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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): April 21, 2018**

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**CENTERPOINT ENERGY, INC.**  
(Exact name of registrant as specified in its charter)

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**Texas**  
(State or other jurisdiction  
of incorporation)

**1-31447**  
(Commission  
File Number)

**74-0694415**  
(IRS Employer  
Identification No.)

**1111 Louisiana  
Houston, Texas**  
(Address of principal executive offices)

**77002**  
(Zip Code)

**Registrant's telephone number, including area code: (713) 207-1111**

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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 (see General Instruction A.2. below):

- 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))

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) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

EmergingGrowth 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.

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**Item 1.01      Entry into a Material Definitive Agreement.****The Merger Agreement**

On April 21, 2018, CenterPoint Energy, Inc. (the “Company”) entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among the Company, Vectren Corporation, an Indiana corporation (“Vectren”), and Pacer Merger Sub, Inc., an Indiana corporation and wholly owned subsidiary of the Company (“Merger Sub”). Pursuant to the Merger Agreement, on and subject to the terms and conditions set forth therein, Merger Sub will merge with and into Vectren (the “Merger”), with Vectren continuing as the surviving corporation in the Merger and becoming a wholly owned subsidiary of the Company.

On and subject to the terms and conditions set forth in the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each share of common stock, no par value, of Vectren (“Vectren common stock”) issued and outstanding immediately prior to the Effective Time shall be cancelled and converted into the right to receive \$72.00 in cash, without interest (the “Merger Consideration”). At the Effective Time, each stock unit payable in Vectren common stock or whose value is determined with reference to the value of Vectren common stock, whether vested or unvested, will be cancelled at the Effective Time with cash consideration paid therefor in accordance with the terms of the Merger Agreement. No dissenters’ rights of appraisal in connection with the Merger are available to holders of Vectren common stock pursuant to the Indiana Business Corporation Law.

Vectren, the Company and Merger Sub each have made various representations, warranties and covenants in the Merger Agreement. Among other things, Vectren has agreed, subject to certain exceptions, to conduct its businesses in the ordinary course, consistent with past practice, from the date of the Merger Agreement until the Effective Time, and not to take certain actions prior to the closing of the Merger without the approval of the Company. Vectren has made certain additional customary covenants, including, subject to certain exceptions: (1) to cause a meeting of Vectren’s shareholders to be held to consider approval of the Merger Agreement, (2) not to solicit proposals relating to alternative business combination transactions and not to participate in discussions concerning, or furnish information in connection with, alternative business combination transactions and (3) not to withdraw its recommendation to Vectren’s shareholders regarding the Merger. In addition, subject to the terms of the Merger Agreement, Vectren, the Company and Merger Sub are required to use reasonable best efforts to obtain all required regulatory approvals, which will include clearance under federal antitrust laws and certain approvals by federal and state regulatory bodies, subject to certain exceptions, including that such efforts not result in a “Burdensome Condition” (as defined in the Merger Agreement). Furthermore, the Company has agreed to use its reasonable best efforts to obtain the financing contemplated by the Commitment Letter, as described in further detail below.

Consummation of the Merger is subject to various conditions, including: (1) approval of the shareholders of Vectren, (2) expiration or termination of the applicable Hart-Scott-Rodino Act waiting period, (3) receipt of all required regulatory and statutory approvals without the imposition of a “Burdensome Condition,” (4) absence of any law or order prohibiting the consummation of the Merger and (5) other customary closing conditions, including (a) subject to materiality qualifiers, the accuracy of each party’s representations and warranties, (b) each party’s compliance in all material respects with its obligations and covenants under the Merger Agreement and (c) the absence of a material adverse effect with respect to Vectren and its subsidiaries.

The Merger Agreement contains certain termination rights for both the Company and Vectren, including if the Merger is not consummated by April 21, 2019 (subject to extension for an additional six months if all of the conditions to closing, other than the conditions related to obtaining regulatory approvals, have been satisfied). The Merger Agreement also provides for certain termination rights for each of the Company and Vectren, and provides that, upon termination of the Merger Agreement under certain specified circumstances, the Company would be required to pay a termination fee of \$210.0 million to Vectren, and under other specified circumstances Vectren would be required to pay the Company a termination fee of \$150.0 million.

The foregoing description of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, a copy of which is attached hereto as Exhibit 2.1, and is incorporated herein by reference.

## **Bridge Facility Commitment Letter**

On April 21, 2018, and in connection with the Merger Agreement, the Company entered into a commitment letter (the “Commitment Letter”) with Goldman Sachs Bank USA (“Goldman Sachs”) and Morgan Stanley Senior Funding, Inc. (“MSSF”, and together with Goldman Sachs, the “Initial Lenders”). The Commitment Letter provides that, subject to the conditions set forth therein, the Initial Lenders commit to provide a 364-day senior unsecured bridge term loan facility in an aggregate principal amount of \$5.0 billion (the “Bridge Facility”) to fund, in part, amounts payable by the Company in connection with the Merger. The Bridge Facility bears interest at an annual rate equal to LIBOR plus a margin ranging from 1.0% to 2.0%, depending on the Company’s credit rating, subject to an increase of 0.25% for each 90 days that elapse after the closing of the Merger. Under the Commitment Letter, Goldman Sachs will act as sole and exclusive administrative agent, and each of the Initial Lenders will act as a joint bookrunner and joint lead arranger for the Bridge Facility, and each will perform the duties customarily associated with such roles. It is anticipated that some or all of the Bridge Facility will be replaced or repaid by the Company through one or a combination of the following: issuance of debt securities, preferred stock, common equity or other securities.

The commitment to provide the Bridge Facility is subject to certain conditions, including (1) the consummation of the Merger pursuant to the Merger Agreement, (2) the absence of a material adverse effect with respect to Vectren and its subsidiaries, taken as a whole, (3) the accuracy of certain representations and warranties, (4) the absence of certain limited defaults, (5) the delivery of certain financial information pertaining to each of the Company and Vectren and (6) the receipt of customary closing documents. The Company will pay certain customary fees and expenses in connection with obtaining the Bridge Facility.

The foregoing description of the Commitment Letter and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Commitment Letter, a copy of which is attached hereto as Exhibit 10.1, and is incorporated herein by reference.

### **Item 7.01 Regulation FD Disclosure.**

On April 23, 2018, the Company and Vectren issued a joint press release announcing the execution of the Merger Agreement and scheduling an investor presentation and joint conference call regarding the proposed Merger. The joint press release announcing the proposed Merger and the investor presentation are attached to this report as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

The joint press release and investor presentation are being furnished, not filed, pursuant to Regulation FD. Accordingly, neither the joint press release nor the investor presentation will be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the joint press release and the investor presentation is not intended to, and does not, constitute a determination or admission by the Company that the information in the joint press release or the investor presentation is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company or any of its affiliates.

### **Item 9.01 Financial Statements and Exhibits.**

The exhibits listed below are filed or furnished, as applicable, herewith.

The Merger Agreement and Commitment Letter are included only to provide information to investors regarding its terms. The Merger Agreement and Commitment Letter contain representations, warranties and other provisions that were made solely for the benefit of the other parties to such agreements and (1) are not intended to be treated as categorical statements of fact, but rather as a way of allocating risk to one of the parties if those statements prove to be inaccurate, (2) may have been qualified in the agreements by confidential disclosure schedules that were delivered to the parties in connection with the signing of the agreements, which disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements, (3) may be subject to standards of materiality applicable to the parties that differ from what might

be viewed as material to security holders, and (4) were made only as of the date of the agreements or such other date or dates as may be specified in the agreements. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Merger Agreement and Commitment Letter, which subsequent information may or may not be fully reflected in public disclosures by the Company, Vectren or the Initial Lenders. Accordingly, you should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the Company, Vectren or the Initial Lenders.

(d) Exhibits.

**EXHIBIT  
NUMBER**

**EXHIBIT DESCRIPTION**

2.1*	<a href="#">Agreement and Plan of Merger, dated as of April 21, 2018, by and among Vectren Corporation, CenterPoint Energy, Inc. and Pacer Merger Sub, Inc.</a>
10.1	<a href="#">Commitment Letter, dated as of April 21, 2018, by Goldman Sachs Bank USA and Morgan Stanley Senior Funding, Inc. to CenterPoint Energy, Inc.</a>
99.1	<a href="#">Joint Press Release, dated April 23, 2018</a>
99.2	<a href="#">Investor Presentation, dated April 23, 2018</a>

\* Schedules to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedules will be furnished supplementally to the Securities and Exchange Commission (the "SEC") upon request; provided, however, that the parties may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any document so furnished.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

The statements contained in this Current Report on Form 8-K contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this Current Report are forward-looking statements made in good faith by us and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this Report, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "target," "will" or other similar words are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, statements relating to: (1) the Company's proposed acquisition of Vectren, (2) shareholder and regulatory approvals, (3) the completion of the proposed transactions, (4) benefits of the proposed transactions, (5) integration plans and expected synergies, (6) the expected timing of completion of the transactions, and (7) anticipated future financial measures and operating performance and results, including estimates for growth and other matters affecting future operations.

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the risk that Vectren may be unable to obtain shareholder approval for the proposed transactions, (2) the risk that the Company or Vectren may be unable to obtain governmental and regulatory approvals required for the proposed transactions, or that required governmental and regulatory approvals or agreements with other parties interested therein may delay the proposed transactions or may be subject to or impose adverse conditions or costs, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transactions or could otherwise cause the failure of the proposed transactions to close, (4) the risk that a condition to the closing of the proposed transactions or the committed financing may not be satisfied, (5) the failure to obtain, or to obtain on favorable terms, any equity, debt or other financing necessary to complete or permanently finance the proposed transactions and the costs of such financing, (6) the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed transactions, (7) the receipt of an unsolicited offer from another party to acquire assets or capital stock of Vectren that could interfere with the proposed transactions, (8) the timing to consummate the proposed transactions, (9) the costs incurred to consummate the proposed transactions, (10) the possibility that the expected cost savings, synergies or other value creation from the proposed transactions will not be realized, or will not be realized within the expected time period, (11) the risk that the companies may not realize fair values from properties that may be required to be sold in connection with the Merger, (12) the credit ratings of the companies following the proposed transactions, (13) disruption from the proposed transactions making it more difficult to

maintain relationships with customers, employees, regulators or suppliers, (14) the diversion of management time and attention on the proposed transactions, (15) the performance of Enable Midstream Partners, LP ("Enable"), the amount of cash distributions the Company receives from Enable, Enable's ability to redeem the Series A Preferred Units in certain circumstances and the value of the Company's interest in Enable, and factors that may have a material impact on such performance, cash distributions and value, including factors such as: (A) competitive conditions in the midstream industry, and actions taken by Enable's customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable; (B) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids ("NGLs"), the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; (C) the demand for crude oil, natural gas, NGLs and transportation and storage services; (D) environmental and other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; (E) recording of non-cash goodwill, long-lived asset or other than temporary impairment charges by or related to Enable; (F) changes in tax status; (G) access to debt and equity capital and (H) the availability and prices of raw materials and services for current and future construction projects; (16) industrial, commercial and residential growth in the Company's service territories and changes in market demand, including the effects of energy efficiency measures and demographic patterns, (17) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment, (18) future economic conditions in regional and national markets and their effect on sales, prices and costs, (19) weather variations and other natural phenomena, including the impact of severe weather events on operations and capital, (20) state and federal legislative and regulatory actions or developments affecting various aspects of the Company's and Enable's businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses, (21) tax reform and legislation, including the effects of the comprehensive tax reform legislation informally referred to as the TCJA and uncertainties involving state commissions' and local municipalities' regulatory requirements and determinations regarding the treatment of excess deferred taxes and the Company's rates, (22) the Company's ability to mitigate weather impacts through normalization or rate mechanisms, and the effectiveness of such mechanisms, (23) the timing and extent of changes in commodity prices, particularly natural gas, and the effects of geographic and seasonal commodity price differentials, (24) problems with regulatory approval, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates, (25) local, state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change, (26) the impact of unplanned facility outages, (27) any direct or indirect effects on the Company's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt the Company's businesses or the businesses of third parties, or other catastrophic events such as fires, earthquakes, explosions, leaks, floods, droughts, hurricanes, pandemic health events or other occurrences, (28) the Company's ability to invest planned capital and the timely recovery of the Company's investment in capital, (29) the Company's ability to control operation and maintenance costs, (30) actions by credit rating agencies, (31) the sufficiency of the Company's insurance coverage, including availability, cost, coverage and terms, (32) the investment performance of the Company's pension and postretirement benefit plans, (33) commercial bank and financial market conditions, the Company's access to capital, the cost of such capital, and the results of the Company's financing and refinancing efforts, including availability of funds in the debt capital markets, (34) changes in interest rates and their impact on the Company's costs of borrowing and the valuation of its pension benefit obligation, (35) changes in rates of inflation, (36) inability of various counterparties to meet their obligations to the Company, (37) non-payment for the Company's services due to financial distress of its customers, (38) the extent and effectiveness of the Company's risk management and hedging activities, including, but not limited to, its financial and weather hedges, (39) timely and appropriate regulatory actions allowing securitization for any future hurricanes or natural disasters or other recovery of costs, including costs associated with Hurricane Harvey, (40) the Company's or Enable's potential business strategies and strategic initiatives, including restructurings, joint ventures and acquisitions or dispositions of assets or businesses (including a reduction of the Company's interests in Enable, whether through its decision to sell all or a portion of the Enable common units it owns in the public equity markets or otherwise, subject to certain limitations), which the Company cannot assure will be completed or will have the anticipated benefits to it or Enable, (41) acquisition and merger activities involving the Company or its competitors, (42) the Company's or Enable's ability to recruit, effectively transition and retain management and key employees and maintain good labor relations, (43) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc., Reliant Energy and RRI), a wholly-owned subsidiary of NRG Energy, Inc. ("NRG"), and its subsidiaries, currently the subject of bankruptcy proceedings, to satisfy their obligations to the Company, including indemnity obligations, (44) the outcome of litigation, (45) the ability of retail electric providers ("REPs"), including REP affiliates of NRG and Vistra Energy Corp., formerly known as TCEH Corp., to satisfy their obligations to the Company and its subsidiaries, (46) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of new, developing or alternative sources of generation, (47) the timing and outcome of any audits, disputes and other proceedings related to taxes, (48) the effective tax rates and (49) the effect of changes in and application of accounting standards and pronouncements.

The foregoing list of factors is not all-inclusive because it is not possible to predict all factors. Furthermore, it may not be possible to assess the impact of any such factor on the Company's or Vectren's respective businesses or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Additional risks and uncertainties will be discussed in other materials that the Company and Vectren will file with the SEC in connection with the

proposed transactions. Other risk factors are detailed from time to time in the Company's and Vectren's annual report on Form 10-K and quarterly reports on Form 10-Q filed with the SEC, but any specific factors that may be provided should not be construed as exhaustive. Each forward-looking statement speaks only as of the date of the particular statement. While we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, we undertake no obligation to update or revise any of our forward-looking statements whether as a result of new information, future events or otherwise.

#### **ADDITIONAL INFORMATION AND WHERE TO FIND IT**

In connection with the proposed transactions, Vectren expects to file a proxy statement, as well as other materials, with the SEC. **WE URGE INVESTORS TO READ THE PROXY STATEMENT AND THESE OTHER MATERIALS FILED WITH THE SEC CAREFULLY WHEN THEY BECOME AVAILABLE BEFORE MAKING ANY VOTING OR INVESTMENT DECISION BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.** Investors will be able to obtain free copies of the proxy statement (when available) and other documents that will be filed by Vectren with the SEC at <http://www.sec.gov>, the SEC's website, or from Vectren's website (<http://www.vectren.com>) under the tab, "Investors" and then under the heading "SEC Filings." Security holders may also read and copy any reports, statements and other information filed by Vectren with the SEC, at the SEC public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or visit the SEC's website for further information on its public reference room.

#### **PARTICIPANTS IN THE SOLICITATION**

The Company, Vectren and certain of their respective directors, executive officers and other persons may be deemed to be participants in the solicitation of proxies from Vectren's shareholders with respect to the proposed transactions. Information regarding the directors and executive officers of the Company is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 15, 2018, and information regarding the directors and executive officers of Vectren is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 22, 2018. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the proxy statement and other materials when they are filed with the SEC in connection with the proposed transactions.

SIGNATURE

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.

**CENTERPOINT ENERGY, INC.**

Date: April 23, 2018

By: /s/ William D. Rogers  
William D. Rogers  
Executive Vice President and Chief Financial Officer

**AGREEMENT AND PLAN OF MERGER**

by and among

**VECTREN CORPORATION,**

**CENTERPOINT ENERGY, INC.**

and

**PACER MERGER SUB, INC.**

**Dated as of April 21, 2018**

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Exhibit A – Definitions

## **AGREEMENT AND PLAN OF MERGER**

This AGREEMENT AND PLAN OF MERGER (this “Agreement”), dated as of April 21, 2018, is by and among VECTREN CORPORATION, an Indiana corporation (the “Company”), CENTERPOINT ENERGY, INC., a Texas corporation (the “Parent”), and PACER MERGER SUB, INC., an Indiana corporation and wholly owned subsidiary of Parent (“Merger Sub” and, together with the Company and Parent, the “Parties”).

### **RECITALS**

WHEREAS, the Parties intend that, upon the terms and subject to the conditions set forth herein, at the Effective Time, Merger Sub will merge with and into the Company, with the Company surviving such merger (the “Merger”) in accordance with the Indiana Business Corporation Law (the “IBCL”);

WHEREAS, the board of directors of the Company (the “Company Board”) has (a) determined that it is in the best interests of the Company and its shareholders, and has declared it advisable, for the Company to enter into this Agreement and to consummate the transactions contemplated hereby, including the Merger, (b) adopted and approved this Agreement and approved the Company’s execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth herein, in accordance with the IBCL, and (c) resolved to recommend the approval of the transactions contemplated hereby, including the Merger, to the Company’s shareholders and directed that this Agreement be submitted to the Company’s shareholders for approval at a duly held meeting of such shareholders for such purpose in accordance with the IBCL;

WHEREAS, the board of directors of Parent (the “Parent Board”) has (a) determined that it is in the best interests of Parent and its shareholders, and has declared it advisable, for Parent to enter into this Agreement and to consummate the transactions contemplated hereby and (b) adopted and approved this Agreement and approved Parent’s execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby upon the terms and subject to the conditions set forth herein, in accordance with the Texas Business Organizations Code (the “TBOC”);

WHEREAS, the board of directors of Merger Sub has (a) determined that it is in the best interests of Merger Sub, and has declared it advisable, for Merger Sub to enter into this Agreement and to consummate the transactions contemplated hereby, including the Merger, (b) adopted and approved this Agreement and approved Merger Sub’s execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth herein, in accordance with the IBCL, and (c) resolved to recommend the approval of the transactions contemplated hereby, including the Merger, to Parent, as the sole shareholder of Merger Sub, and directed that this Agreement be submitted to Parent for approval in accordance with the IBCL;

WHEREAS, Parent has approved this Agreement and the transactions contemplated hereby by written consent in its capacity as the sole shareholder of Merger Sub; and

WHEREAS, the Company, Parent and Merger Sub desire to make certain representations, warranties, covenants and agreements specified herein in connection with this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements set forth herein, and subject to the conditions set forth herein, and each intending to be legally bound hereby, the Parties agree as follows:

## ARTICLE I

### THE MERGER

SECTION 1.01 The Merger. At the Effective Time, upon the terms and subject to the conditions set forth herein, and in accordance with the relevant provisions of the IBCL, Merger Sub shall be merged with and into the Company, and the separate corporate existence of Merger Sub shall thereupon cease. The Company shall continue its existence under the Laws of the State of Indiana as the surviving corporation in the Merger (sometimes referred to herein as the “Surviving Corporation”) and a wholly owned subsidiary of Parent.

SECTION 1.02 The Effective Time. Subject to the provisions of this Agreement, as soon as practicable on the Closing Date, the Company shall deliver to the Secretary of State of the State of Indiana articles of merger with respect to the Merger, in such form as is required by, and executed in accordance with, the relevant provisions of the IBCL (the “Articles of Merger”). The Merger shall become effective at the time the Articles of Merger are duly accepted for filing by the Secretary of State of the State of Indiana in accordance with the IBCL or at such later time as is permissible in accordance with the IBCL and, as the Parties may mutually agree, as specified in the Articles of Merger (the time the Merger becomes effective, the “Effective Time”).

