Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a SOFR Borrowing, or any pending request to refinance all or any part of any Borrowing with a new SOFR Borrowing, to be made during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of ABR Loans and any outstanding affected SOFR Loans will be deemed to have been converted to ABR Loans at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Alternate Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Alternate Base Rate.

Section 10.21 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a)(i) no fiduciary, advisory or agency relationship between the Borrower and its Subsidiaries and any joint lead arranger, any book manager, any Co-Documentation Agent, the Syndication Agent, the Administrative Agent, any Issuing Bank or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether any joint lead arranger, any book manager, any Co-Documentation Agent, the Syndication Agent, the Administrative Agent, any Issuing Bank or any Lender has advised or is advising the Borrower or any Subsidiary on other matters, (ii) the arranging and other services regarding this Agreement provided by any joint lead arranger, any book manager, the Administrative Agent, the Issuing Banks and the Lenders are arm’s-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks and the Lenders, on the other hand, (iii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and

conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person; (ii) none of the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks and the Lenders 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 in the other Loan Documents; and (iii) the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks and the Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against any of the joint lead arrangers, the book managers, the Administrative Agent, the Issuing Banks 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.

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Exhibit B

Schedules

[See attached]

SCHEDULE 2.01

Names, Commitments and Addresses of Lenders

<u>Lender</u>	<u>Commitment</u>
MUFG Bank, Ltd. 1221 Avenue of the Americas New York, NY 10020-1001 Attention: Loan Operations Department / Agency Desk Telephone.: (201) 413-8901/ (212) 405-6621 Email: LODagencysservices@us.mufg.jp / Agencydesk@us.sc.mufg.jp	\$85,000,000.00
U.S. Bank National Association Address: 1095 Avenue of the Americas, 15 th Floor New York, NY 10036 Attention: Johnny Hon Telecopy: (917) 326-3944 Email: johnny.hon@usbank.com	\$85,000,000.00
Wells Fargo Bank, National Association 90 S. Seventh Street, 15th Floor MAC N9305-156 Minneapolis, MN 55402 Attention: Gregory R. Gredvig E-mail: Gregory.r.gredvig@wellsfargo.com	\$85,000,000.00
CoBank, ACB 6340 S. Fiddlers Green Circle Greenwood Village, CO 80111 Attention: Jacob Good, Vice President Telecopy: (303) 793-2226 E-mail: jgood@cobank.com	\$67,500,000.00

<u>Lender</u>	<u>Commitment</u>
KeyBank National Association 127 Public Square Cleveland, OH 44114 Attention: Keven D. Smith Telephone: (206) 343-6966 Telecopy: (216) 689-8329 E-mail: Renewables.ProjectFinance@keybank.com	\$67,500,000.00
Bank of America, N.A. 601 W Riverside Ave - 5 th Floor WA2-141-05-34 Spokane, WA 99201 Attention: Tom Thoen Telecopy: (206) 585-9205 Email: tom.thoen@bofa.com	\$55,000,000.00
JPMorgan Chase Bank, N.A. 8181 Communications Pkwy, Plano, TX 75024 Attention: Nancy R. Barwig Telephone: (972) 324-1721 E-mail: nancy.r.barwig@jpmorgan.com	\$55,000,000.00
Total:	<hr/> \$500,000,000.00

SCHEDULE 3.13

Significant Subsidiaries

None

Bond Delivery Agreement

AVISTA CORPORATION

to

**MUFG BANK, LTD.,
as Administrative Agent**

Dated as of June 8, 2023

*Relating to
First Mortgage Bonds, Collateral Series 2023A*

THIS BOND DELIVERY AGREEMENT, dated as of June 8, 2023 (this “**Agreement**”), is entered into between AVISTA CORPORATION, a Washington corporation (the “**Company**”), and MUFG BANK, LTD. (as successor by appointment to MUFG Union Bank, N.A.) (“**MUFG**”), as Administrative Agent (in such capacity, the “**Agent**”) under the Credit Agreement, dated as of February 11, 2011, among the Company, the financial institutions party thereto from time to time as lenders (the “**Lenders**”), KeyBank National Association, as a Co- Documentation Agent, U.S. Bank National Association, as a Co-Docummentation Agent and an Issuing Bank, Wells Fargo Bank, National Association, as Syndication Agent and an Issuing Bank, MUFG, as an Issuing Bank, and the Agent (as amended, amended and restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).