SECTION 1.03 The Closing. Unless this Agreement has been terminated in accordance with Section 8.01, the consummation of the Merger (the “Closing”) shall take place at the offices of Baker Botts L.L.P., 30 Rockefeller Plaza, New York, New York 10112 at 10:00 a.m. New York City time on a date to be mutually agreed to by the Parties, which date shall be no later than the third Business Day after the satisfaction or waiver (to the extent such waiver is permitted by Law) of the conditions to the Closing set forth in Article VII (except for those conditions to the Closing that by their terms are to be satisfied at the Closing but subject to the satisfaction or waiver of such conditions), unless another time, date or place is mutually agreed to in writing by the Parties. The date on which the Closing occurs is referred to herein as the “Closing Date.”

SECTION 1.04 Effects of the Merger. The Merger shall have the effects specified herein and in the applicable provisions of the IBCL. Without limiting the foregoing, from and after the Effective Time, the Surviving Corporation shall possess all of the properties, rights, privileges, powers and franchises of the Company and Merger Sub, and all of the claims, obligations, liabilities, debts and duties of the Company and Merger Sub shall become the claims, obligations, liabilities, debts and duties of the Surviving Corporation.

**SECTION 1.05 Surviving Corporation Organizational Documents.** As of the Effective Time, the articles of incorporation of the Surviving Corporation shall be amended and restated to be the same as the articles of incorporation of Merger Sub, as in effect immediately prior to the Effective Time, until thereafter amended as provided therein and in accordance with applicable Law, except that the name of the Surviving Corporation shall be “Vectren Corporation”. As of the Effective Time, the bylaws of the Surviving Corporation shall be amended and restated to be the same as the bylaws of Merger Sub, as in effect immediately prior to the Effective Time, until thereafter amended as provided therein and in accordance with applicable Law, except that the name of the Surviving Corporation shall be “Vectren Corporation”.

**SECTION 1.06 Surviving Corporation Directors and Officers.** As of the Effective Time, (a) the directors of Merger Sub as of immediately prior to the Effective Time shall be the directors of the Surviving Corporation and (b) the officers of the Company as of immediately prior to the Effective Time shall be the officers of the Surviving Corporation, in each case until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of incorporation and bylaws of the Surviving Corporation.

**SECTION 1.07 Plan of Merger.** This Article I and Article II and, solely to the extent necessary under the IBCL, the other provisions of this Agreement shall constitute a “plan of merger” for purposes of the IBCL. Subject to the terms and conditions of this Agreement, the Parties agree to cooperate and to take all reasonable actions prior to the Effective Time, including executing all requisite documentation, as may be reasonably necessary to effect the Merger in accordance with the terms and conditions hereof.

## ARTICLE II

### **MERGER CONSIDERATION; EXCHANGE OF CERTIFICATES AND BOOK-ENTRY SHARES**

**SECTION 2.01 Merger Consideration.**

At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof:

(a) Conversion of Company Common Stock. Subject to Sections 2.03 and 2.04, and except as otherwise provided by paragraphs (b), (c) and (d) of this Section 2.01, each share of common stock, no par value, of the Company (“Company Common Stock”) issued and outstanding immediately prior to the Effective Time, other than the Treasury Shares to be cancelled in accordance with Section 2.01(c), shall automatically be converted into, and shall thereafter represent solely, the right to receive cash in the amount of \$72.00, without interest (the “Merger Consideration”).

(b) Equitable Adjustment. If at any time during the period between the date of this Agreement and the Effective Time, any change in the outstanding shares of capital stock of the Company (or any other securities convertible therefor or exchangeable thereto) shall occur as a result of any reclassification, recapitalization, stock split

(including a reverse stock split), combination, subdivision, exchange or readjustment of shares, or any stock dividend or stock distribution with a record date during such period, or any similar event, in each case, other than pursuant to the transactions contemplated by this Agreement, the Merger Consideration and any other similarly dependent items shall be equitably adjusted to provide to the holders of Company Common Stock the same economic effect as contemplated by this Agreement prior to such action; provided, however, that nothing in this Section 2.01(b) shall be deemed to permit or authorize the Company to effect any such change that is not otherwise specifically authorized or permitted by this Agreement.

(c) Treasury Shares. All Treasury Shares shall be canceled automatically and retired at the Effective Time, and no consideration shall be issued in exchange therefor.

(d) Outstanding Parent Common Stock. Each share of common stock, par value \$0.01, of Parent (“Parent Common Stock”) issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding and unaffected by the Merger.

(e) Outstanding Common Stock of Merger Sub. Each share of common stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into one share of common stock of the Surviving Corporation and shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

## SECTION 2.02 Rights as Shareholders; Share Transfers.

At the Effective Time, holders of shares of Company Common Stock shall cease to be, and shall have no rights as, shareholders of the Company, other than (a) to receive any dividend or other distribution with respect to such shares of Company Common Stock with a record date occurring prior to the Effective Time and (b) to receive the consideration provided under this Article II.

## SECTION 2.03 Exchange and Payment Procedures.

### (a) Exchange Agent.

(i) Prior to the Closing Date, Parent shall appoint a bank or trust company to act as paying and exchange agent reasonably acceptable to the Company (the “Exchange Agent”) for the purpose of exchanging shares of Company Common Stock for the Merger Consideration in accordance with Section 2.01(a). At or prior to the Effective Time, Parent shall deposit or cause to be deposited with the Exchange Agent, an aggregate amount of cash sufficient to deliver the aggregate amount of the Merger Consideration. All such cash shall hereinafter be referred to as the “Exchange Fund.”

(ii) Prior to the Effective Time, Parent and the Company shall cooperate to establish procedures with the Exchange Agent and the Depository Trust Company (“DTC”) with the objective that (x) if the Effective Time occurs at or prior to 11:30 a.m. (New York City time) on the Closing Date, out of

available funds in the Exchange Fund, the Exchange Agent will transmit to DTC or its nominee on the Closing Date the Merger Consideration in respect of each share of Company Common Stock held of record by DTC or such nominee immediately prior to the Effective Time (such aggregate cash amount, the “DTC Cash Payment”) and (y) if the Effective Time occurs after 11:30 a.m. (New York City time) on the Closing Date, the Exchange Agent will transmit to DTC or its nominee on the first Business Day after the Closing Date the DTC Cash Payment.

(b) Payment Procedures.

(i) Promptly after the Effective Time (but no later than three (3) Business Days after the Effective Time), the Exchange Agent will mail to each holder of record of a certificate representing outstanding shares of Company Common Stock immediately prior to the Effective Time (a “Certificate”) and to each holder of uncertificated shares of Company Common Stock represented by book entry immediately prior to the Effective Time (“Book-Entry Shares”), in each case, whose shares were converted into the right to receive the Merger Consideration pursuant to Section 2.01(a):

(1) a letter of transmittal, which shall specify that delivery shall be effected, and that risk of loss and title to Certificates or Book-Entry Shares held by such holder will pass, only upon proper delivery of such Certificates or Book-Entry Shares to the Exchange Agent in accordance with the procedures set forth in the letter of transmittal and which shall be in form and substance reasonably satisfactory to Parent and the Company, and

(2) instructions for use in effecting the surrender of such Certificates or Book-Entry Shares in exchange for the Merger Consideration with respect to such shares.

(ii) Upon surrender to, and acceptance in accordance with Section 2.03(b)(iii) by, the Exchange Agent of a Certificate or Book-Entry Share together with the letter of transmittal, if applicable, duly completed and validly executed in accordance with the instructions thereto, the holder thereof will be entitled to the Merger Consideration payable in respect of the number of shares of Company Common Stock formerly represented by such Certificate or Book-Entry Share surrendered under this Agreement.

(iii) The Exchange Agent will accept Certificates or Book-Entry Shares upon compliance with such reasonable terms and conditions as the Exchange Agent may impose to effect an orderly exchange of the Certificates and Book-Entry Shares in accordance with customary exchange practices.

(iv) From and after the Effective Time, no further transfers may be made on the records of the Company or its transfer agent of Certificates or Book-Entry Shares, and if any Certificate or Book-Entry Share is presented to the

Company for transfer, such Certificate or Book-Entry Share shall be canceled against delivery of the Merger Consideration payable in respect of the shares of Company Common Stock represented by such Certificate or Book-Entry Share.

(v) If any Merger Consideration is to be remitted to a name other than that in which a Certificate or Book-Entry Share is registered, no Merger Consideration may be paid in exchange for such surrendered Certificate or Book-Entry Share unless:

(1) either (A) the Certificate so surrendered is properly endorsed, with signature guaranteed, or otherwise in proper form for transfer or (B) the Book-Entry Share is properly transferred; and

(2) the Person requesting such payment shall (A) pay any transfer or other Taxes required by reason of the payment to a Person other than the registered holder of the Certificate or Book-Entry Share or (B) establish to the satisfaction of the Exchange Agent that such Taxes have been paid or are not payable.

(vi) At any time after the Effective Time until surrendered as contemplated by this Section 2.03, each Certificate or Book-Entry Share shall be deemed to represent only the right to receive upon such surrender the Merger Consideration payable in respect of the shares of Company Common Stock represented by such Certificate or Book-Entry Share as contemplated by Section 2.01(a). No interest will be paid or accrued for the benefit of holders of Certificates or Book-Entry Shares on the Merger Consideration payable in respect of the shares of Company Common Stock represented by Certificates or Book-Entry Shares.

(c) No Further Ownership Rights in Company Common Stock.

(i) At the Effective Time, each holder of a Certificate, and each holder of Book-Entry Shares, will cease to have any rights with respect to such shares of Company Common Stock, except, to the extent provided by Section 2.02, for the right to receive the Merger Consideration payable in respect of the shares of Company Common Stock formerly represented by such Certificate or Book-Entry Shares upon surrender of such Certificate or Book-Entry Share in accordance with Section 2.03(b):

(ii) The Merger Consideration paid upon the surrender or exchange of Certificates or Book-Entry Shares in accordance with this Section 2.03 will be deemed to have been paid in full satisfaction of all rights pertaining to the shares of Company Common Stock formerly represented by such Certificates or Book-Entry Shares.

(d) Termination of Exchange Fund. The Exchange Agent will deliver to the Surviving Corporation, upon the Surviving Corporation's demand, any portion of the Exchange Fund (including any interest and other income received by the Exchange Agent

in respect of all such funds) which remains undistributed to the former holders of Certificates or Book-Entry Shares upon expiration of the period ending one (1) year after the Effective Time. Thereafter, any former holder of Certificates or Book-Entry Shares prior to the Merger who has not complied with this Section 2.03 prior to such time, may look only to the Surviving Corporation for payment of his, her or its claim for Merger Consideration to which such holder may be entitled.

(e) No Liability. None of Parent, the Company, the Exchange Agent or the Surviving Corporation shall be liable to any former holder of shares of Company Common Stock for any payment of the Merger Consideration delivered to a public official if required by any applicable abandoned property, escheat or similar Law. Any portion of the Exchange Fund remaining unclaimed by holders of shares of Company Common Stock as of a date that is immediately prior to such time as such amounts would otherwise escheat to or become property of any Governmental Entity will, to the extent not prohibited by applicable Law, become the property of Parent, free and clear of all of any claims or interest of any Person previously entitled thereto.

(f) Withholding Taxes. Each of Parent, the Surviving Corporation and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Certificates, Book-Entry Shares, Company Stock Units, Company Other Performance Units or Company Unpaid Performance Units such amounts for Taxes as may be required to be deducted and withheld with respect to the making of such payment under applicable Tax Law. Amounts so deducted and withheld shall be promptly paid over to the appropriate taxing authority, and shall be treated for all purposes under this Agreement as having been paid to the holder of Certificates, Book-Entry Shares, Company Stock Units, Company Other Performance Units or Company Unpaid Performance Units, as applicable, in respect of which such deduction or withholding was made. Parent, the Surviving Corporation or the Exchange Agent, as relevant, shall reasonably cooperate in good faith to establish or obtain any exemption from or reduction in the amount of any withholding that otherwise would be required.

(g) Waiver. The Surviving Corporation may from time to time, in the case of one or more Persons, waive one or more of the rights provided to it in this Article II to withhold certain payments, deliveries and distributions; and no such waiver shall constitute a waiver of its rights thereafter to withhold any such payment, delivery or distribution in the case of any Person.

(h) Lost, Stolen or Destroyed Certificates. If any Certificate formerly representing shares of Company Common Stock has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such Person of a bond, in such reasonable and customary amount as Parent may direct, as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall deliver and pay, in exchange for such lost, stolen or destroyed certificate, the Merger Consideration payable in respect thereof pursuant to this Agreement.

(i) Investment of Exchange Fund. The Exchange Agent shall invest any cash in the Exchange Fund if and as directed by Parent; provided, that such investment shall be in obligations of, or guaranteed by, the United States of America, in commercial paper obligations of issuers organized under the Law of a state of the United States of America, rated A-1 or P-1 or better by Moody's Investors Service, Inc. or Standard & Poor's Ratings Service, respectively, or in certificates of deposit, bank repurchase agreements or bankers' acceptances of commercial banks with capital exceeding \$10,000,000,000, or in mutual funds investing in such assets. Any interest and other income resulting from such investments shall be paid to, and be the property of, Parent. No investment losses resulting from the Exchange Fund shall diminish the rights of any of the Company's shareholders to receive the Merger Consideration or any other payment as provided herein. To the extent there are losses with respect to such investments or the Exchange Fund diminishes for any other reason below the level required to make prompt cash payment of the aggregate funds required to be paid pursuant to the terms hereof, Parent shall reasonably promptly replace or restore the cash in the Exchange Fund so as to ensure that the Exchange Fund is at all times maintained at a level sufficient to make such cash payments.

SECTION 2.04 Equity Awards. At or prior to the Effective Time, the Company shall take such actions as are necessary (including obtaining any resolutions of the Company Board or, if appropriate, any committee thereof administering the Company Stock Plan and, if necessary or appropriate, amending the terms of the Company Stock Plan) to effect the following:

(a) Company Stock Units. Immediately prior to the Effective Time, each Company Stock Unit that is outstanding and unvested immediately prior to the Effective Time shall be cancelled as of the Effective Time and converted into a vested right to receive cash in an amount equal to (i) the Merger Consideration, plus (ii) the amount of any unpaid dividend equivalents associated with such Company Stock Unit as of the Effective Time, subject to any withholding Taxes required by Law to be withheld in accordance with Section 2.03(f). In each case, payment with respect to any Company Stock Units shall be made within five (5) Business Days after the Closing Date.

(b) Company Unpaid Performance Units. Prior to the Effective Time, with respect to each Company Unpaid Performance Unit that is outstanding the Company shall pay to the holder thereof cash in an amount equal to the Merger Consideration, with the number of vested Company Unpaid Performance Units to be the number determined in accordance with the performance criteria and adjusted for dividends as otherwise provided in the applicable award agreement, subject to any withholding Taxes required by Law to be withheld in accordance with Section 2.03(f). Upon such payment, all such Company Unpaid Performance Units will be cancelled.

(c) Company Other Performance Units. Immediately prior to the Effective Time, each Company Other Performance Unit that is outstanding and unvested immediately prior to the Effective Time shall be cancelled as of the Effective Time and converted into a vested right to receive cash in an amount equal to the Merger Consideration, with the number of vested Company Other Performance Units to be the greater of (A) the number determined in accordance with the performance criteria and

adjusted for dividends as otherwise provided in the applicable award agreement and as if the performance period ended as of the last Business Day immediately preceding the Closing Date and (B) the target award and adjusted for dividends as provided in the applicable award agreement, subject to any withholding Taxes required by Law to be withheld in accordance with Section 2.03(f). In each case, payment with respect to any Company Other Performance Units shall be made within five (5) Business Days after the Closing Date.

(d) Treatment of 2018 Stock Units and 2019 Stock Units. Notwithstanding the provisions of this Section 2.04, as soon as practicable following the date of this Agreement, but in all events prior to the grant of the 2018 Stock Units, the Company shall amend the Company Stock Plan to provide that, notwithstanding any other provision of the Company Stock Plan to the contrary, each 2018 Stock Unit and each 2019 Stock Unit shall be cancelled as of the Effective Time and converted into a vested right to receive cash in an amount equal to the Merger Consideration, with the number of vested 2018 Stock Units and 2019 Stock Units to be based on the target award pro-rated based upon the Closing Date (with any unvested portion to be automatically cancelled) and adjusted for dividends as provided in the applicable award agreement, subject to any withholding Taxes required by Law to be withheld in accordance with Section 2.03(f). In each case, payment with respect to any 2018 Stock Units and 2019 Stock Units shall be made within five (5) Business Days after the Closing Date.

(e) Termination of Company Stock Plan. After the Effective Time, the Company Stock Plan shall be terminated and no further Company Stock Units, Company Other Performance Units or Company Unpaid Performance Units shall be granted thereunder.

(f) Other Equity-Based Rights. Immediately prior to the Effective Time, each Other Equity-Based Right that is outstanding immediately prior to the Effective Time, shall, without any action on the part of the holder thereof, be cancelled as of the Effective Time and converted into a vested right to receive the Merger Consideration, subject to any withholding Taxes required by Law to be withheld in accordance with Section 2.03(f), such that as of the Effective Time, no Other Equity-Based Rights shall be outstanding. In each case, payment with respect to any Other Equity-Based Rights shall occur on the date that it would otherwise occur under the applicable Company Benefit Plan or applicable election form under such Company Benefit Plan.

**SECTION 2.05 No Dissenters Rights.** The Parties acknowledge and agree that the holders of shares of Company Common Stock are not entitled to any dissenters' rights of appraisal under Chapter 44 of the IBCL.

## **ARTICLE III**

### **REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

Except (a) as set forth in the Company Reports publicly available and filed with or furnished to the SEC at least one (1) Business Day prior to the date of this Agreement (excluding

any disclosures of factors or risks contained or references therein under the captions “Risk Factors” or “Forward-Looking Statements” and any other statements that are predictive, cautionary or forward-looking in nature) or (b) subject to Section 9.04(k), as set forth in the corresponding section of the disclosure letter delivered by the Company to Parent concurrently with the execution and delivery by the Company of this Agreement (the “Company Disclosure Letter”), the Company represents and warrants to Parent and Merger Sub as follows:

**SECTION 3.01 Organization, Standing and Power.** Each of the Company and the Subsidiaries of the Company (the “Company Subsidiaries”) is duly organized, validly existing and in active status or good standing, as applicable, under the laws of the jurisdiction in which it is organized (in the case of active status or good standing, to the extent such jurisdiction recognizes such concept), except, in the case of the Company Subsidiaries, where the failure to be so organized, existing or in active status or good standing, as applicable, has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company and the Company Subsidiaries has all requisite entity power and authority to enable it to own, operate, lease or otherwise hold its properties and assets and to conduct its businesses as presently conducted, except where the failure to have such power or authority would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Each of the Company and the Company Subsidiaries is duly qualified or licensed to do business in each jurisdiction where the nature of its business or the ownership, operation or leasing of its properties make such qualification necessary, except in any such jurisdiction where the failure to be so qualified or licensed would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. The Company has made available to Parent true and complete copies of the amended and restated articles of incorporation of the Company in effect as of the date of this Agreement (the “Company Articles”) and the bylaws of the Company in effect as of the date of this Agreement (the “Company Bylaws”).

**SECTION 3.02 Company Subsidiaries.** All the outstanding shares of capital stock, voting securities of, and other equity interests in, each Company Subsidiary have been validly issued and are fully paid and nonassessable and are owned by the Company, by another Company Subsidiary or by the Company and another Company Subsidiary, free and clear of (a) all pledges, liens, charges, mortgages, encumbrances and security interests of any kind or nature whatsoever (collectively, “Liens”) and (b) any other restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock, voting securities or other equity interests), except, in the case of the foregoing clauses (a) and (b), as imposed by this Agreement, the Organizational Documents of the Company Subsidiaries or applicable securities Laws. Section 3.02 of the Company Disclosure Letter sets forth, as of the date of this Agreement, a true and complete list of the Company Subsidiaries. The Company has made available to Parent true and complete copies of the articles of incorporation and bylaws (or equivalent Organizational Documents) of each Company Subsidiary in effect as of the date of this Agreement. Neither the Company nor any Company Subsidiary owns any shares of capital stock or voting securities of, or other equity interests in, any Person other than the Company Subsidiaries.

**SECTION 3.03 Capital Structure.**

(a) The authorized capital stock of the Company consists of 500,000,000 shares of which 480,000,000 shares is Company Common Stock without par value and 20,000,000 shares is preferred stock without par value (the “Preferred Stock”). At the close of business on April 20, 2018 (the “Capitalization Reference Date”), (i) 83,080,695 shares of Company Common Stock were issued and outstanding, (ii) no shares of Preferred Stock were issued and outstanding, (iii) no shares of Company Common Stock were held by the Company in its treasury, (iv) Company Stock Units with respect to an aggregate of 29,061 shares of Company Common Stock were issued and outstanding (v) Company Other Performance Units with respect to an aggregate of 535,994 shares of Company Common Stock based on achievement of applicable performance criteria at target level were issued and outstanding and (vi) Company Unpaid Performance Units with respect to an aggregate of 0 shares of Company Common Stock based on achievement of applicable performance criteria at actual results were issued and outstanding. At the close of business on the Capitalization Reference Date, an aggregate of 3,259,309 shares of Company Common Stock were available for issuance pursuant to the Company Stock Plan. Except as set forth above, at the close of business on the Capitalization Reference Date, there are no shares of capital stock, or other equity or voting securities or equity or voting interests of the Company issued, reserved for issuance or outstanding. From the close of business on the Capitalization Reference Date to the date of this Agreement, there have been no issuances by the Company of any shares of capital stock, or other equity or equity-based or voting securities or equity or voting interests, and from the close of business on the Capitalization Reference Date to the date of this Agreement, the Company has not entered into a Contract to grant, or otherwise committed to grant any such awards or other equity or equity-based awards that may be settled in or are otherwise based on the value of the Company Common Stock.

(b) Section 3.03(b) of the Company Disclosure Letter sets forth, as of the Capitalization Reference Date, a complete and correct list of all outstanding Company Stock Units, Company Unpaid Performance Units and Company Other Performance Units, including the holder, date of grant, exercise price (if applicable), vesting schedule, performance period and number of shares of Company Common Stock (based on target performance) or performance units (including the target dollar value per unit) subject thereto.

(c) Except for the Company Stock Plan, the Vectren Corporation Retirement Savings Plan and the Company’s dividend reinvestment and stock purchase plan (the “Company DRIP”), no plan, program or other arrangement provides for the issuance of Equity Securities.

(d) All outstanding shares of Company Common Stock are, and all shares of Company Common Stock that may be issued upon the settlement of Company Stock Units, Company Other Performance Units and Company Unpaid Performance Units will be, when issued, duly authorized, validly issued, fully paid and nonassessable and not subject to, or issued in violation of, any preemptive or similar right. Except as set forth in this Section 3.03 or as set forth in Section 3.03 of the Company Disclosure Letter, there are not issued, reserved for issuance or outstanding, and there are not any outstanding

obligations of the Company or any Company Subsidiary to issue, deliver or sell, or cause to be issued, delivered or sold, (i) any capital stock of the Company or any Company Subsidiary or any securities of the Company or any Company Subsidiary convertible into or exchangeable or exercisable for shares of capital stock or voting securities of, or other equity interests in, the Company or any Company Subsidiary or (ii) any warrants, calls, options, rights, "phantom" equity rights, equity appreciation rights, profit participation rights, equity-based performance units, commitments, Contracts, arrangements or undertakings of any kind, or other rights to acquire from the Company or any Company Subsidiary, or any other obligation of the Company or any Company Subsidiary to issue, deliver or sell, or cause to be issued, delivered or sold, any capital stock or voting securities of, or other equity interests in, the Company or any Company Subsidiary, or any security convertible or exercisable for or exchangeable into any capital stock of or other equity interest in, the Company or any Company Voting Debt, or any interests based on the value of equity interests in the Company (the foregoing clauses (i) and (ii), collectively, "Equity Securities"). Except pursuant to the Company Stock Plan, there are not any outstanding obligations of the Company or any Company Subsidiary to repurchase, redeem or otherwise acquire any Equity Securities. There is no outstanding Indebtedness of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which shareholders of the Company may vote ("Company Voting Debt"). No Company Subsidiary owns any shares of Company Common Stock. There are no proxies, voting trusts or other agreements or understandings to which either the Company or any of the Company Subsidiaries is a party or is bound with respect to the voting or registration of any capital stock or voting securities of, or other equity interests in, the Company or any of the Company Subsidiaries.

**SECTION 3.04 Authority; Execution and Delivery; Enforceability.** The Company has all requisite corporate power and authority to execute and deliver this Agreement, to perform its covenants and agreements hereunder and to consummate the transactions contemplated hereby, including the Merger, subject, in the case of the Merger, to the receipt of the Company Shareholder Approval. The Company Board has adopted resolutions, at a meeting duly called at which a quorum of directors of the Company was present, (a) determining that it is in the best interests of the Company and its shareholders, and declaring it advisable, for the Company to enter into this Agreement, (b) adopting this Agreement and approving the Company's execution, delivery and performance of this Agreement and the consummation of the transactions contemplated thereby and (c) resolving to recommend that the Company's shareholders approve this Agreement (the "Company Board Recommendation") and directing that this Agreement be submitted to the Company's shareholders for approval at a duly held meeting of such shareholders for such purpose (the "Company Shareholders Meeting"). Such resolutions have not been amended or withdrawn as of the date of this Agreement. Except for (i) the approval of this Agreement by the affirmative vote of the holders of a majority of all of the outstanding shares of Company Common Stock entitled to vote at the Company Shareholders Meeting (the "Company Shareholder Approval") and (ii) the filing of the Articles of Merger as required by the IBCL, no other vote or corporate proceedings on the part of the Company or its shareholders are necessary to authorize, adopt or approve this Agreement or to consummate the transactions contemplated hereby, including the Merger. The Company has duly executed and delivered this Agreement and, assuming the due authorization, execution and delivery by Parent and Merger

Sub, this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject in all respects to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law) (the "Bankruptcy and Equity Exceptions").

#### **SECTION 3.05 No Conflicts; Consents.**

(a) The execution and delivery by the Company of this Agreement does not, and the performance by the Company of its covenants and agreements hereunder and the consummation of the transactions contemplated hereby, including the Merger, will not, (i) subject to obtaining the Company Shareholder Approval, conflict with, or result in any violation of any provision of, the Company Articles, the Company Bylaws or the Organizational Documents of any Company Subsidiary, (ii) subject to obtaining the Consents set forth in Section 3.05(a)(ii) of the Company Disclosure Letter (the "Company Required Consents"), conflict with, result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to the loss of a benefit under, or result in the creation of a Lien upon any of the respective properties or assets of the Company or any Company Subsidiary pursuant to, any Contract to which the Company or any Company Subsidiary is a party or by which any of their respective properties or assets are bound or any Permit applicable to the business of the Company and the Company Subsidiaries or (iii) subject to obtaining the Company Shareholder Approval and the Consents referred to in Section 3.05(b) and making the Filings referred to in Section 3.05(b), conflict with, or result in any violation of any provision of, any Judgment or Law, in each case, applicable to the Company or any Company Subsidiary or their respective properties or assets, except for, in the case of the foregoing clauses (ii) and (iii), any matter that would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and would not prevent or materially impede, interfere with or delay the consummation of the transactions contemplated hereby, including the Merger.

(b) No consent, waiver or Permit ("Consent") of or from, or registration, declaration, notice, submission or filing ("Filing") made to or with, any Governmental Entity is required to be obtained or made by the Company, any Company Subsidiary or any other Affiliate of the Company in connection with the Company's execution and delivery of this Agreement or its performance of its covenants and agreements hereunder or the consummation of the transactions contemplated hereby, including the Merger, except for the following:

(i) (A) the filing with the Securities and Exchange Commission (the "SEC"), in preliminary and definitive form, of the Proxy Statement and (B) the filing with the SEC of such reports under, and such other compliance with, the Securities Exchange Act of 1934, as amended (together with the rules and regulations of the SEC promulgated thereunder, the "Exchange Act"), or the Securities Act of 1933, as amended (together with the rules and regulations of the SEC promulgated thereunder, the "Securities Act"), in each case as may be required in connection with this Agreement or the Merger;

(ii) compliance with, Filings under and the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder (the “HSR Act”);

(iii) the filing of the Articles of Merger with the Secretary of State of the State of Indiana;

(iv) (A) the Filing with, and the Consent of, the Federal Energy Regulatory Commission (the “FERC”) under Section 203 of the Federal Power Act (the “FPA”), (B) the Filings with, and the Consents of, the Governmental Entities set forth in Section 3.05(b)(iv) of the Company Disclosure Letter and (C) the other Filings and Consents set forth in Section 3.05(b)(iv) of the Company Disclosure Letter (the Consents and Filings set forth in Section 3.05(b)(ii) and this Section 3.05(b)(iv), collectively, the “Company Required Statutory Approvals”);

(v) compliance with and filings required under the rules and regulations of the NYSE; and

(vi) such other Filings and Consents the failure of which to make or obtain would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and would not prevent or materially impede, interfere with or delay the consummation of the Merger.

#### SECTION 3.06 Company Reports; Financial Statements.

(a) The Company has furnished or filed all reports, schedules, forms, statements and other documents (including exhibits and other information incorporated therein) required to be furnished or filed by the Company with the SEC since January 1, 2015 (such documents, together with all exhibits, financial statements, including the Company Financial Statements, and schedules thereto and all information incorporated therein by reference, but excluding the Proxy Statement, being collectively referred to as the “Company Reports”). Each Company Report (i) at the time furnished or filed, complied in all material respects with the applicable requirements of the Exchange Act, the Securities Act or the Sarbanes-Oxley Act of 2002 (including the rules and regulations promulgated thereunder), as the case may be, and the rules and regulations of the SEC promulgated thereunder applicable to such Company Report and (ii) did not at the time it was filed (or if amended or superseded by a filing or amendment prior to the date of this Agreement, then at the time of such filing or amendment) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made as to the accuracy of any financial projections or forward-looking statements. Each of the consolidated financial statements of the Company included in the Company Reports (the

“Company Financial Statements”) complied at the time it was filed as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, was prepared in accordance with United States generally accepted accounting principles (“GAAP”) (except, in the case of unaudited quarterly financial statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods and as of the dates involved (except as may be indicated in the notes thereto) and fairly presents in all material respects, the consolidated financial position of the Company and the Company’s consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods shown (subject, in the case of unaudited quarterly financial statements, to normal year-end audit adjustments and any other adjustments stated therein or in the notes thereto). To the Knowledge of the Company, none of the Company Reports is the subject of ongoing SEC review or an outstanding SEC investigation and there are no outstanding or unresolved comments received from the SEC with respect to any of the Company Reports, or any resolved comments received from the SEC that have not yet been reflected in the Company Reports.

(b) Neither the Company nor any Company Subsidiary has any liability of any nature that is required by GAAP to be set forth on a consolidated balance sheet of the Company and the Company Subsidiaries, except liabilities (i) reflected or reserved against in the most recent balance sheet (including the notes thereto) of the Company and the Company Subsidiaries included in the Company Reports filed prior to the date hereof, (ii) incurred in the ordinary course of business after December 31, 2017, (iii) incurred in connection with the Merger or any other transaction or agreement contemplated by this Agreement or (iv) that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(c) The Company maintains a system of “internal control over financial reporting” (as defined in Rule 13a-15(f) or 15d-15(f), as applicable, under the Exchange Act). Such internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP in all material respects. The Company maintains “disclosure controls and procedures” required by Rule 13a-15(e) or 15d-15(e) under the Exchange Act that are effective in all material respects to ensure that information required to be disclosed by the Company in the reports it files or furnishes under the Exchange Act is recorded, processed, summarized and reported on a timely basis to the individuals responsible for the preparation of the Company’s filings with the SEC and other public disclosure documents. The Company has disclosed, based on its most recent evaluation prior to the date of this Agreement, to the Company’s outside auditors and the audit committee of the Company Board (i) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information and (ii) any fraud, known to the Company, whether or not material, that involves management or other employees who have a significant role in the Company’s internal controls over financial reporting. Since January 1, 2015, there have been no material written complaints (and, to the Knowledge of the Company, no other material complaints) from a Governmental Entity regarding accounting, internal accounting controls or auditing matters of the Company or any Company Subsidiary.

(d) Except for Vectren Utility Holdings, Inc., none of the Company Subsidiaries is, or at any time since January 1, 2015 has been, subject to the reporting requirements of Sections 13(a) or 15(d) of the Exchange Act.

(e) Since January 1, 2015, each of the principal executive officer and the principal financial officer of the Company has made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 with respect to the Company Reports, and the statements contained in such certifications are true and accurate in all material respects. For the purposes of this Agreement, “principal executive officer” and “principal financial officer” shall have the meanings given to such terms in the Sarbanes-Oxley Act of 2002.

#### **SECTION 3.07 Absence of Certain Changes or Events.**

(a) From January 1, 2018 to the date of this Agreement, each of the Company and the Company Subsidiaries has conducted its respective business in the ordinary course of business in all material respects.

(b) From January 1, 2018 to the date of this Agreement, there has not occurred any fact, circumstance, effect, change, event or development that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

#### **SECTION 3.08 Taxes.**

(a) (i) Each of the Company and Company Subsidiaries has timely filed, taking into account all valid extensions, all material Tax Returns required to have been filed and such Tax Returns are accurate and complete in all respects and (ii) all material Taxes have been timely paid in full (whether or not shown or required to be shown as due on any Tax Return);

(b) All material Tax withholding and deposit requirements imposed on or with respect to the Company or its Subsidiaries have been satisfied;

(c) (i) no audit, examination, investigation or other proceeding is pending with any Governmental Entity with respect to any material amount of unpaid Taxes asserted against the Company or any Company Subsidiary; and neither the Company nor any Company Subsidiary has received notice of any threatened audit, examination, investigation or other proceeding from any Governmental Entity for any amount of unpaid Taxes asserted against the Company or any Company Subsidiary, which have not been fully paid or settled, and (ii) neither the Company nor any Company Subsidiary has granted any waiver of any statute of limitations with respect to, or any extension of a period for the assessment of, any Tax which has not yet expired (excluding extensions of time to file Tax Returns obtained in the ordinary course);

(d) (i) neither the Company nor any Company Subsidiary had any liabilities for material unpaid Taxes as of the date of the latest balance sheet included in the Company Financial Statements that had not been accrued or reserved on such balance sheet in accordance with GAAP and (ii) neither the Company nor any Company Subsidiary has incurred any material liability for Taxes since the date of the latest balance sheet included in the Company Financial Statements except in the ordinary course of business;

(e) neither the Company nor any Company Subsidiary has any material liability for Taxes of any Person (except for the Company or any Company Subsidiary) arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign Law, as a transferee or successor or by contract;

(f) neither the Company nor any Company Subsidiary is a party to or is otherwise bound by any Tax sharing, allocation or indemnification agreement or arrangement, except for such an agreement or arrangement (i) exclusively between or among the Company and Company Subsidiaries, (ii) with customers, vendors, lessors or other third parties entered into in the ordinary course of business and not primarily related to Taxes or (3) that as of the Closing Date will be terminated without any further payments being required to be made;

(g) within the past three (3) years, neither the Company nor any Company Subsidiary has been a “distributing corporation” or a “controlled corporation” in a distribution intended to qualify for tax-free treatment under Section 355 of the Code;

(h) neither the Company nor any Company Subsidiary has participated in, had any liability in respect of, or any filing obligations with respect to, any “listed transaction” as defined in Treasury Regulations Section 1.6011-4(b)(2) or Treasury Regulations Section 301.6111-2(b);

(i) there are no Liens on any of the assets of the Company or any of its Subsidiaries that arose in connection with any failure (or alleged failure) to pay any Tax (excluding Permitted Liens); and

(j) neither the Company nor any Company Subsidiary has any Tax rulings, requests for rulings, closing agreements or other similar agreements in effect or filed with any Governmental Entity.

(k) Except to the extent Section 3.09 relates to Taxes, the representations and warranties contained in this Section 3.08 are the sole and exclusive representations and warranties of the Company relating to Taxes, and no other representation or warranty of the Company contained herein shall be construed to relate to Taxes.

#### **SECTION 3.09 Employee Benefits.**

(a) Section 3.09(a) of the Company Disclosure Letter sets forth a complete and accurate list, as of the date of this Agreement, of each material Company Benefit Plan and each material Company Benefit Agreement.

(b) With respect to each material Company Benefit Plan and material Company Benefit Agreement, the Company has made available to Parent, to the extent applicable, complete and accurate copies of (i) the plan document (or, if such arrangement is not in writing, a written description of the material terms thereof), including any amendment thereto and any summary plan description thereof, (ii) each trust, insurance, annuity or other funding Contract related thereto, (iii) the most recent audited financial statement and actuarial or other valuation report prepared with respect thereto, (iv) the most recent annual report on Form 5500 required to be filed with the Internal Revenue Service (the “IRS”) with respect thereto and (v) the most recently received IRS determination letter or, if applicable, current IRS opinion or advisory letter (as to qualified plan status). No Company Benefit Plan or Company Benefit Agreement is maintained outside the jurisdiction of the United States, or covers any Company Personnel residing or working outside of the United States.

(c) Except as, individually or in the aggregate, has not had and would not reasonably be expected to result in a material liability to the Company and the Company Subsidiaries, taken as a whole, (i) each Company Benefit Plan and each Company Benefit Agreement has been maintained in compliance with its terms and with the requirements prescribed by ERISA, the Code and all other applicable Laws, (ii) there are no pending or, to the Knowledge of the Company, threatened proceedings or claims against any Company Benefit Plan or Company Benefit Agreement or any fiduciary thereof, or the Company or any Company Subsidiary with respect to any Company Benefit Plan or Company Benefit Agreement and (iii) all contributions, reimbursements, premium payments and other payments required to be made by the Company or any Company Commonly Controlled Entity to any Company Benefit Plan have been made on or before their applicable due dates. Except as, individually or in the aggregate, has not had and would not reasonably be expected to result in a material liability to the Company and the Company Subsidiaries, taken as a whole, neither the Company nor any Company Commonly Controlled Entity has engaged in, and to the Knowledge of the Company, there has not been, any non-exempt transaction prohibited by ERISA or by Section 4975 of the Code with respect to any Company Benefit Plan or Company Benefit Agreement or their related trusts that would reasonably be expected to result in a liability of the Company or a Company Commonly Controlled Entity. Except as has not had and would not reasonably be expected to result in, individually or in the aggregate, a material liability to the Company and the Company Subsidiaries, taken as a whole, no Company Benefit Plan or Company Benefit Agreement is under audit or is the subject of an administrative proceeding by the IRS, the Department of Labor, or any other Governmental Entity, or has there occurred a PBGC reportable event, nor is any such audit or other administrative proceeding, or reportable event to the Knowledge of the Company, threatened or reasonably expected.

(d) Section 3.09(d)(i) of the Company Disclosure Letter sets forth each Company Benefit Plan and Company Benefit Agreement that is subject to Section 302 or Title IV of ERISA or Section 412, 430 or 4971 of the Code. Except as provided in Section 3.09(d)(ii) of the Company Disclosure Letter, no Company Benefit Plan or Company Benefit Agreement is a Multiemployer Plan and neither the Company nor any Company Commonly Controlled Entity has contributed to or been obligated to contribute

to any such plan within the six years preceding this Agreement, or has any outstanding liability with respect to any Multiemployer Plan, other than any obligation to contribute to such plans under a collective bargaining agreement(s). With respect to each Multiemployer Plan set forth in Section 3.09(d)(ii) of the Company Disclosure Letter, the Company has made available to Parent to the extent applicable, complete and accurate copies of any (i) endangered status or critical status notices, (ii) funding improvement plan or rehabilitation plan; and (iii) the most recent withdrawal liability estimate obtained by the Company, if any. Except for matters that have not had and would not reasonably be expected to result in, individually or in the aggregate, a material liability to the Company and the Company Subsidiaries, taken as whole, neither the Company nor any Company Commonly Controlled Entity has incurred any Controlled Group Liability (as defined below) that has not been satisfied in full nor do any circumstances exist that could reasonably be expected to give rise to any Controlled Group Liability (except for the payment of premiums to the Pension Benefit Guaranty Corporation). For the purposes of this Agreement, “Controlled Group Liability” means any and all liabilities (i) under Title IV of ERISA, (ii) under Section 302 of ERISA, (iii) under Sections 412, 430 and 4971 of the Code or (iv) as a result of the failure to comply with the continuation of coverage requirements of Section 601 *et seq.* of ERISA and Section 4980B of the Code.