WHEREAS, the Company has entered into the Credit Agreement and may from time to time borrow thereunder or request the issuance of letters of credit thereunder in accordance with the provisions thereof; and

WHEREAS, the Company has established its First Mortgage Bonds, Collateral Series 2023A, in the aggregate principal amount of \$500,000,000 (the “**Bonds**”), to be issued under and in accordance with, and secured by, the Mortgage and Deed of Trust, dated as of June 1, 1939, as heretofore amended and supplemented and as further supplemented by the Sixty-eighth Supplemental Indenture, dated as of June 1, 2023 (the “**Sixty-eighth Supplemental Indenture**”), of the Company to Citibank, N.A., as successor trustee (the “**Trustee**”), such Mortgage and Deed of Trust, as so amended and supplemented, being hereinafter sometimes called the “**Mortgage**” (all capitalized terms used herein without definition having the meanings assigned to them in the Sixty-eighth Supplemental Indenture); and

WHEREAS, the Company proposes to issue and deliver to the Agent, for the benefit of the Lenders, the Bonds in order to provide the benefit of the lien of the Mortgage as security for the obligation of the Company under the Credit Agreement to pay the Obligations;

NOW, THEREFORE, in consideration of the premises, of certain agreements of the Lenders, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Agent hereby agree as follows:

ARTICLE I

THE BONDS

SECTION 1.1. Delivery of Bonds.

In order to provide the benefit of the lien of the Mortgage as security for the obligation of the Company to pay the Obligations, as aforesaid, the Company hereby delivers to the Agent Bonds in the aggregate principal amount of \$500,000,000, maturing on June 8, 2028 (or such later date to which such Stated Maturity Date shall have been extended as provided in the Sixty- eighth Supplemental Indenture) and bearing interest as provided in the Sixty-eighth Supplemental Indenture. The obligation of the Company to pay the principal of and interest on the Bonds shall be deemed to have been satisfied and discharged in full or in part, as the case may be, to the extent of the payment by the Company of the Obligations, all as set forth in clause (f) of subsection (II) of Section 1 of Article I of the Sixty-eighth Supplemental Indenture and in the Bonds.

The Bonds are registered in the name of the Agent and shall be owned and held by the Agent, subject to the provisions of this Agreement, for the benefit of the Lenders, and the Company shall have no interest therein. The Agent shall be entitled to exercise all rights of bondholders under the Mortgage with respect to the Bonds.

The Agent hereby acknowledges that it has received the Bonds and has surrendered to the Trustee all of the Company's First Mortgage Bonds, Collateral Series 2020A held by the Agent.

SECTION 1.2. Payments on the Bonds.

Any payments received by the Agent on account of the principal of or interest on the Bonds shall be distributed by the Agent in accordance with the applicable provisions of the Credit Agreement, and the Company hereby consents to such distribution.

ARTICLE II

NO TRANSFER OF BONDS; SURRENDER OF BONDS

SECTION 2.1. No Transfer of the Bonds.

The Agent shall not sell, assign or otherwise transfer any Bonds delivered to it under this Agreement except to a successor administrative agent under the Credit Agreement. The Company may take such actions as it shall deem necessary, desirable or appropriate to effect compliance with such restrictions on transfer, including the issuance of stop-transfer instructions to the trustee under the Mortgage or any other transfer agent thereunder.

SECTION 2.2. Surrender of Bonds.

The Agent shall surrender the Bonds to or upon the order of the Company when and as required under Article VIII of the Credit Agreement.

ARTICLE III

MISCELLANEOUS

SECTION 3.1 Definitions

"Effective Date" shall have the meaning specified in that certain Fifth Amendment to Credit Agreement, dated as of June 8, 2023, among the Company, the lenders party thereto, U.S. Bank National Association, as an Issuing Bank, Wells Fargo Bank, National Association, as an Issuing Bank, MUFG, as an Issuing Bank, and the Agent.

"Indemnitees", "Issuing Banks", "LC Disbursements", "Loan Documents" and **"Loans"** shall have the meanings specified in the Credit Agreement.

"Obligations" shall mean the obligations of the Company for (a) the due and punctual payment of (i) the principal of and premium, if any, and interest (including interest

accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans and LC Disbursements, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, (ii) the reimbursement of the LC Disbursements, when and as due, and (iii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Company to the Lenders, the Issuing Banks, the Agent and the other Indemnitees under the Credit Agreement and the other Loan Documents and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Company under or pursuant to the Credit Agreement and the other Loan Documents.

As used in this Agreement, the words “include,” “includes” and “including” are not limiting.

SECTION 3.2. Governing Law

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

IN WITNESS WHEREOF, the Company and the Agent have caused this Agreement to be executed and delivered as of the date first above written.

AVISTA CORPORATION

By: /s/ Jason E. Lang

Name: Jason E. Lang

Title: Assistant Treasurer and Director of Finance and Risk

MUFG BANK, LTD., as Administrative Agent

By: /s/ Lawrence Blat

Name: Lawrence Blat

Title: Authorized Signatory

(Signature Page to Bond Delivery Agreement)