(e) Each Company Benefit Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and such plan has received a currently effective favorable determination letter or, if applicable, current opinion or advisory letter to that effect from the IRS and, to the Knowledge of the Company, there is no reason why any such determination letter should be revoked.

(f) In connection with the consummation of the Merger, no payments of money or property, acceleration of benefits, or provisions of other rights have or will be made hereunder or under the Company Benefit Plans or Company Benefit Agreement which, in the aggregate, would reasonably be likely to result in imposition of the sanctions imposed under Sections 280G and 4999 of the Code, whether or not some other subsequent action or event would be required to cause such payment, acceleration or provision to be triggered. No Person is entitled to receive any additional payment (including any tax gross-up or other payment) from the Seller or any of the Target Companies as a result of the imposition of Taxes required by Section 4999 of the Code or Section 409A of the Code.

(g) Each individual providing services to the Company or any Company Subsidiary who is classified as an independent contractor has been properly classified for all purposes, including exclusion from participation and benefit accrual under each Company Benefit Plan and Company Benefit Agreement.

(h) The representations and warranties contained in this Section 3.09 are the sole and exclusive representations and warranties of the Company relating to Company Benefit Plans or Company Benefit Agreements (including their compliance with any applicable Law) or ERISA, and no other representation or warranty of the Company contained herein shall be construed to relate to Company Benefit Plans or Company Benefit Agreements (including their compliance with any applicable Law) or ERISA.

**SECTION 3.10 Labor and Employment Matters.** Except for the Company Union Contracts, neither the Company nor any Company Subsidiary is party to any collective bargaining agreement or similar labor union Contract with respect to any of their respective employees. Except for employees covered by a Company Union Contract, to the Knowledge of the Company, no employees of the Company or any Company Subsidiary are represented by any other labor union with respect to their employment for the Company or any Company Subsidiary. To the Knowledge of the Company, except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (a) there are no labor union representation or certification proceedings with respect to employees of the Company or any Company Subsidiary pending or threatened in writing to be brought or filed with the National Labor Relations Board, and (b) there are no labor union organizing activities, with respect to employees of the Company or any Company Subsidiary. From January 1, 2015 until the date of this Agreement, except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, there have been no labor union strikes, slowdowns, work stoppages or lockouts or other material labor disputes pending or threatened against or affecting the Company or any Company Subsidiary. Except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, since January 1, 2015, the Company and each Company Subsidiary has complied and is in compliance with all applicable Laws pertaining to employment or labor matters and has not engaged in any action that will require any notifications under the Workers Adjustment and Retraining Notification Act and comparable local, state, and federal Laws (the “WARN Act”). To the Knowledge of the Company, there are no Claims or investigations threatened or pending making class-wide allegations pertaining to employment or labor matters with respect to the Company or any Company Subsidiary and except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, there are no Claims or investigations pending or, to the Knowledge of the Company, threatened by or on behalf of any employee of the Company or any Company Subsidiary alleging violations of Laws pertaining to employment or labor matters.

**SECTION 3.11 Litigation.** There is no Claim before any Governmental Entity pending or, to the Knowledge of the Company, threatened against the Company or any Company Subsidiary that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. There is no Judgment outstanding against or, to the Knowledge of the Company, investigation by any Governmental Entity of the Company or any Company Subsidiary or any of their respective properties or assets that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. This Section 3.11 does not relate to Taxes; Company Benefit Plans or Company Benefit Agreements (including their compliance with any applicable Law) or ERISA; Environmental Permits, Environmental Laws, Environmental Claims, Releases, Hazardous Materials or other environmental matters; or Intellectual Property, which are addressed in Sections 3.08, 3.09, 3.14 and 3.17, respectively.

**SECTION 3.12 Compliance with Applicable Laws; Permits.** Except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (a) the Company and the Company Subsidiaries are, and at all times since January 1, 2015, have been in compliance with all applicable Laws (including Anti-

Corruption Laws) and all material Permits applicable to the business and operations of the Company and the Company Subsidiaries or by which the Company or any of the Company Subsidiaries or their respective businesses or properties are bound, and (b) the Company and each Company Subsidiary hold, and are in compliance with, and at all times since January 1, 2015, have held and have been in compliance with, all Permits required by Law for the conduct of their respective businesses. Since January 1, 2015, neither the Company nor any Company Subsidiary has received any written notice or notification, or to the Company's Knowledge, any other communication from any Governmental Entity regarding any actual or possible violation of, or failure to comply with, any applicable Law, except where such violations or non-compliance would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all Permits held by the Company and the Company Subsidiaries are valid and in full force and effect. No suspension, cancellation, non-renewal, or adverse modifications of any Permits of the Company or any Company Subsidiary is pending or, to the Knowledge of the Company, threatened, except for any such suspension or cancellation which would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. None of the Company, the Company Subsidiaries or, to the Knowledge of the Company, their respective directors, officers, employees, agents or representatives: (i) is a Designated Person, (ii) is a Person that is owned or controlled by a Designated Person; (iii) is located, organized or resident in a Sanctioned Country; or (iv) has or is now, in connection with the business of the Company or the Company Subsidiaries, engaged in, any dealings or transactions (A) with any Designated Person, (B) in any Sanctioned Country, or (C) otherwise in material violation of Sanctions. This Section 3.12 does not relate to Taxes; Company Benefit Plans or Company Benefit Agreements (including their compliance with any applicable Law) or ERISA; Environmental Permits, Environmental Laws, Environmental Claims, Releases, Hazardous Materials or other environmental matters; or Intellectual Property, which are addressed in Sections 3.08, 3.09, 3.14 and 3.17, respectively.

**SECTION 3.13 Takeover Statutes.** The Company Board has taken all actions necessary to render inapplicable to this Agreement, the Merger and the other transactions contemplated hereby all applicable state anti-takeover statutes or regulations and all takeover-related provisions set forth in the Company Articles or Company Bylaws, including the restrictions on "business combinations" (as defined in Section 23-1-43-5 of the IBCL) set forth in Section 23-1-43-18 of the IBCL, in each case to the extent, if any, such restrictions would otherwise be applicable to this Agreement, the Merger and the other transactions contemplated hereby. Subject to the foregoing, and assuming the accuracy of Section 4.11, no "business combination," "control share acquisition," "fair price," "moratorium" or other anti-takeover Law (each, a "Takeover Statute") or any similar anti-takeover provision in the Company Articles or Company Bylaws applies or purports to apply to this Agreement or the transactions contemplated hereby.

**SECTION 3.14 Environmental Matters.**

(a) Except for matters that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect:

(i) the Company and the Company Subsidiaries are, and at all times since January 1, 2015 have been, in compliance with all Environmental Laws, and, except for matters that have been fully resolved, neither the Company nor any Company Subsidiary has received any written communication from a Governmental Entity or other Person that alleges that the Company or any Company Subsidiary has violated or is in violation of, or is subject to liability under, any Environmental Law or any Permit issued pursuant to Environmental Law (an "Environmental Permit");

(ii) with respect to all Environmental Permits necessary to occupy the respective properties and facilities and conduct the respective operations of the Company or the Company Subsidiaries as currently conducted, (1) the Company and each of the Company Subsidiaries have obtained and are in compliance with, or have filed timely applications for, all such Environmental Permits, (2) all such Environmental Permits that have been issued are valid and in full force and effect, (3) neither the Company nor any Company Subsidiary has received notice from any Governmental Entity seeking to modify, revoke or terminate, any such Environmental Permits and (4) no such Environmental Permits will be subject to modification, termination or revocation as a result of the transactions contemplated by this Agreement;

(iii) there are no Environmental Claims pending or, to the Knowledge of the Company, threatened in writing against the Company or any Company Subsidiary that have not been fully and finally resolved, and neither the Company nor any Company Subsidiary is the subject of any outstanding Judgment with respect to Hazardous Materials or Environmental Laws;

(iv) there are and have been no Releases of, or exposure to, any Hazardous Materials on, at, under or from any property currently or formerly owned, leased or operated by the Company or any Company Subsidiary, and there are no other facts, circumstances or conditions, that would reasonably be expected to form the basis of any Environmental Claim against the Company or any Company Subsidiary;

(v) the Company and the Company Subsidiaries have not transported or arranged for the transportation or disposal of any Hazardous Materials to any location which is listed on the National Priorities List under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or on any similar state list, or which is the subject of federal, state or local enforcement actions or other investigations that would reasonably be expected to form the basis of any Environmental Claim against the Company or any Company Subsidiary; and

(vi) the Company and the Company Subsidiaries have not handled, treated, recycled, stored or Released any Hazardous Materials in a manner that would reasonably be expected to form the basis for any Environmental Claim against the Company or any Company Subsidiary.

(b) The representations and warranties contained in this Section 3.14 are the sole and exclusive representations and warranties of the Company relating to Environmental Permits, Environmental Laws, Environmental Claims, Releases, Hazardous Materials or other environmental matters, and no other representation or warranty of the Company contained herein shall be construed to relate to Environmental Permits, Environmental Laws, Environmental Claims, Releases, Hazardous Materials or other environmental matters.

#### SECTION 3.15 Contracts.

(a) Except for the Contracts filed as exhibits to any Company Report, or set forth in Section 3.15 of the Company Disclosure Letter, as of the date hereof, neither the Company nor any Company Subsidiary is a party to, and none of their respective properties or assets is bound by any of the following categories of Contracts (each such Contract required to be filed as an exhibit to any Company Report or listed in Section 3.15 of the Company Disclosure Letter, a “Company Contract”):

- (i) any Contract required to be filed by the Company as a “material contract” pursuant to Item 601(b)(10) of Regulation S-K under the Securities Act that has not been so filed;
- (ii) each Contract to which the Company or any Company Subsidiary is a party that (a) restricts the ability of the Company or any Company Subsidiary to engage in or compete in any business in any manner that is material to the Company and the Company Subsidiaries, taken as a whole, (b) requires the Company or any Company Subsidiary to conduct any business on a “most favored nations” basis with any third party that restricts in any material respect the business of the Company and the Company Subsidiaries, taken as a whole, or (c) provides for “exclusivity,” rights of first refusal or offer or any similar requirement or right in favor of any third party that restricts in any material respect the business of the Company and the Company Subsidiaries, taken as a whole;
- (iii) each Contract to which the Company or any Company Subsidiary is a party that provides for payments to or from the Company or any its Subsidiaries in excess of Fifty Million Dollars (\$50,000,000) in the aggregate after the date of this Agreement (other than (A) Contracts for transportation or storage of gas, transportation of coal, transmission of electric energy, capacity or ancillary services sales, (B) Contracts for future purchases, exchange or sales of gas, coal, oil or electric energy and (C) financial derivative interest rate hedges);
- (iv) each principal Contract creating, guaranteeing or securing Indebtedness for borrowed money of the Company or any of the Company Subsidiaries in excess of Twenty-Five Million Dollars (\$25,000,000) (other than Contracts for Indebtedness or Indebtedness solely between the Company and any of its wholly-owned Company Subsidiaries or between the wholly-owned Company Subsidiaries);

(v) each material Contract with respect to the creation, formation, governance or control of any material partnerships, joint ventures or joint ownership arrangements with third parties;

(vi) each Contract that (A) relates to the acquisition of assets (other than in the ordinary course of business) or capital stock or other securities (by merger, capital contribution or otherwise) of any Person after the date of this Agreement with a total consideration of more than Twenty-Five Million Dollars (\$25,000,000) in the aggregate, (B) relates to the disposition (other than in the ordinary course of business) after the date of this Agreement, directly or indirectly, of assets of the Company or the Company Subsidiaries with a total consideration of more than Twenty-Five Million Dollars (\$25,000,000) in the aggregate or any capital stock or other securities (by merger, capital contribution or otherwise) of the Company or the Company Subsidiaries or (C) contains a put, call, right of first refusal or similar right pursuant to which the Company or any Company Subsidiary could be required to purchase or sell, as applicable, any of the foregoing;

(vii) any Contract that requires the Company or any Company Subsidiary to make any advance, loan or commitment therefor or provide any credit support for or any capital contribution to, or other investment in, any Person (other than the Company or any Company Subsidiary) in excess of Twenty-Five Million Dollars (\$25,000,000);

(viii) any Contract entered into since January 1, 2016 that relates to the sale, transfer or other disposition of a business or assets by the Company or any Company Subsidiary pursuant to which the Company or any Company Subsidiary has any continuing indemnification, guarantee, "earnout" or other contingent, deferred or fixed payment obligations that would reasonably be expected to result in aggregate payments in excess of Twenty-Five Million Dollars (\$25,000,000);

(ix) each Contract with a term exceeding one (1) year after the date of this Agreement for future purchases, exchange or sales of gas, oil or electric energy in excess of Fifty Million Dollars (\$50,000,000) in the aggregate after the date of this Agreement (other than Contracts solely between the Company and any of its wholly-owned Subsidiaries or solely among its wholly owned Subsidiaries); and

(x) each Contract with a term exceeding one (1) year after the date of this Agreement which is a financial derivative interest rate hedge with a value in excess of Ten Million Dollars (\$10,000,000) (other than Contracts solely between the Company and any of its wholly-owned Subsidiaries or solely among its wholly owned Subsidiaries).

(b) Except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) each Company Contract is a valid, binding and legally enforceable obligation of the Company or one of

the Company Subsidiaries, as the case may be, and, to the Knowledge of the Company, of the other parties thereto, subject in all respects to the Bankruptcy and Equity Exceptions, (ii) each such Company Contract is in full force and effect with respect to the Company and the Company Subsidiaries, as the case may be, and to the Knowledge of the Company, the other parties thereto and (iii) none of the Company or any Company Subsidiary is (with or without notice or lapse of time, or both) in breach or default under any such Company Contract and, to the Knowledge of the Company, no other party to any such Company Contract is (with or without notice or lapse of time, or both) in breach or default thereunder. The Company has made available to Parent true and complete copies of each Company Contract (including, for the avoidance of doubt, all material amendments, modifications, extensions, or renewals with respect thereto).

**SECTION 3.16 Real Property.** Except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, each of the Company and the Company Subsidiaries has either good fee title or valid leasehold, easement or other real property rights, to the land, buildings, wires, pipes, structures and other improvements thereon and fixtures thereto necessary to permit it to conduct its business as and where currently conducted. Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect and except as may be limited by the Bankruptcy and Equity Exceptions, (a) all leases, easements or other agreements under which the Company or any Company Subsidiary lease, access, use or occupy real property necessary to permit it to conduct its business as currently conducted are valid, binding and in full force and effect against the Company or the Company Subsidiaries and, to the Knowledge of the Company, the counterparties thereto, in accordance with their respective terms, and (b) none of the Company, the Company Subsidiaries or, to the Knowledge of the Company, the counterparties thereto are in default under any of such leases, easements or other agreements described in the foregoing clause (a). This Section 3.16 does not relate to Environmental Permits, Environmental Laws, Environmental Claims, Releases, Hazardous Materials or other environmental matters; or Intellectual Property, which are addressed in Section 3.14 and Section 3.17, respectively.

**SECTION 3.17 Intellectual Property.**

(a) Except as would not have or would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) the Company and the Company Subsidiaries have the right to use all Intellectual Property used in the businesses of each of the Company and the Company Subsidiaries as presently conducted and such conduct does not infringe or otherwise misappropriate or violate any Person's Intellectual Property, (ii) there is no Claim of such infringement or other violation pending or, to the Knowledge of the Company, threatened in writing against the Company, (iii) no Person is infringing or otherwise violating any Intellectual Property owned by the Company and the Company Subsidiaries, and (iv) no Claims of such infringement or other violation are pending or, to the Knowledge of the Company, threatened against any Person by the Company. The Company and the Company Subsidiaries have taken reasonable measures to protect the confidentiality of trade secrets used in the businesses of each of the Company and its Subsidiaries as presently conducted, except where the failure to do so has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(b) Except as would not have or would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect: (i) the IT Systems used in the business of the Company and the Company Subsidiaries operate and perform in all respects as required to permit the Company and the Company Subsidiaries to conduct their business as presently conducted and (ii) neither the Company, any Company Subsidiary, nor to the Knowledge of the Company, any Company vendor, has suffered any security breaches that (A) have resulted in any unauthorized access, use, control, disclosure, destruction, or modification of any Personal Data or Intellectual Property, or (B) have resulted in unauthorized access to, control of, or disruption of the IT Systems of the Company or any Company Subsidiary.

(c) Except as would not have or would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) the Company and the Company Subsidiaries have implemented and maintain a reasonable enterprise-wide privacy and data security program with plans, policies and procedures for privacy, physical and cyber security, disaster recovery, business continuity and incident response, including reasonable and appropriate administrative, technical and physical safeguards to protect Personal Data and the IT Systems of the Company and each Company Subsidiary from any unauthorized access, use, control, disclosure, destruction or modification, (ii) the Company and each Company Subsidiary is in compliance with all applicable Laws, Contracts, and PCI DSS regarding the privacy and security of customer, employee and other Personal Data and is compliant with their respective published privacy policies and (iii) there have not been any incidents of, or, to the Knowledge of the Company, any third party claims related to, any loss, theft, unauthorized access to, or unauthorized acquisition, modification, disclosure, corruption, destruction, or other misuse of any Personal Data (including any ransomware incident) the Company or any Company Subsidiary creates, receives, maintains, or transmits. Except as would not have or would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect, neither the Company nor any Company Subsidiary has received any written notice of any claims, investigations (including investigations by any Governmental Entity), or alleged violations of any Laws with respect to Personal Data created, received, maintained, or transmitted by the Company or any Company Subsidiary.

(d) The representations and warranties contained in this Section 3.17 are the sole and exclusive representations and warranties of the Company relating to Intellectual Property, and no other representation or warranty of the Company contained herein shall be construed to relate to Intellectual Property.

**SECTION 3.18 Insurance.** As of the date hereof, except as would not have or would not be reasonably likely to have, individually or in the aggregate, a Company Material Adverse Effect, (a) all insurance policies maintained by the Company or any Company Subsidiary (“Insurance Policies”) are in full force and effect, (b) neither the Company nor any Company Subsidiary is in breach or default under, and to the Knowledge of the Company, no event has

occurred which, with notice or the lapse of time, would constitute such a breach of or default under, or permit termination or modification under, any such policies, (c) all premiums due with respect to all Insurance Policies have been paid and (d) since the most recent renewal date, the Company and the Company Subsidiaries have not received any written notice threatening termination of, or premium increases with respect to, or material alteration of coverage under, any such policies, other than premium increases or alterations of coverage occurring in the ordinary course during the renewal process for any such policies.

#### **SECTION 3.19 Regulatory Status.**

(a) The Company is a “holding company” under the Public Utility Holding Company Act of 2005 (“PUHCA 2005”). Except for the Utility Subsidiaries, none of the Company or the Company Subsidiaries is regulated as a public utility under the FPA or as a public utility under applicable Law of the State of Indiana or the State of Ohio or is subject to such regulation by any other state.

(b) All Filings (except for immaterial Filings) required to be made by the Company or any Company Subsidiary since January 1, 2016, with the FERC, the Indiana Utility Regulatory Commission (the “IURC”) and the Public Utilities Commission of Ohio (the “PUCO”), as the case may be, have been made, including all forms, statements, reports, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such Filings complied, as of their respective dates, with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, except for Filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of applicable statutes and the rules and regulations promulgated thereunder, would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

**SECTION 3.20 Brokers’ Fees and Expenses.** Except for any Company Financial Advisors, the fees and expenses of which will be paid by the Company, no broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s, financial advisor’s or other similar fee or commission in connection with the transactions contemplated by this Agreement, including the Merger, based upon arrangements made by or on behalf of the Company or any of the Company Subsidiaries. The Company has made available true and complete copies of the engagement letters with each Company Financial Advisor.

**SECTION 3.21 Opinion of Financial Advisor.** The Company Board has received an opinion of the Company Financial Advisor to the effect that, as of the date of such opinion and based upon and subject to the various matters, limitations, qualifications and assumptions set forth therein, the Merger Consideration is fair, from a financial point of view, to the holders of shares of Company Common Stock (other than shares owned by the Company as treasury stock, shares that are owned by a wholly owned Subsidiary of the Company, or shares that are owned directly or indirectly by Parent or Merger Sub).

**SECTION 3.22 No Additional Representations.** Except for the representations and warranties expressly set forth in Article IV (as modified by the Parent Disclosure Letter) and in any certificate delivered by Parent to the Company in accordance with the terms hereof, the Company specifically acknowledges and agrees that neither Parent nor any of its Affiliates, Representatives or shareholders or any other Person makes, or has made, any other express or implied representation or warranty whatsoever (whether at law (including at common law or by statute) or in equity). Except for the representations and warranties expressly set forth in this Article III (as modified by the Company Disclosure Letter) and in any certificate delivered by the Company to Parent in accordance with the terms hereof, the Company hereby expressly disclaims and negates (a) any other express or implied representation or warranty whatsoever (whether at law (including at common law or by statute) or in equity), including with respect to (i) the Company or the Company Subsidiaries or any of the Company's or the Company Subsidiaries' respective businesses, assets, employees, Permits, liabilities, operations, prospects or condition (financial or otherwise) or (ii) any opinion, projection, forecast, statement, budget, estimate, advice or other information with respect to the projections, budgets or estimates of future revenues, results of operations (or any component thereof), cash flows, financial condition (or any component thereof) or the future business and operations of the Company or the Company Subsidiaries, as well as any other business plan and cost-related plan information of the Company or the Company Subsidiaries, made, communicated or furnished (orally or in writing), or to be made, communicated or furnished (orally or in writing), to Parent, its Affiliates or its Representatives, in each case, whether made by the Company or any of its Affiliates, Representatives or shareholders or any other Person (this clause (ii), collectively, "Company Projections") and (b) all liability and responsibility for any such other representation or warranty or any such Company Projection.

## ARTICLE IV

### REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except (a) as set forth in the Parent Reports publicly available and filed with or furnished to the SEC at least one (1) Business Day prior to the date of this Agreement (excluding any disclosures of factors or risks contained or references therein under the captions "Risk Factors" or "Forward-Looking Statements" and any other statements that are predictive, cautionary or forward-looking in nature) or (b) subject to Section 9.04(k), as set forth in the corresponding section of the disclosure letter delivered by Parent to the Company concurrently with the execution and delivery by Parent and Merger Sub of this Agreement (the "Parent Disclosure Letter"), Parent and Merger Sub represent and warrant to the Company as follows:

**SECTION 4.01 Organization, Standing and Power.** Each of Parent and Merger Sub is duly organized, validly existing and in active status or good standing, as applicable, under the laws of the jurisdiction in which it is organized (in the case of active status or good standing, to the extent such jurisdiction recognizes such concept). Each of Parent and Merger Sub has all requisite entity power and authority to enable it to own, operate, lease or otherwise hold its properties and assets and to conduct its businesses as presently conducted, except where the failure to have such power or authority would not have or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Each of Parent and Merger Sub is duly qualified or licensed to do business in each jurisdiction where the nature of its business or the ownership, operation or leasing of its properties make such qualification necessary, except in any such jurisdiction where the failure to be so qualified or licensed would not have or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

**SECTION 4.02 Authority; Execution and Delivery; Enforceability.** Each of Parent and Merger Sub has all requisite power and authority to execute and deliver this Agreement, to perform its covenants and agreements hereunder and to consummate the transactions contemplated hereby, including the Merger. The Parent Board has adopted resolutions (a) determining that it is in the best interests of Parent and its shareholders, and declaring it advisable, for Parent to enter into this Agreement and (b) adopting this Agreement and approving Parent's execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement, including the Merger. Such resolutions have not been amended or withdrawn as of the date of this Agreement. The board of directors of Merger Sub has adopted resolutions (i) determining that it is in the best interests of Merger Sub and its shareholder, and declaring it advisable, for Merger Sub to enter into this Agreement, (ii) adopting this Agreement and approving Merger Sub's execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement, including the Merger, and (iii) resolving to recommend that Parent, in its capacity as the sole shareholder of Merger Sub, adopt this Agreement. Parent has approved this Agreement by written consent in its capacity as the sole shareholder of Merger Sub. Such resolutions and written consent have not been amended or withdrawn as of the date of this Agreement. No vote or corporate proceedings on the part of Parent or Merger Sub are necessary to authorize, adopt or approve, as applicable, this Agreement or to consummate the Merger. Parent and Merger Sub have duly executed and delivered this Agreement and, assuming the due authorization, execution and delivery by the Company, this Agreement constitutes the legal, valid and binding obligation of each of Parent and Merger Sub, enforceable against it in accordance with its terms, subject in all respects to the Bankruptcy and Equity Exceptions.

**SECTION 4.03 No Conflicts; Consents.**

(a) The execution and delivery of this Agreement by Parent and Merger Sub does not, and the performance by each of Parent and Merger Sub of its covenants and agreements hereunder and the consummation of the transactions contemplated hereby, including the Merger, will not, (i) conflict with, or result in any violation of any provision of, the Organizational Documents of Parent or Merger Sub, (ii) subject to obtaining the Consents set forth in Section 4.03(a)(ii) of the Parent Disclosure Letter (the "Parent Required Consents" and, together with the Company Required Consents, the "Required Consents"), conflict with, result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any material obligation or to the loss of a material benefit under, or result in the creation of a Lien upon any of the respective properties or assets of Parent, any of Parent's Subsidiaries (each, a "Parent Subsidiary," and collectively, the "Parent Subsidiaries") or Merger Sub pursuant to, any Contract to which Parent, any Parent Subsidiary or Merger Sub is a party or by which any of their respective properties or assets is bound or any Permit applicable to the business of Parent, any Parent Subsidiary or Merger Sub or (iii) subject to obtaining the Consents referred to in Section 4.03(b) and making the Filings referred to in Section 4.03(b), conflict with, or result in any violation of any provision of, any Judgment or Law, in each case, applicable to Parent, any Parent

Subsidiary or Merger Sub or their respective properties or assets, except for, in the case of the foregoing clauses (ii) and (iii), any matter that would not have or would not be reasonably expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) No Consent of or from, or Filing made to or with, any Governmental Entity, is required to be obtained or made by Parent, any Parent Subsidiary or any other Affiliate of Parent in connection with Parent's and Merger Sub's execution and delivery of this Agreement or their performance of their covenants and agreements hereunder or the consummation of the transactions contemplated hereby, including the Merger, except for the following:

- (i) the filing with the SEC of such reports under, and such other compliance with, the Exchange Act, or the Securities Act, and rules and regulations of the SEC promulgated thereunder, as may be required in connection with this Agreement or the Merger;
- (ii) compliance with, Filings under and the expiration or termination of any applicable waiting period under the HSR Act;
- (iii) (1) Filing with, and the Consent of, the FERC under Section 203 of the FPA, (2) Filings with, and the Consent of, the Governmental Entities set forth in Section 4.03(b)(ii) of the Parent Disclosure Letter and (3) the Filings and Consents set forth in Section 4.03(b)(ii) of the Parent Disclosure Letter (the Consents and Filings set forth in Section 4.03(b)(ii) and this Section 4.03(b)(iii), collectively, the "Parent Required Statutory Approvals" and, together with the Company Required Statutory Approvals, the "Required Statutory Approvals");
- (iv) the filing of the Articles of Merger with the Secretary of State of the State of Indiana;
- (v) compliance with and filings required under the rules and regulations of the NYSE; and
- (vi) such other Filings and Consents the failure of which to make or obtain would not have or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

**SECTION 4.04 Parent Reports; Financial Statements.** Parent has furnished or filed all reports, schedules, forms, statements and other documents (including exhibits and other information incorporated therein) required to be furnished or filed by Parent or Parent Utility Subs with the SEC since January 1, 2015 (such documents, together with all exhibits, financial statements, including the Parent Financial Statements, and schedules thereto and all information incorporated therein by reference, but excluding the Proxy Statement, being collectively referred to as the "Parent Reports"). Each Parent Report (i) at the time furnished or filed, complied in all material respects with the applicable requirements of the Exchange Act, the Securities Act or the Sarbanes-Oxley Act of 2002 (including the rules and regulations promulgated thereunder), as the case may be, and the rules and regulations of the SEC promulgated thereunder applicable to such

Parent Report and (ii) did not at the time it was filed (or if amended or superseded by a filing or amendment prior to the date of this Agreement, then at the time of such filing or amendment) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Each of the consolidated financial statements of Parent included in the Parent Reports (the “Parent Financial Statements”) complied at the time it was filed as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, was prepared in accordance with GAAP (except, in the case of unaudited quarterly financial statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods and as of the dates involved (except as may be indicated in the notes thereto) and fairly presents in all material respects, in accordance with GAAP, the consolidated financial position of Parent and Parent’s consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods shown (subject, in the case of unaudited quarterly financial statements, to normal year-end audit adjustments).

#### SECTION 4.05 Absence of Certain Changes or Events.

- (a) From January 1, 2018 to the date of this Agreement, each of Parent and the Parent Subsidiaries has conducted its respective business in the ordinary course of business in all material respects.
- (b) From January 1, 2018 to the date of this Agreement, there has not occurred any fact, circumstance, effect, change, event or development that has had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

**SECTION 4.06 Litigation.** Except as set forth in Section 4.07 of the Parent Disclosure Letter, there is no Claim before any Governmental Entity pending or, to the Knowledge of Parent, threatened against Parent, Merger Sub or any Parent Subsidiary that has had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. There is no Judgment outstanding against or, to the Knowledge of Parent, investigation by any Governmental Entity of Parent, Merger Sub or any Parent Subsidiary or any of their respective properties or assets that has had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

**SECTION 4.07 Compliance with Applicable Laws.** Except as would not have or would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (a) Parent, Parent Subsidiaries and Merger Sub are in compliance with all applicable Laws (including Anti-Corruption Laws) and all material Permits applicable to the business and operations of Parent, Merger Sub and Parent Subsidiaries and (b) Parent and each Parent Subsidiary hold, and are in compliance with, all Permits required by Law for the conduct of their respective businesses as they are now being conducted. None of Parent, Merger Sub or Parent Subsidiaries or, to the Knowledge of Parent or Merger Sub, their respective directors, officers, employees, agents or representatives: (i) is a Designated Person, (ii) is a Person that is owned or controlled by a Designated Person; (iii) is located, organized or resident in a Sanctioned Country; or (iv) has or is now, in connection with the business of Parent, Merger Sub or the Parent Subsidiaries, engaged in, any dealings or transactions (A) with any Designated Person, (B) in any Sanctioned Country, or (C) otherwise in material violation of Sanctions.

**SECTION 4.08 Financing.** Parent has delivered to the Company true and complete fully executed copies of (a) the commitment letter, dated as of the date hereof, among Parent, Goldman Sachs Bank USA and Morgan Stanley Senior Funding, Inc. (the “Commitment Letter”) and (b) the fee letter, among Parent, Goldman Sachs Bank USA and Morgan Stanley Senior Funding, Inc., dated as of the date hereof (in each case, as redacted to remove only fee amounts, pricing caps, rates and amounts included in the “market flex,” certain other economic provisions and certain other confidential terms (none of which could affect the conditionality, principal amount, enforceability, termination or availability of the Financing)), in each case, including all exhibits, schedules, annexes and amendments to such letters in effect as of the date of this Agreement (collectively, the “Debt Letters”), pursuant to which and subject to the terms and conditions thereof, each of the parties thereto (other than Parent) has severally committed to lend the amounts set forth therein to Parent (the provision of such funds as set forth therein, the “Financing”) for the purposes set forth in such Debt Letters. The Debt Letters have not been amended, restated or otherwise modified or waived prior to the execution and delivery of this Agreement (other than as permitted pursuant to Section 5.04(d)), including amendments to add lenders, arrangers, agents, bookrunners, managers and other financing sources), and the respective commitments contained in the Debt Letters have not been withdrawn, rescinded, amended, restated or otherwise modified in any respect prior to the execution and delivery of this Agreement. As of the execution and delivery of this Agreement, the Debt Letters are in full force and effect and constitute the legal, valid and binding obligation of each of Parent and, to the Parent’s knowledge, the other parties thereto, subject in each case to the Bankruptcy and Equity Exceptions. There are no conditions precedent or contingencies directly or indirectly related to the funding of the Financing pursuant to the Debt Letters, other than as expressly set forth in the Debt Letters. Assuming the Financing is funded in accordance with the terms of the Debt Letters, Parent and Merger Sub will have at the Closing the funds required to pay all of Parent’s obligations under this Agreement, including the payment of the Merger Consideration and all fees and expenses expected to be incurred in connection therewith. As of the date of this Agreement, no event has occurred which, with or without notice, lapse of time or both, would constitute a breach or default on the part of Parent or, to Parent’s Knowledge, any other party to the Debt Letters under the Debt Letters that would (a) result in any of the conditions in the Debt Letters not being satisfied or (b) otherwise result in the Financing not being available, other than such default or breach that has been waived by the Lenders or otherwise cured in a timely manner by Parent or Merger Sub to the satisfaction of the Lenders, as the case may be. As of the date of this Agreement, there are no side letters or other agreements, Contracts, arrangements or understandings (written or oral) directly or indirectly related to the funding of the Financing that could affect the conditionality, principal amount or availability of the Financing other than as expressly set forth in the Debt Letters. Parent will pay on the Business Day immediately following the execution of this Agreement all commitment fees or other fees required by the terms of the Debt Letters to be paid in connection with the execution of this Agreement in connection with the Financing. Assuming the accuracy of the Company’s representations and warranties contained herein, as of the date of this Agreement, Parent has no reason to believe that any of the conditions to the Financing contemplated by the Debt Letters will not be satisfied on a timely basis or that the Financing contemplated by the Debt Letters will not be made available on the Closing Date.

**SECTION 4.09 Brokers' Fees and Expenses.** Except for any Person set forth in Section 4.10 of the Parent Disclosure Letter, the fees and expenses of which will be paid by Parent, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement, including the Merger, based upon arrangements made by or on behalf of Parent or Merger Sub.

**SECTION 4.10 Merger Sub.** All outstanding shares of capital stock of Merger Sub are duly authorized, validly issued, fully paid and nonassessable. Parent owns all of the outstanding shares of capital stock of Merger Sub. Merger Sub has been incorporated solely for the purpose of merging with and into the Company and taking action incident to the Merger and this Agreement. Merger Sub has no assets, liabilities or obligations and has not, since the date of its formation, carried on any business or conducted any operations, except, in each case, as arising from the execution of this Agreement, the performance of its covenants and agreements hereunder and matters ancillary thereto.

**SECTION 4.11 Ownership of Company Common Stock.** Neither Parent, any Parent Subsidiary nor any other Affiliate of Parent "beneficially owns" (as such term is defined for purposes of Section 13(d) of the Exchange Act) any shares of Company Common Stock or any other Equity Securities.

**SECTION 4.12 No Additional Representations.** Except for the representations and warranties expressly set forth in Article III (as modified by the Company Disclosure Letter) and in any certificate delivered by the Company to Parent in accordance with the terms hereof, each of Parent and Merger Sub (a) specifically acknowledges and agrees that none of the Company or any of its Affiliates, Representatives or shareholders or any other Person makes, or has made, any other express or implied representation or warranty whatsoever (whether at law (including at common law or by statute) or in equity), including with respect to the Company or the Company Subsidiaries or any of the Company's or the Company's Subsidiaries respective businesses, assets, employees, Permits, liabilities, operations, prospects, condition (financial or otherwise) or any Company Projection, and hereby expressly waives and relinquishes any and all rights, Claims or causes of action (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) based on, arising out of or relating to any such other representation or warranty or any Company Projection, (b) specifically acknowledges and agrees to the Company's express disclaimer and negation of any such other representation or warranty or any Company Projection and of all liability and responsibility for any such other representation or warranty or any Company Projection and (c) expressly waives and relinquishes any and all rights, Claims and causes of action (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) against (i) the Company in connection with accuracy, completeness or materiality of any Company Projection and (ii) any Affiliate of the Company or any of the Company's or any such Affiliate's respective Representatives or shareholders (other than the Company) or any other Person, and hereby specifically acknowledges and agrees that such Persons shall have no liability or obligations, based on, arising out of or relating to this Agreement or the negotiation, execution, performance or subject matter hereof, including (1) for any alleged nondisclosure or misrepresentations made by any such Person or (2) in connection with the accuracy, completeness or materiality of any Company Projection. Each of Parent and Merger Sub acknowledges and agrees that (A) it has

conducted to its satisfaction its own independent investigation of the transactions contemplated hereby (including with respect to the Company and the Company Subsidiaries and their respective businesses, operations, assets and liabilities) and, in making its determination to enter into this Agreement and proceed with the transactions contemplated hereby, has relied solely on the results of such independent investigation and the representations and warranties of the Company expressly set forth in Article III (as modified by the Company Disclosure Letter), and (B) except for the representations and warranties of the Company expressly set forth in Article III (as modified by the Company Disclosure Letter) and in any certificate delivered by the Company to Parent in accordance with the terms hereof, it has not relied on, or been induced by, any representation, warranty or other statement of or by the Company or any of its Affiliates, Representatives or shareholders or any other Person, including any Company Projection or with respect to the Company or the Company Subsidiaries or any of the Company's or the Company's Subsidiaries respective businesses, assets, employees, Permits, liabilities, operations, prospects or condition (financial or otherwise) or any Company Projection, in determining to enter into this Agreement and proceed with the transactions contemplated hereby.

## ARTICLE V

### COVENANTS RELATING TO CONDUCT OF BUSINESS

#### SECTION 5.01 Conduct of Business.

(a) Conduct of Business by the Company. Except for matters set forth in Section 5.01 of the Company Disclosure Letter or otherwise contemplated or required by this Agreement, or as required by a Governmental Entity or by applicable Law, or as contemplated by the Proceedings, or with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed), from the date of this Agreement until the Effective Time, the Company shall, and shall cause each Company Subsidiary to, (x) conduct its business in the ordinary course of business in all material respects and (y) use commercially reasonable efforts to preserve intact its business organization and existing relationships with employees, customers, suppliers and Governmental Entities. In addition, and without limiting the generality of the foregoing, except as set forth in the Company Disclosure Letter or otherwise contemplated or required by this Agreement, or as required by a Governmental Entity or by applicable Law, or as contemplated by the Proceedings, or with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed), from the date of this Agreement until the Effective Time, the Company shall not, and shall not permit any Company Subsidiary to, do any of the following:

- (i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property or any combination thereof) in respect of, any of its capital stock, other equity interests or voting securities, except for (A) quarterly cash dividends payable by the Company in respect of shares of Company Common Stock on a schedule consistent with the Company's past practices in an amount per share of Company Common Stock not in excess of (1) \$0.45 for quarterly dividends declared before October 31, 2018 and (2) \$0.48 for quarterly dividends declared on or after October 31, 2018, (B) dividend

equivalents accrued or payable by the Company in respect of Company Stock Units in accordance with the applicable award agreements, (C) dividends and distributions by a direct or indirect Company Subsidiary to the Company or a Company Subsidiary wholly owned, directly or indirectly, by the Company and (D) a “stub period” dividend to holders of record of Company Common Stock as of immediately prior to the Effective Time equal to the product of (1) the number of days from the record date for payment of the last quarterly dividend paid by the Company prior to the Effective Time, multiplied by (2) a daily dividend rate determined by dividing the amount of the last quarterly dividend prior to the Effective Time by ninety-one (91);

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

(iii) except as permitted by Section 5.01(a)(y) or for transactions exclusively among the Company and the wholly owned Company Subsidiaries or exclusively among the wholly owned Company Subsidiaries, split, combine, consolidate, subdivide or reclassify any of its capital stock, other equity interests or voting securities, or securities convertible into or exchangeable or exercisable for capital stock or other equity interests or voting securities, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for its capital stock, other equity interests or voting securities;

(iv) repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or voting securities of, or equity interests in, the Company or any Company Subsidiary or any securities of the Company or any Company Subsidiary convertible into or exchangeable or exercisable for capital stock or voting securities of, or equity interests in, the Company or any Company Subsidiary, or any warrants, calls, options, phantom stock or units, stock appreciation rights or other, similar rights, or other rights to acquire any such capital stock, securities, interests or rights, except for (A) the acquisition by the Company of shares of Company Common Stock in the open market to satisfy its obligations under all Company Benefit Plans or under the Company DRIP and (B) the withholding of shares of Company Common Stock to satisfy Tax obligations with respect to awards granted pursuant to the Company Stock Plan;

(v) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien any Equity Securities or Company Voting Debt, in each case, except for (A) the settlement of Company Stock Units, Company Other Performance Units or Company Unpaid Performance Units outstanding as of the date of this Agreement in accordance with their terms or the terms of the Company Stock Plan, or (B) subject to, and contingent upon, the amendment of the Company Stock Plan as set forth in Section 2.04(d), the grant of 2018 Stock Units to the Company Employees in the amounts set forth on Section 5.01(a)(y) of the Company Disclosure Letter, and the grant of 2019 Stock Units to equity eligible Company Personnel in the ordinary course of business and consistent with past practices;

(vi) (A) grant to any Company Personnel any increase in compensation or benefits (including paying to any Company Personnel any amount not due) except in the ordinary course of business and consistent with past practices and market practice provided, that, with respect to Company Personnel at director-level employee or above (“Senior Employees”), such compensation increases shall not, in the aggregate, exceed 3% of the aggregate base salaries paid to Senior Employees for 2018, provided, further, that no compensation increase for any Senior Employee will exceed 5% of such Senior Employee’s base salary as of the date of this Agreement, (B) grant to any Company Personnel any increase in change-in-control, severance, retention or termination pay, or enter into, amend or waive any provision of any change-in-control, severance, retention or termination agreement with any Company Personnel, (C) grant any additional awards under the Energy Systems Group, LLC Long Term Incentive Plan, (D) establish, adopt, enter into, amend in any material respect, withdraw from, terminate or waive any material provision of any Company Union Contract or Company Benefit Plan or Company Benefit Agreement (or any plan or agreement that would be a Company Union Contract, Company Benefit Plan or Company Benefit Agreement if in existence on the date hereof), or Multiemployer Plan, in each case, except in the ordinary course of business consistent with past practices, or as required by Law or contractual obligations existing on or prior to the date hereof, (E) newly recognize any labor union as the bargaining representative of any employees of the Company or any Company Subsidiary that is a utility, except as required by Law or (F) take any action to accelerate the time of vesting, funding or payment of any compensation or benefits under any Company Benefit Plan or Company Benefit Agreement, except in the case of the foregoing clauses (A) through (F) for actions required pursuant to the terms of any Company Benefit Plan or Company Benefit Agreement existing on the date hereof, or as required by the terms and conditions of this Agreement;

(vii) without limiting the effect of any of the other clauses in this Section 5.01(a), hire or terminate (other than for cause) any employee of the Company or any Company Subsidiary who is or would be a Senior Employee;

(viii) make any material change in accounting methods, principles or practices, except to the extent as may have been required by a change in applicable Law or GAAP or by any Governmental Entity (including the SEC or the Public Company Accounting Oversight Board);

(ix) make any acquisition or disposition, sale or transfer of an asset or business (including by merger, consolidation or acquisition of stock or any other equity interests or assets) except for (A) any acquisition of equipment, inventory or similar items in the ordinary course of business or (B) any disposition of obsolete or worn-out equipment in the ordinary course of business;

(x) incur any Indebtedness, except for (A) borrowings under existing revolving credit facilities (or replacements thereof on comparable terms) or existing commercial paper programs in the ordinary course of business or (B) Indebtedness incurred in accordance with the financing plan set forth in Section 5.01(a)(x) of the Company Disclosure Letter, provided, that prior to incurring any Indebtedness pursuant to this clause (B) the Company shall consult with Parent with respect to the form and terms of such Indebtedness and any related interest rate risk management; provided, further, that in no event shall any Indebtedness incurred pursuant to this Section 5.01(a)(x) (or any Contract related to such Indebtedness) include any term or provision pursuant to the which the consummation of the Merger or the other transactions contemplated by this Agreement would reasonably be expected to result in a breach, default or event of default with respect to such Indebtedness (or any Contract related to such Indebtedness) or permit the holders of any Indebtedness of the Company or any Company Subsidiary to accelerate payment of such Indebtedness or require the Company or any Company Subsidiary to voluntarily or involuntarily redeem, repurchase or repay such Indebtedness prior to its scheduled maturity, and provided, further that in no event shall the total Indebtedness of the Company and the Company Subsidiaries exceed the amount set forth in Section 5.01(a)(x) of the Company Disclosure Letter;

(xi) make, or agree or commit to make, any capital expenditure, except (A) in accordance with the capital plan set forth in Section 5.01(a)(xi) of the Company Disclosure Letter, plus a 10% variance for each principal category set forth in such capital plan, (B) with respect to any capital expenditure not addressed by the foregoing clause (A), not to exceed \$50,000,000 in the aggregate in any twelve (12) month period or (C) capital expenditures related to operational emergencies, equipment failures or outages; provided, that the Company shall provide Parent with notice of such action taken as soon as reasonably practicable thereafter;

(xii) enter into, modify or amend in any material respect, or terminate or waive any material right under, any Company Contract (except for (A) any modification, amendment, termination or waiver in the ordinary course of business or (B) a termination without material penalty or loss of material benefit to the Company or the appropriate Company Subsidiary);

(xiii) enter into, modify or amend in any material respect any contractual guarantee, support agreement or similar arrangement except in the ordinary course of business;

(xiv) (A) make or change any material Tax election, (B) change in any material respect any method of Tax accounting, (C) settle or compromise any material Tax liability, audit or other proceeding, (D) compromise or surrender any Tax refund, credit or other similar benefit, or (E) enter into any closing agreements relating to a material amount of Taxes, amend any material Tax Return, grant any waiver of any statute of limitations with respect to, or any extension of a period for the assessment of, any material Tax (excluding extensions of time to file Tax Returns obtained in the ordinary course);

(xv) waive, release, assign, settle or compromise any material Claim against the Company or any Company Subsidiary, except for waivers, releases, assignments, settlements or compromises that do not relate to Transaction Litigation and that (A) with respect to the payment of monetary damages, the amount of monetary damages to be paid by the Company or the Company Subsidiaries does not exceed (1) the amount with respect thereto reflected on the Company Financial Statements (including the notes thereto) or (2) \$10,000,000, in the aggregate, in excess of the proceeds received or to be received from any insurance policies in connection with such payment or (B) with respect to any nonmonetary terms and conditions thereof, would not have or would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Company and the Company Subsidiaries (taken as a whole) and do not involve an admission of criminal wrongdoing by the Company or any Company Subsidiary;

(xvi) effectuate a “plant closing” or “mass layoff,” as those terms are defined in the WARN Act;

(xvii) enter into a new line of business or cease operations of an existing line of business;

(xviii) adopt or recommend a plan or agreement of complete or partial liquidation or dissolution, restructuring or other reorganization, except for any such transactions between or among the Company and its wholly owned Company Subsidiaries;

(xix) materially change any of its energy price risk management and marketing of energy parameters, limits and guidelines (the “Company Risk Management Guidelines”) or enter into any physical commodity transactions, exchange-traded futures and options transactions, over-the-counter transactions and derivatives thereof or similar transactions other than as permitted by the Company Risk Management Guidelines;

(xx) fail to maintain, terminate or cancel any material insurance coverage maintained by the Company or any Company Subsidiary with respect to any material assets without replacing such coverage with a comparable amount of insurance coverage to the extent available on commercially reasonable terms;

(xxi) except to the extent permitted by Section 5.02, initiate or pursue any Proceedings with or before any Governmental Entity; or

(xxii) enter into any Contract to do any of the foregoing.

(b) Emergencies. Notwithstanding anything to the contrary herein, the Company may, and may cause any Company Subsidiary to, take reasonable actions in compliance with applicable Law with respect to any operational emergencies (including any restoration measures in response to any hurricane, strong winds, ice event, fire, tornado, tsunami, flood, earthquake or other natural disaster or severe weather-related event, circumstance or development), equipment failures, outages or an immediate and material threat to the health or safety of natural Persons; provided, that (x) the Company shall provide Parent with notice of such action taken as soon as reasonably practicable thereafter and (y) such actions shall be made in accordance with Good Utility Practice.

(c) No Control of the Company's Business. Parent acknowledges and agrees that (i) nothing contained herein is intended to give Parent, directly or indirectly, the right to control or direct the operations of the Company or any Company Subsidiary prior to the Effective Time and (ii) prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and the Company Subsidiaries' respective operations.

(d) Notice of Changes. Each of Parent and the Company shall promptly notify the other orally and in writing of any change or event of which it becomes aware that would reasonably be expected to prevent any of the conditions precedent described in Article VII for which it is responsible from being satisfied.

**SECTION 5.02 Proceedings.** Between the date of this Agreement and the Closing, the Company and the Company Subsidiaries may (a) continue to pursue the regulatory and other proceedings set forth in Section 5.02 of the Company Disclosure Letter, in the ordinary course, and (b) respond (after reasonable consultation with Parent) to regulatory proceedings initiated by other parties in which the Company or one or more Company Subsidiaries is an interested party, and (c) with the prior written consent of Parent (such consent not to be unreasonably withheld, delayed or conditioned), in the ordinary course initiate new rate cases or any other proceeding (the foregoing clauses (a), (b) and (c), collectively, the "Proceedings") and (d) take any other action contemplated by or described in any filings or other submissions filed or submitted in connection with the Proceedings prior to the date of this Agreement; provided, however, that the Company shall (A) keep Parent informed as promptly as reasonably practicable of any material communications or meetings with any Governmental Authority with respect to Proceedings and shall provide copies of any written communications or materials, (B) consult with Parent and give Parent a reasonable opportunity, within time constraints imposed in such Proceedings, to comment on material written communications or materials submitted to any Governmental Authority, in each case with respect to any Proceedings, which the Company shall consider in good faith and (C) at the request of Parent, provide Parent a reasonable opportunity to participate in any material meeting or communications related thereto. Parent shall have the opportunity to review and comment on all economic aspects of any filings in connection with any Proceedings and shall the right to approve (which approval shall not be unreasonably withheld, delayed or conditioned) any settlement or stipulation in respect of any Proceeding if such settlement or stipulation (a) would affect the authorized capital structure or authorized return on equity of the Company or any Company Subsidiaries in an adverse manner, (b) materially affect the return on equity of the Company or any Company Subsidiary in an adverse manner or (c) would reasonably be expected to be materially adverse to the Company or the applicable Company Subsidiary.

**SECTION 5.03 No Solicitation by the Company; Company Board Recommendation.**

(a) The Company shall not, shall cause its Affiliates not to, and shall use reasonable efforts to cause its and their respective officers, directors, principals, partners, managers, members, attorneys, accountants, agents, employees, consultants, financial advisors or other authorized representatives (collectively, “Representatives”) not to, (i) directly or indirectly solicit, initiate or knowingly encourage, induce or facilitate any Company Takeover Proposal or any inquiry or proposal that would reasonably be expected to lead to a Company Takeover Proposal, in each case, except for this Agreement and the transactions contemplated hereby, or (ii) directly or indirectly participate in any discussions or negotiations with any Person (except for Parent and Parent’s Affiliates and its and their respective Representatives) regarding, or furnish to any such Person, any nonpublic information with respect to, or cooperate in any way with any such Person with respect to, any Company Takeover Proposal or any inquiry or proposal that would reasonably be expected to lead to a Company Takeover Proposal. The Company shall, and shall cause its Affiliates and its and their respective Representatives to, immediately cease and cause to be terminated all existing discussions or negotiations with any Person (except for Parent and Parent’s Affiliates and its and their respective Representatives) with respect to any Company Takeover Proposal, request the prompt return or destruction of all confidential information previously furnished and immediately terminate all physical and electronic data room access previously granted to any such Person or its Representatives. Notwithstanding anything to the contrary herein, at any time prior to obtaining the Company Shareholder Approval, in response to the receipt of a bona fide written Company Takeover Proposal made after the date of this Agreement that does not result from a breach (other than an immaterial breach) of this Section 5.03(a) by the Company and that the Company Board determines in good faith (after consultation with outside legal counsel and a financial advisor) constitutes or could reasonably be expected to lead to a Superior Company Proposal, the Company and its Representatives may (1) furnish information with respect to the Company and the Company Subsidiaries to the Person making such Company Takeover Proposal (and its Representatives) (provided, that (i) all such information has previously been provided to Parent or is provided to Parent prior to or concurrently with the provision of such information to such Person) pursuant to a customary confidentiality agreement that does not restrict the Company’s ability to comply with its obligations under this Section 5.03 and (2) participate in discussions regarding the terms of such Company Takeover Proposal, including terms of a Company Acquisition Agreement with respect thereto, and the negotiation of such terms with the Person making such Company Takeover Proposal (and such Person’s Representatives). Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in this Section 5.03(a) by any Representative of the Company or any of its Affiliates, in each case, at the Company’s direction, shall constitute a breach of this Section 5.03(a) by the Company. Notwithstanding anything to the contrary herein, to the extent the Company Board determines in good faith (after consultation with outside legal counsel) that it is required in order for the Company Board to comply with its fiduciary obligations, the Company may grant a waiver, amendment or release under any confidentiality or standstill agreement to the extent necessary to allow a confidential Company Takeover Proposal to be made to the Company or the Company Board so long as the Company Board promptly (and in any event, within one Business Day) notifies Parent thereof after granting any such waiver, amendment or release.

(b) Except as set forth in Section 5.03(a), Section 5.03(c) and Section 5.03(e), and except for the public disclosure of a Company Recommendation Change Notice, neither the Company Board nor any committee thereof shall (i) withdraw, change, qualify, withhold, modify in any manner adverse to Parent, or propose publicly to withdraw, change, qualify, withhold, modify in any manner adverse to Parent, the Company Board Recommendation, (ii) adopt, approve or recommend, or propose publicly to adopt, approve or recommend, any Company Takeover Proposal, (iii) fail to include in the Proxy Statement the Company Board Recommendation or (iv) take any formal action or make any recommendation or public statement in connection with a tender offer or exchange offer (except for a recommendation against such offer or a customary “stop, look and listen” communication of the type contemplated by Rule 14d-9(f) under the Exchange Act) (any action in the foregoing clauses (i)–(iv) being referred to as a “Company Adverse Recommendation Change”). Except as set forth in Section 5.03(a), Section 5.03(c) and Section 5.03(e), neither the Company Board nor any committee thereof shall authorize, permit, approve or recommend, or propose publicly to authorize, permit, approve or recommend, or allow the Company or any of its Affiliates to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, agreement or commitment constituting, or that would reasonably be expected to lead to, any Company Takeover Proposal, or requiring, or that would reasonably be expected to cause, the Company to abandon or terminate this Agreement (a “Company Acquisition Agreement”).

(c) Notwithstanding anything to the contrary herein, at any time prior to obtaining the Company Shareholder Approval, the Company Board may make a Company Adverse Recommendation Change if (i) a Company Intervening Event has occurred or (ii) the Company has received a Superior Company Proposal that does not result from a breach (other than an immaterial breach) of Section 5.03 by the Company and, in each case, if the Company Board determines in good faith (after consultation with outside legal counsel and a financial advisor) that the failure to effect a Company Adverse Recommendation Change as a result of the occurrence of such Company Intervening Event or in response to the receipt of such Superior Company Proposal, as the case may be, would reasonably likely be inconsistent with the Company Board’s fiduciary duties under applicable Law; provided, however, that the Company Board may not make such Company Adverse Recommendation Change unless (1) the Company Board has provided prior written notice to Parent (a “Company Recommendation Change Notice”) that it is prepared to effect a Company Adverse Recommendation Change at least four (4) Business Days prior to taking such action, which notice shall specify the basis for such Company Adverse Recommendation Change and, in the case of a Superior Proposal, attaching the most current draft of any Company Acquisition Agreement with respect to such Superior Company Proposal or, if no draft exists, a summary of the material terms and conditions of such Superior Company Proposal (it being understood that such Company Recommendation Change Notice shall not in itself be deemed a Company Adverse Recommendation Change and that if Parent has committed in writing to any changes to the terms of this Agreement and there has been any subsequent material

revision or amendment to the terms of a Superior Company Proposal, a new notice to which the provisions of clauses (2), (3) and (4) of this Section 5.03(c) shall apply *mutatis mutandis* except that, in the case of such a new notice, all references to four (4) Business Days in this Section 5.03(c) shall be deemed to be two (2) Business Days, (2) during the four (4) Business Day period after delivery of the Company Recommendation Change Notice, the Company and its Representatives negotiate in good faith with Parent and its Representatives regarding any revisions to this Agreement that Parent proposes to make and (3) at the end of such four (4) Business Day period and taking into account any changes to the terms of this Agreement committed to in writing by Parent, the Company Board determines in good faith (after consultation with outside legal counsel and a financial advisor) that the failure to make such a Company Adverse Recommendation Change would be inconsistent with its fiduciary duties under applicable Law, and that, in the case of a Company Adverse Recommendation Change with respect to a Company Takeover Proposal, such Company Takeover Proposal still constitutes a Superior Company Proposal.

(d) The Company shall promptly (and in any event no later than the later of (i) twenty-four (24) hours or (ii) 5:00 p.m. New York City time on the next Business Day) advise Parent orally and in writing of any Company Takeover Proposal, the material terms and conditions of any such Company Takeover Proposal and the identity of the Person making any such Company Takeover Proposal. The Company shall keep Parent reasonably informed in all material respects on a reasonably current basis (and in any event no later than the later of (i) twenty-four (24) hours or (ii) 5:00 p.m. New York City time on the next Business Day) of the material terms and status (including any change to the terms thereof) of any Company Takeover Proposal.

(e) Nothing contained in this Section 5.03 shall prohibit the Company from (i) complying with Rule 14d-9 and Rule 14e-2 promulgated under the Exchange Act or (ii) making any disclosure to the shareholders of the Company if, in the good-faith judgment of the Company Board (after consultation with outside legal counsel) failure to so disclose would be inconsistent with its obligations under applicable Law.

(f) For purposes of this Agreement:

(i) “Company Takeover Proposal” means any proposal or offer (whether or not in writing), with respect to any (A) merger, consolidation, share exchange, other business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company, (B) sale, lease, contribution or other disposition, directly or indirectly (including by way of merger, consolidation, share exchange, other business combination, partnership, joint venture, sale of capital stock of or other equity interests in a Company Subsidiary or otherwise) of any business or assets of the Company or the Company Subsidiaries representing 20% or more of the consolidated revenues, net income or assets of the Company and the Company Subsidiaries, taken as a whole, (C) issuance, sale or other disposition, directly or indirectly, to any Person (or the shareholders of any Person) or group of securities (or options, rights or warrants to purchase, or securities convertible into or exchangeable for, such securities) representing 20%

or more of the voting power of the Company, (D) transaction (including any tender offer or exchange offer) in which any Person (or the shareholders of any Person) would acquire (in the case of a tender offer or exchange offer, if consummated), directly or indirectly, beneficial ownership, or the right to acquire beneficial ownership, or formation of any group which beneficially owns or has the right to acquire beneficial ownership of, 20% or more of any class of capital stock of the Company or (E) any combination of the foregoing.

(ii) “Superior Company Proposal” means a *bona fide* written Company Takeover Proposal (provided, that for purposes of this definition, the applicable percentage in the definition of Company Takeover Proposal shall be “50.1%” rather than “20% or more”), which the Company Board determines in good faith, after consultation with outside legal counsel and a financial advisor, and taking into account the legal, financial, regulatory, timing and other aspects of such Company Takeover Proposal, the identity of the Person making the proposal and any financing required for such proposal, the ability of the Person making such proposal to obtain such required financing and the level of certainty with respect to such required financing, and such other factors that are deemed relevant by the Company Board, is more favorable to the holders of Company Common Stock than the transactions contemplated by this Agreement (after taking into account any revisions to the terms of this Agreement that are committed to in writing by Parent (including pursuant to Section 5.03(c)).

(iii) “Company Intervening Event” means any fact, circumstance, effect, change, event or development that (A) is unknown to or by the Company Board as of the date hereof (or if known, the magnitude or material consequences of which were not known to or understood by the Company Board as of the date of this Agreement), (B) becomes known to or understood by the Company Board prior to obtaining the Company Shareholder Approval and (C) has or would reasonably be expected to have a material beneficial effect on the Company and the Company Subsidiaries, taken as a whole.

#### SECTION 5.04 Financing.

(a) Parent shall use its reasonable best efforts to, and shall use its reasonable best efforts to cause its Affiliates to, consummate the Financing, or any Substitute Financing, in each case on the terms and conditions thereof (as the same may be amended in accordance with the terms of this Section 5.04 and including any “market flex” provisions thereof) as promptly as possible following the date of this Agreement (and, in any event, no later than the Closing Date), including (i) (1) maintaining in effect the Debt Letters and complying with all of their respective obligations thereunder and (2) negotiating, entering into and delivering definitive agreements with respect to the Financing reflecting the terms contained in the Debt Letters (including any “market flex” provisions thereof) (or with other terms agreed by Parent and the Financing Parties, subject to the restrictions on amendments of the Debt Letters set forth below), so that such agreements are in effect no later than the Closing, and (ii) satisfying on a timely basis all the conditions to the Financing and the definitive agreements related thereto that are applicable to Parent and its Affiliates that are within their control.

(b) In the event that all conditions set forth in Sections 7.01 and 7.03 have been satisfied or waived or, upon funding shall be satisfied or waived, Parent and its Affiliates shall use their reasonable best efforts to cause the Persons providing the Financing (such Persons, or any other financing sources and counterparties to any new or replacement financing, including any Substitute Financing, entered into in accordance with the terms hereof, the “Financing Parties”) to fund the Financing in accordance with its terms on the Closing Date, to the extent the proceeds thereof are required to consummate the Merger and the other transactions contemplated hereby, and to enforce its rights under the Debt Letters in the event of any breach by the Financing Parties of their funding obligations thereunder. Parent shall not, and shall cause its Affiliates not to, take or refrain from taking, directly or indirectly, any action that would reasonably be expected to result in a failure of any of the conditions contained in the Debt Letters or in any definitive agreement related to the Financing.

(c) Parent shall keep the Company reasonably informed on a current and timely basis of the status of Parent’s efforts to obtain the Financing and to satisfy the conditions thereof, including advising and updating the Company, in a reasonable level of detail, with respect to status, proposed closing date and material terms of the definitive documentation related to the Financing, providing copies of substantially final drafts of the credit agreement and other primary definitive documents (provided, that any fee letter may be redacted) and giving the Company prompt notice of any material breach or default (or alleged or purported material breach or default) by any party to the Debt Letters of which Parent has become aware or any termination or repudiation (or alleged or purported termination or repudiation) of the Debt Letters.

(d) Parent may amend, modify, terminate, assign or agree to any waiver under the Debt Letters (including to add lenders, arrangers, agents, bookrunners, managers and other financing sources) without the prior written approval of the Company; provided, that Parent shall not, without Company’s prior written consent, permit any such amendment, modification, assignment, termination or waiver to be made to, or consent to any waiver of, any provision of or remedy under the Debt Letters which would (1) reduce the aggregate amount of the Financing (including by increasing the amount of fees to be paid or original issue discount unless Parent has available cash to fund any additional fees or original issue discount without affecting Parent’s ability to pay the Merger Consideration), other than such reductions in an amount equal to the aggregate amount of (i) any debt or equity financing (including equity forward arrangements) obtained by the Parent or its Subsidiaries, (ii) any increase of the commitments under the existing revolving credit facilities of the Parent and its Subsidiaries, (iii) any commercial paper issuances by the Parent or its Subsidiaries and (iv) proceeds of any asset sales of the Parent and its Subsidiaries, in each case, to the extent such event occurs, (w) such event does not result in a mandatory reduction of the amount of the Financing under the terms of the Debt Letter (it being understood and agreed that any such mandatory reduction pursuant to the terms of the Debt Letter shall not be deemed to be an amendment, modification, assignment, termination or waiver of the Debt Letter subject to the terms of

this Section 5.04(d)), (x) the cash proceeds of any such event are received by Parent on or prior to the Effective Date or will be available to Parent on the Effective Date on conditions that are no more onerous than the conditions set forth in the Debt Letter, (y) solely with respect to any reduction pursuant to clause (ii) above, such increase of the commitments under the existing revolving credit facilities of the Parent or its Subsidiaries shall be accompanied by a waiver of the financial covenant set forth in Section 7.2(a) of the existing revolving credit agreement of the Parent or such Subsidiary, as applicable, and (z) Parent intends to use such cash proceeds to pay its obligations under this Agreement in lieu of proceeds from the Financing contemplated by the terms of the Debt Letters, (2) impose new or additional conditions to the Financing or (3) otherwise expand, amend, modify or waive any provision of the Debt Letters in a manner that in any such case would reasonably be expected to (A) delay or make less likely the funding of the Financing (or satisfaction of the conditions to the Financing) on the Closing Date, (B) adversely impact the ability of Parent to enforce its rights against the Financing Parties or any other parties to the Debt Letters or the definitive agreements with respect thereto or (C) adversely affect the ability of Parent to timely consummate the Merger and the other transactions contemplated hereby. In the event that new debt or equity commitment letters or fee letters are entered into in accordance with any amendment, replacement, supplement or other modification of the Debt Letters permitted pursuant to this Section 5.04(d)), such new commitment letters or fee letters shall be deemed to be a part of the “Financing” and deemed to be the “Debt Letters” for all purposes of this Agreement. Parent shall promptly deliver to the Company copies of any termination, amendment, modification, waiver or replacement of the Debt Letters (provided, that any fee letter may be redacted).

(e) If funds in the amounts set forth in the Debt Letters, or any portion thereof, become unavailable except as a result of a reduction in commitments under the Debt Letters as permitted under clause (d)(1) above, Parent shall, and shall cause its Affiliates, as promptly as practicable following the occurrence of such event to (i) notify the Company in writing thereof, (ii) use its reasonable best efforts to obtain substitute financing sufficient to enable Parent to consummate the Merger and the other transactions contemplated hereby in accordance with its terms (the “Substitute Financing”) and (iii) use its reasonable best efforts to obtain a new financing commitment letter that provides for such Substitute Financing and, promptly after execution thereof, deliver to the Company true, complete and correct copies of the new commitment letter and the related fee letters (in redacted form reasonably satisfactory to the Persons providing such Substitute Financing removing only fee amounts, pricing caps, rates and amounts included in the “market flex”, certain other economic provisions and certain other confidential terms (none of which would reasonably be expected to adversely affect the conditionality, enforceability, termination or availability of the Financing)) and related definitive financing documents with respect to such Substitute Financing; provided, however, that any such Substitute Financing shall not, without the prior written consent of the Company, (1) reduce the aggregate amount of the Financing contemplated at such time (including by increasing the amount of fees to be paid or original issue discount) or (2) impose new or additional conditions to the Financing or otherwise expand, amend, modify or waive any of the conditions of the Financing, in a manner that would reasonably be expected to delay or prevent the consummation of the Merger and the other

transactions contemplated hereby, as compared to the Debt Letters in effect on the date hereof. Upon obtaining any commitment for any such Substitute Financing, such financing shall be deemed to be a part of the “Financing” and any commitment letter for such Substitute Financing shall be deemed the “Debt Letters” for all purposes of this Agreement.

(f) Parent shall pay, or cause to be paid, as the same shall become due and payable, all fees and other amounts that become due and payable under the Debt Letters.

(g) Notwithstanding anything contained in this Agreement to the contrary, Parent and Merger Sub expressly acknowledge and agree that neither Parent’s nor Merger Sub’s obligations hereunder are conditioned in any manner upon Parent or Merger Sub obtaining the Financing, any Substitute Financing or any other financing.

#### SECTION 5.05    Financing Cooperation.

(a) From the date hereof until the Closing (or the earlier termination of this Agreement pursuant to Section 8.01), subject to the limitations set forth in this Section 5.05, and unless otherwise agreed by Parent, the Company will, and will cause each of its Subsidiaries to, and will use its reasonable best efforts to cause its and its Subsidiaries’ Representatives to, use its or their reasonable best efforts to cooperate with Parent as reasonably requested by Parent in connection with Parent’s arrangement of the Financing (which, solely for purposes of this Section 5.05 and the use of the term Financing Party in this Section 5.05, shall include any alternative equity or debt financings, all or a portion of which will be used to fund the Merger Consideration). Such cooperation will include using reasonable best efforts to:

(i) cooperate with the marketing efforts of Parent for all or any part of the Financing, including making appropriate officers reasonably available, with appropriate advance notice, for participation in lender, underwriter, initial purchaser or investor meetings, due diligence sessions, meetings with ratings agencies and road shows, and reasonable assistance in the preparation of confidential information memoranda, private placement memoranda, prospectuses, registration statements, lender and investor presentations, ratings agency presentations and similar documents as may be reasonably requested by Parent or any Financing Party, in each case, with respect to information relating to the Company and its Subsidiaries in connection with such marketing efforts;

(ii) furnish Parent and the Financing Parties with the Required Financial Information and any other information with respect to the Company and its Subsidiaries as is reasonably requested by Parent or any Financing Party and is customarily (A) required for the marketing, arrangement and syndication of financings similar to the Financing or (B) used in the preparation of customary offering or information documents or rating agency, lender presentations or road shows relating to the Financing; provided, that, the Company will use its reasonable best efforts to update such Required Financial Information provided to Parent pursuant to Section 5.05 as may be necessary so that such Required

Financial Information does not contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(iii) request that the Company's independent accountants participate in drafting sessions and accounting due diligence sessions and cooperate with the Financing (including as set forth in the Debt Letters as in effect on the date of this Agreement) or in connection with a customary offering of securities, including the type described in the Commitment Letter, consistent with their customary practice, including requesting that they provide customary consents and comfort letters (including "negative assurance" comfort) to the extent required in connection with the marketing and syndication of the Financing (including as set forth in the Debt Letters as in effect on the date of this Agreement) or as are customarily required in an offering of securities of the type contemplated by the Financing;

(iv) obtain or provide certificates as are customary in financings of such type and other customary documents (other than legal opinions) relating to the Financing as reasonably requested by Parent;

(v) furnish all documentation and other information required by a Governmental Entity or any Financing Party under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT ACT (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), to the extent reasonably requested by Purchaser at least 10 Business Days prior to the anticipated Closing Date;

(vi) assist Parent in obtaining any credit ratings from rating agencies contemplated by the Debt Letters;

(vii) use reasonable best efforts to obtain such consents, waivers, estoppels, approvals, authorizations and instruments which may be requested by Parent in connection with the Financing;

(viii) cooperate in satisfying the conditions precedent set forth in any definitive documentation related to the Financing to the extent satisfaction of such condition reasonably requires the cooperation of, or is within the control of, the Company; and

(ix) cooperate with respect to the delivery of any required notices regarding the Merger to the holders of Company indebtedness;

provided, further, that nothing in this Agreement shall require the Company to cause the delivery of (1) legal opinions or reliance letters or any certificate as to solvency or any other certificate necessary for the Financing, other than as contemplated by Section 5.05(a)(iii) or Section 5.05(a)(iv), (2) any audited financial information or any financial information prepared in accordance with Regulation S-K or Regulation S-X under the Securities Act of 1933, as

amended, or any financial information in a form not customarily prepared by the Company with respect to such period or (3) any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty (40) days prior to the date of such request.

(b) Notwithstanding anything to the contrary contained in this Agreement (including this Section 5.05): (i) nothing in this Agreement (including this Section 5.05) shall require any such cooperation to the extent that it would (1) require the Company to pay any commitment or other fees, reimburse any expenses or otherwise incur any liabilities or give any indemnities prior to the Closing, (2) unreasonably interfere with the ongoing business or operations of the Company or its Subsidiaries, (3) require the Company or any of the Company Subsidiaries to enter into or approve any agreement or other documentation effective prior to the Closing, (4) result in any conflict with the Company Articles, the Company Bylaws or the Organizational Documents of any Company Subsidiary, (5) reasonably be expected to result in a material violation or material breach of, or a material default (with or without notice, lapse of time or both) under, any Contract to which the Company or any Company Subsidiary is a party, including this Agreement, (6) reasonably be expected to result in a material violation of applicable Law (including with respect to privacy of employees) or (7) reasonably be expected to threaten the loss of any attorney-client privilege or other applicable legal privilege; and (ii) no action, liability or obligation (including any obligation to pay any commitment or other fees or reimburse any expenses) of the Company, its Subsidiaries, or any of their respective Representatives under any certificate, agreement, arrangement, document or instrument relating to the Financing shall be effective until the Closing. The Company hereby consents to the use of its and its Subsidiaries' logos in connection with the Financing in a form and manner mutually agreed with the Company; provided, however, that such logos are used solely in a manner that is not intended, or reasonably likely, to harm or disparage the Company or its Subsidiaries or any of their respective subsidiaries or the reputation or goodwill of any of the foregoing.

(c) Parent shall (i) promptly upon request by the Company, reimburse the Company for all of its reasonable and documented out-of-pocket fees and expenses (including reasonable fees and expenses of counsel and accountants) incurred by the Company, any of the Company Subsidiaries, any of its or their Representatives in connection with any cooperation contemplated by this Section 5.05 and (ii) indemnify and hold harmless the Company, the Company Subsidiaries and its and their Representatives against any claim, loss, damage, injury, liability, judgment, award, penalty, fine, cost (including cost of investigation), expense (including fees and expenses of counsel and accountants) or settlement payment incurred as a result of, or in connection with, such cooperation or the Financing and any information used in connection therewith other than those claims, losses, damages, injuries, liabilities, judgments, awards, penalties, fines, costs, expenses and settlement payment arising out of or resulting from the gross negligence, fraud or willful misconduct of the Company, any of the Company Subsidiaries or any of their respective Representatives as finally determined by a court of competent jurisdiction.

## ARTICLE VI

### ADDITIONAL AGREEMENTS

#### SECTION 6.01 Preparation of the Proxy Statement; Company Shareholders Meeting.

(a) As promptly as reasonably practicable following the date of this Agreement, unless the Company Board has made a Company Adverse Recommendation Change, the Company shall prepare and cause to be filed with the SEC a proxy statement to be mailed to the shareholders of the Company relating to the Company Shareholders Meeting (together with any amendments or supplements thereto, the “Proxy Statement”) in preliminary form. Parent shall furnish to the Company all information concerning itself and Merger Sub as the Company may reasonably request for inclusion in the Proxy Statement, and provide such other assistance, as may be reasonably requested by the Company or its outside legal counsel in connection with the preparation, filing and distribution of the Proxy Statement.

(b) The Company agrees that (i) assuming the truth, accuracy and completeness of the information supplied to the Company by Parent for inclusion or incorporation by reference in the Proxy Statement, the Proxy Statement will, at the date it is first mailed to the Company’s shareholders and at the time of the Company Shareholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading and (ii) assuming the truth, accuracy and completeness of the information supplied to the Company by Parent for inclusion or incorporation by reference in the Proxy Statement, the Proxy Statement will comply as to form in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder. Parent and Merger Sub agree that none of the information supplied or to be supplied by Parent or Merger Sub for inclusion or incorporation by reference in the Proxy Statement will, at the date it is first mailed to the Company’s shareholders and at the time of the Company Shareholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(c) The Company shall promptly notify the Parent after the receipt of any comments from the SEC with respect to, or any request from the SEC for amendments or supplements to, the Proxy Statement and shall provide Parent with copies of all correspondence between it and its Affiliates and Representatives, on the one hand, and the SEC, on the other hand. Unless, the Company Board has made a Company Adverse Recommendation Change, the Company shall:

(i) use its reasonable best efforts (1) to respond as promptly as reasonably practicable to any comment from the SEC with respect to, or any request from the SEC for amendments or supplements to, the Proxy Statement and (2) to have the SEC advise the Company as promptly as reasonably practicable that the SEC has no further comments on the Proxy Statement;

(ii) file the Proxy Statement in definitive form with the SEC and cause such definitive Proxy Statement to be mailed to the shareholders of the Company as promptly as reasonably practicable after the SEC advises the Company that the SEC has no further comments on the Proxy Statement; and

(iii) include the Company Board Recommendation in the preliminary and definitive Proxy Statement.

Notwithstanding anything to the contrary herein, unless the Company Board has made a Company Adverse Recommendation Change, prior to filing the Proxy Statement in preliminary form with the SEC, responding to any comment from the SEC with respect to, or any request from the SEC for amendments or supplements to, the Proxy Statement or mailing the Proxy Statement in definitive form to the shareholders of the Company, the Company shall provide Parent with a reasonable opportunity to review and comment on such document or response and consider in good faith any of the Parent's comments thereon.

(d) If, prior to the Company Shareholder Meeting, any event occurs with respect to Parent or any Parent Subsidiary, or any change occurs with respect to other information supplied by Parent for inclusion in the Proxy Statement, that is required to be described in an amendment of, or a supplement to, the Proxy Statement, Parent shall promptly notify the Company of such event, and Parent and the Company shall cooperate in the prompt filing with the SEC of any necessary amendment or supplement to the Proxy Statement so that either such document would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, and, as required by Law, in disseminating the information contained in such amendment or supplement to the Company's shareholders. Nothing in this Section 6.01(d) shall limit the obligations of any Party under Section 6.01(a).

(e) If prior to the Company Shareholder Meeting, any event occurs with respect to the Company or any Company Subsidiary, or any change occurs with respect to other information in the Proxy Statement (other than information provided by Parent regarding Parent or Merger Sub for inclusion in the Proxy Statement), that is required to be described in an amendment of, or a supplement to, the Proxy Statement, the Company shall promptly notify Parent of such event, and the Company and Parent shall cooperate in the prompt filing with the SEC of any necessary amendment or supplement to the Proxy Statement so that either such document would not include any misstatement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading and, as required by Law, in disseminating the information contained in such amendment or supplement to the Company's shareholders. Nothing in this Section 6.01(e) shall limit the obligations of any Party under Section 6.01(a).

(f) Unless the Company Board has made a Company Adverse Recommendation Change, the Company shall, as soon as practicable after mailing of the definitive Proxy Statement to the shareholders of the Company, duly convene and hold the Company Shareholders Meeting and, subject to Section 5.03(c), solicit the Company Shareholder Approval.

#### SECTION 6.02 Access to Information; Confidentiality.

(a) Subject to applicable Law and the Confidentiality Agreement, the Company shall, and shall cause each of the Company Subsidiaries to, afford to Parent and its Representatives reasonable access (at Parent's sole cost and expense), during normal business hours and upon reasonable advance notice, during the period from the date of this Agreement until the earlier of the Effective Time or termination of this Agreement pursuant to Section 8.01, to the material properties, books, contracts, commitments, personnel and records of the Company and the Company Subsidiaries, and during such period, the Company shall, and shall cause the Company Subsidiaries to, make available promptly to Parent (i) to the extent not publicly available, a copy of each material Filing made by it during such period pursuant to the requirements of securities Laws or filed with or sent to the SEC, the IURC, the PUCO or any other Governmental Entity and (ii) all other information concerning its business, properties and personnel as Parent may reasonably request; provided, however, that the Company may withhold from Parent or its Representatives any document or information that the Company believes is subject to the terms of a confidentiality agreement with a third party (provided, that the Company shall use its reasonable best efforts to obtain the required consent of such third party to disclose such document or information) or subject to any attorney-client privilege (provided, that the Company shall use its reasonable best efforts to allow the disclosure of such document or information (or as much of it as possible) in a manner that does not result in a loss of attorney-client privilege) or is commercially sensitive (as determined in the Company's reasonable discretion); provided, further, that neither the Company nor Parent or their respective Representatives shall have the right to collect any air, soil, surface water or ground water samples or perform any invasive or destructive air sampling on, under, at or from any of the properties owned, leased or operated by the other Party or its Subsidiaries.

(b) All documents and information exchanged pursuant to this Section 6.02 shall be subject to the letter agreement, dated as of January 29, 2018, between the Company and Parent, as amended (the "Confidentiality Agreement"). If this Agreement is terminated pursuant to Section 8.01, the Confidentiality Agreement shall remain in effect in accordance with its terms.

#### SECTION 6.03 Further Actions; Regulatory Approvals; Required Actions.

(a) Subject to the terms and conditions of this Agreement, each of the Parties shall use its reasonable best efforts to take, or cause to be taken, all actions, and do, or cause to be done, and assist and cooperate with the other Parties in doing, all things necessary to cause the conditions to the Closing set forth in Article VII to be satisfied as promptly as reasonably practicable or to effect the Closing as promptly as reasonably

practicable, including (i) making all necessary Filings with Governmental Entities or third parties, (ii) obtaining the Required Consents and all other third-party Consents that are necessary, proper or advisable to consummate the Merger, (iii) obtaining the Required Statutory Approvals, the Required State Approvals and all other Consents of Governmental Entities that are necessary, proper or advisable to consummate the Merger and the other transactions contemplated hereby and (iv) executing and delivering any additional instruments that are necessary, proper or advisable to consummate the Merger and the other transactions contemplated hereby.

(b) In connection with and without limiting the generality of Section 6.03(a), each of Parent and the Company shall:

(i) make or cause to be made, in consultation and cooperation with the other, at a mutually agreeable time after the date of this Agreement, an appropriate filing of a Notification and Report Form pursuant to the HSR Act relating to the Merger;

(ii) make or cause to be made, as promptly as reasonably practicable after the date of this Agreement and in any event within sixty (60) days after the date of this Agreement, which may be extended by mutual agreement of the Parties, all necessary Filings with other Governmental Entities relating to the Merger, including any such Filings necessary to obtain any Required Statutory Approval and any Required State Approval;

(iii) furnish to the other all assistance, cooperation and information reasonably required for any such Filing and in order to achieve the effects set forth in this Section 6.03;

(iv) unless prohibited by applicable Law or by a Governmental Entity, give the other Party reasonable prior notice of any such Filing and, to the extent reasonably practicable, of any communication with any Governmental Entity relating to the Merger (including with respect to any of the actions referred to in this Section 6.03(b)) and, to the extent reasonably practicable, permit the other to review and discuss in advance, and consider in good faith the views of, and secure the participation of, the other in connection with any such Filing or communication;

(v) respond as promptly as reasonably practicable under the circumstances to any inquiries received from any Governmental Entity or any other authority enforcing applicable Antitrust Laws for additional information or documentation in connection with antitrust, competition or similar matters (including a “second request” under the HSR Act) and not extend any waiting period under the HSR Act or enter into any agreement with any such Governmental Entity or other authorities not to consummate the Merger, except with the prior written consent of the other Party;

(vi) provide any information requested by any Governmental Entity in connection with any review or investigation of the transactions contemplated by this Agreement; and

(vii) unless prohibited by applicable Law or a Governmental Entity, to the extent reasonably practicable, (A) not participate in or attend any meeting or engage in any substantive conversation with any Governmental Entity in respect of the Merger without the other Party, (B) to the extent reasonably practicable, give the other reasonable prior notice of any such meeting or conversation and, in the event one Party is prohibited by applicable Law or by the applicable Governmental Entity from participating in or attending any such meeting or engaging in any such conversation, keep such Party apprised with respect thereto, (C) cooperate in the filing of any substantive memoranda, white papers, filings, correspondence or other written communications explaining or defending this Agreement or the Merger, articulating any regulatory or competitive argument or responding to requests or objections made by any Governmental Entity and (D) furnish the other Party with copies of all substantive correspondence, Filings and communications (and memoranda setting forth the substance thereof) between it and its Affiliates and their respective Representatives on the one hand, and any Governmental Entity or members of any Governmental Entity's staff, on the other hand, with respect to this Agreement or the Merger; provided, that the Parties shall be permitted to redact any correspondence, Filing or communication to the extent such correspondence, Filing or communication contains commercially sensitive information.

(c) Parent shall not, and shall cause its Affiliates not to, take any action, including acquiring any asset, property, business or Person (by way of merger, consolidation, share exchange, investment, other business combination, asset, stock or equity purchase, or otherwise), that could reasonably be expected to materially increase the risk of not obtaining or making any Consent or Filing contemplated by this Section 6.03 or the timely receipt thereof. In furtherance of and without limiting any of Parent's covenants and agreements under this Section 6.03, but subject to the other terms and conditions of this Section 6.03, Parent shall use its reasonable best efforts to avoid or eliminate each and every impediment that may be asserted by a Governmental Entity so as to enable the Closing to occur as soon as reasonably possible, which such reasonable best efforts shall include the following:

(i) defending through litigation on the merits, including appeals, any Claim asserted in any court or other proceeding by any Person, including any Governmental Entity, that seeks to or could prevent or prohibit or impede, interfere with or delay the consummation of the Closing;

(ii) proposing, negotiating, committing to and effecting, by consent decree, hold separate order or otherwise, the sale, divestiture, licensing or disposition of any assets or businesses of Parent or its Affiliates or the Company or the Company Subsidiaries, including entering into customary ancillary agreements on commercially reasonable terms relating to any such sale, divestiture, licensing or disposition;

(iii) agreeing to any limitation on the conduct of Parent or its Affiliates (including, after the Closing, the Surviving Corporation and the Company Subsidiaries); and

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

provided that, notwithstanding anything contained in this Agreement, the provisions of this Section 6.03 shall not be construed to (i) require Parent, Merger Sub or any Subsidiary of Parent or (ii) permit the Company or any Company Subsidiary without the prior written consent of Parent, to undertake any efforts or take any action (including accepting any terms, conditions, liabilities, obligations, commitment, sanctions or other measures and proposing, negotiating, committing to and effect, by consent decree, hold separate order or otherwise, the sale, divestiture, licensing or disposition of assets or businesses of Parent or the Company or their respective Subsidiaries) if the taking of such efforts or action, individually or in the aggregate, has resulted or would reasonably be expected to result in a Burdensome Condition.

(d) Notwithstanding anything in this Section 6.03 to the contrary, (i) Parent shall have primary responsibility for, and shall take the lead in, scheduling and conducting any meeting with any Governmental Entity, coordinating and making any applications and filings with, and resolving any investigation or other inquiry of, any agency or other Governmental Entity, obtaining the Parent Required Statutory Approvals and the Company Required Statutory Approvals, the Required State Approvals, Required Consents, Consents, Permits and other approvals and confirmations from any Governmental Entity necessary, proper or advisable to consummate the Merger; provided, that, Parent agrees to consult with the Company reasonably in advance of taking any such action. Parent shall promptly notify the Company and the Company shall notify Parent of any notice or other communication from any Person alleging that such Person's Consent is or may be required in connection with the Merger.

**SECTION 6.04 Transaction Litigation.** The Company shall promptly notify Parent of any shareholder litigation arising from this Agreement or the Merger that is brought against the Company or members of the Company Board ("Transaction Litigation"). The Company shall reasonably consult with Parent with respect to the defense or settlement of any Transaction Litigation and shall not settle any Transaction Litigation without Parent's consent (not to be

unreasonably withheld, conditioned or delayed); provided, that the Company shall not be required to take any action to the extent doing so would reasonably be expected to threaten the loss of any attorney-client privilege or other applicable legal privilege (provided, that the Company shall use its reasonable best efforts to allow the disclosure of such document or information (or as much of it as possible)).

**SECTION 6.05 Section 16 Matters.** Prior to the Effective Time, the Company shall take all such steps as may be required to cause any dispositions of Company Common Stock (including derivative securities with respect to Company Common Stock) directly resulting from the Merger by each individual who will be subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company immediately prior to the Effective Time to be exempt under Rule 16b-3 promulgated under the Exchange Act.

**SECTION 6.06 Governance Matters.** Parent hereby confirms that, subject to the occurrence of the Effective Time, it:

- (a) shall cause the Surviving Company to retain the Vectren Corporation name, as a CenterPoint company, for a minimum of five years after the Effective Time;
- (b) shall establish the combined gas headquarters in Evansville, Indiana and shall maintain this presence for a minimum of three years after the Effective Time;
- (c) shall establish the chief business officer of Southern Indiana Gas and Electric Company as a new direct report to the Chief Executive Officer of Parent;
- (d) shall center its integration efforts with respect to the Merger in Evansville, Indiana with a series of teams co-lead by heritage Company and Parent employees, with such teams to include the chief business officer of the combined gas businesses of Parent and the Company and Southern Indiana Gas and Electric Company;
- (e) shall cause the Surviving Company to retain key operational activities in support of the Company Subsidiaries that are utilities in Evansville, Indiana after the Effective Time;
- (f) shall cause the Surviving Company to remain active in community efforts, including continued support of ongoing participation of Company employees on local boards after the Effective Time; and
- (g) shall cause the Surviving Company to increase charitable giving in Indiana and Ohio by a minimum of \$3 million per year in the aggregate (as compared to giving levels as of the date of this Agreement) for a minimum of five years after the Effective Time via contributions to the Vectren Foundation and cause the Surviving Company to retain the headquarters of the Vectren Foundation in Evansville, Indiana and such foundation would remain an Indiana corporation.

**SECTION 6.07 Public Announcements.** Except with respect to (a) a Company Adverse Recommendation Change, a Company Recommendation Change Notice, a Company Takeover Proposal, a Superior Company Proposal or any matter related to any of the foregoing,

(b) any dispute between or among the Parties regarding this Agreement or the transactions contemplated hereby, and (c) a press release or other public statement that is consistent in all material respects with previous press releases, public disclosures or public statements made by a Party in accordance with this Agreement, including in investor conference calls, SEC Filings, Q&As or other publicly disclosed documents, in each case under this clause (c), to the extent such disclosure is still accurate in all material respects (and not materially misleading), Parent and the Company shall consult with each other before issuing, and give each other the reasonable opportunity to review and comment upon, any press release or other written public statement with respect to this Agreement or the transactions contemplated hereby, including the Merger, and shall not issue any such press release or make any such written public statement prior to such consultation, except as such Party reasonably concludes (based upon advice of its outside legal counsel) may be required by applicable Law, court process or by obligations pursuant to the rules of any national securities exchange or national securities quotation system. Notwithstanding the foregoing, the Company and Parent agree that the initial press release to be issued with respect to this Agreement or Merger shall be in a form agreed to by the Parties. In addition to the foregoing, the Company shall use good faith efforts to consult with Parent before distributing announcements to Company employees with respect to the Merger pursuant to a communication protocol to be mutually agreed upon by Parent and the Company (except for any such announcements related to the items described in clauses (a) and (b) of the first sentence of this Section 6.07).

**SECTION 6.08 Fees, Costs and Expenses.** Except as provided otherwise in this Agreement, including Section 8.02(b), all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such fees, costs or expenses, whether or not the Closing occurs.

**SECTION 6.09 Indemnification, Excavation and Insurance.**

(a) Parent agrees that all rights to indemnification, advancement of expenses and excusal from liabilities for acts or omissions occurring at or prior to the Effective Time now existing in favor of the current or former directors, officers or employees of the Company and the Company Subsidiaries as provided in their respective Organization Documents and any indemnification or other similar Contracts of the Company or any Company Subsidiary, in each case, as in effect on the date of this Agreement, shall continue in full force and effect in accordance with their terms (it being agreed that after the Closing such rights shall be mandatory rather than permissive, if applicable), and Parent shall cause the Surviving Corporation and the Company Subsidiaries to perform their respective obligations thereunder. Without limiting the foregoing, from and after the Effective Time, the Surviving Corporation agrees that it will indemnify and hold harmless each individual who is as of the date of this Agreement, or who becomes prior to the Effective Time, a director, officer or employee of the Company or any Company Subsidiary or who is as of the date of this Agreement, or who thereafter commences prior to the Effective Time, serving at the request of the Company or any Company Subsidiary as a director, officer or employee of another Person (the "Company Indemnified Parties"), against all claims, losses, liabilities, damages, judgments, inquiries, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, incurred in connection with any Claim, whether civil, criminal, administrative or

investigative (including with respect to matters existing or occurring at or prior to the Effective Time (including this Agreement and the transactions and actions contemplated hereby)), arising out of or pertaining to the fact that the Company Indemnified Party is or was a director, officer or employee of the Company or any Company Subsidiary or is or was serving at the request of the Company or any Company Subsidiary as a director, officer or employee of another Person, whether asserted or claimed prior to, at or after the Effective Time, to the fullest extent permitted under applicable Law. In the event of any Claim covered under this Section 6.09, each Company Indemnified Party will be entitled to advancement of expenses incurred in the defense of any such Claim from Parent; provided, that (i) any Person seeking advancement of expenses shall first provide an undertaking (if and only to the extent required by applicable Law or the Surviving Corporation's Organizational Documents) to the Parent to repay such advances if it is ultimately determined by final adjudication that such person is not entitled to indemnification and (ii) the Surviving Corporation shall cooperate in good faith in the defense of any such matter.

(b) In the event that Parent or the Surviving Corporation or any of its successors or assigns (i) consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, and in each such case, Parent or the Surviving Corporation, as the case may be, shall cause proper provision to be made so that the successors and assigns of Parent or the Surviving Corporation, as the case may be, assume the covenants and agreements set forth in this Section 6.09.

(c) For a period of six (6) years from and after the Effective Time, the Surviving Corporation shall either cause to be maintained in effect the current policies of directors' and officers' liability insurance and fiduciary liability insurance maintained by the Company or its Subsidiaries or provide substitute policies for the Company and its current and former directors and officers who are currently covered by the directors' and officers' and fiduciary liability insurance coverage currently maintained by the Company, in either case, of not less than the existing coverage and having other terms not materially less favorable to the insured persons than the directors' and officers' liability insurance and fiduciary liability insurance coverage currently maintained by the Company with respect to claims arising from facts or events that occurred on or before the Effective Time (with insurance carriers having at least an "A-" rating by A.M. Best with respect to directors' and officers' liability insurance and fiduciary liability insurance), except that in no event shall the Surviving Corporation be required to pay with respect to such insurance policies in respect of any one policy year more than 300% of the aggregate annual premium most recently paid by the Company prior to the date of this Agreement (the "Maximum Amount"), and if the Surviving Corporation is unable to obtain the insurance required by this Section 6.09(c) it shall obtain as much comparable insurance as possible for the years within such six (6) year period for an annual premium equal to the Maximum Amount, in respect of each policy year within such period. In lieu of such insurance, prior to the Closing Date the Company may, at its option, purchase a "tail" directors' and officers' liability insurance policy and fiduciary liability insurance policy for the Company and its current and former directors, officers and employees who are

currently covered by the directors' and officers' and fiduciary liability insurance coverage currently maintained by the Company, such tail to provide coverage in an amount not less than the existing coverage and to have other terms not materially less favorable to the insured persons than the directors' and officers' liability insurance and fiduciary liability insurance coverage currently maintained by the Company with respect to claims arising from facts or events that occurred on or before the Effective Time for a period of not less than six (6) years; provided, that in no event shall the cost of any such tail policy in respect of any one policy year exceed the Maximum Amount. The Surviving Corporation shall maintain such policies in full force and effect, and continue to honor the obligations thereunder.

(d) The provisions of this Section 6.09 (i) shall survive consummation of the Merger, (ii) are intended to be for the benefit of, and will be enforceable by, each indemnified or insured party (including the Company Indemnified Parties), his or her heirs and his or her representatives and (iii) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such Person may have by contract or otherwise.

#### **SECTION 6.10 Employee Matters.**

(a) During the period commencing at the Effective Time and ending on the two (2) year anniversary of the Effective Time (the “Continuation Period”), Parent shall, and shall cause the Surviving Corporation to, provide each individual who is employed by the Company or a Company Subsidiary immediately prior to the Effective Time and who remains employed thereafter by the Surviving Corporation, Parent or any of their Subsidiaries (each, a “Company Employee”) who is not a Represented Employee (as defined in Section 6.10(c)) with (i) the same or better employment responsibilities in the same location or within fifty (50) miles of the same location as held by the Company Employee immediately prior to the Effective Time, unless such Company Employee consents to such change in employment responsibilities or location change; (ii) a base salary or wage rate and short-term incentive compensation target opportunities that are no less favorable, in the aggregate, than that provided to the Company Employee immediately prior to the Effective Time; and (iii) employee benefits that are substantially comparable, in the aggregate, to those provided to the Company Employee immediately prior to the Effective Time. During the Continuation Period, Parent shall, and shall cause the Surviving Corporation to, provide each eligible Company Employee who experiences a termination of employment by the Surviving Corporation without “Cause” (excluding due to death or disability), or if applicable, by the Company Employee for “Good Reason” (as each such term is defined under the applicable severance arrangement) severance benefits that are no less than the sum of (i) those applicable to an eligible Company Employee pursuant to either (A) the Company’s general severance benefit guidelines, (B) the Company’s Severance Plan for Executive Officers, as in effect immediately prior to the Effective Time or (C) an individual written agreement that provides for severance payments during the Continuation Period and (ii) continuation of base salary or wages for the balance of the Continuation Period and continued payment of employer premiums for health benefits that an eligible Company Employee elects to continue pursuant to COBRA; provided, that, the provisions of this sentence shall not

apply to the officers of the Company, Vectren Utility Holdings, Inc. and subsidiaries of Vectren Utility Holdings, Inc. with an employment, change of control, severance or similar agreement (whether or not such agreements are triggered by the transactions contemplated by this Agreement). A Company Employee will not be eligible for severance benefits if such Company Employee leaves voluntarily other than for “Good Reason”, if applicable (including voluntary resignation or retirement) or, is discharged due to misconduct, including, but not limited to, a violation of employment policies of Parent or the Surviving Corporation. Any severance benefits under this Section 6.10 shall be provided only if Company Employee executes and does not revoke a release and waiver of all claims in favor of Parent, Surviving Corporation and their Affiliates. For the avoidance of doubt, Parent or the Surviving Corporation may terminate the employment of any Company Employee at any time, with or without cause.

(b) With respect to annual cash bonuses payable under the Company Stock Plan or the Vectren Incentive Plan for the fiscal year in which the Effective Time occurs: (1) as soon as practicable following the Effective Time, Parent shall, or shall cause the Surviving Corporation to, pay each Company Employee a pro-rated annual cash bonus for such fiscal year in an amount determined based on the target annual cash bonus payable under the Company Stock Plan or the Vectren Incentive Plan with such amount prorated based on the portion of such fiscal year completed as of the Effective Time and (2) for the portion of such fiscal year following the Effective Time each Company Employee who is paid a pro-rated bonus under clause (1) above shall be eligible for a pro-rated annual cash bonus with an annualized target value no less favorable than the target annual cash bonus that such Company Employee was eligible for immediately prior to the Effective Time, subject to such performance criteria as determined by Parent or the Surviving Corporation. For the avoidance of doubt, the preceding sentence shall not apply to the discretionary bonus plans or historic practices maintained by Vectren Infrastructure Services Company and Vectren Energy Services Company and bonuses under such plans or historic practices shall be governed by the terms of such plans or historic practices.

(c) With respect to each Company Employee (1) that receives a grant of 2018 Stock Units or 2019 Stock Units pursuant to the terms of Section 5.01(a)(y), a portion of which is cancelled upon the consummation of the Merger pursuant to the terms of such grant, (2) who remains an employee of the Surviving Company or a Company Subsidiary after the Effective Time and (3) is equity-eligible (as determined by Parent in accordance with Parent's policies), Parent shall, promptly following the Effective Time, issue to such Company Employee a replacement award on terms and conditions, including performance criteria, as determined by Parent.

(d) With respect to each Company Employee who is covered by a Company Union Contract (each, a “Represented Employee”), Parent shall, and shall cause the Surviving Corporation to, continue to honor the Company Union Contracts, in each case as in effect at the Effective Time, in accordance with their terms (it being understood that this sentence shall not be construed to limit the ability of Parent or the Surviving Corporation to amend or terminate any such Company Union Contract, to the extent permitted by the terms of the applicable Company Union Contract and applicable Law).

The provisions of this Section 6.10 shall be subject to any applicable provisions of the Company Union Contracts and applicable Law in respect of such Represented Employee, to the extent the provisions of this Section 6.10 are inconsistent with or otherwise in conflict with the provisions of any such Company Union Contract or applicable Law.

(e) At the Effective Time, Parent shall, or shall cause the Surviving Corporation to, assume and honor in accordance with their terms all of the Company's and all of the Company Subsidiaries' employment, severance, retention, termination and change-in-control plans, policies, programs, agreements and arrangements (including any change-in-control severance agreement or other arrangement between the Company and any Company Employee) maintained by the Company or any Company Subsidiary, in each case, as in effect at the Effective Time, including with respect to any payments, benefits or rights arising as a result of the Merger (either alone or in combination with any other event), it being understood that this sentence shall not be construed to limit the ability of Parent or the Surviving Corporation to amend or terminate any such plans, policies, programs, agreements, or arrangements, to the extent permitted by the terms of the applicable plan, policy, program, agreement or arrangement and applicable Law; provided, that any such amendment or termination shall not be inconsistent with the terms of this Agreement that specifically relate to such plans, policies, programs, agreements, or arrangements. For purposes of any Company Benefit Plan or Company Benefit Agreement set forth on Section 3.09(a) of the Company Disclosure Letter containing a definition of "change in control," "change of control" or similar term that relates to a transaction at the level of the Company, the Closing shall be deemed to constitute a "change in control," "change of control" or such similar term.

(f) With respect to all employee benefit plans of Parent, the Surviving Corporation or any of their Subsidiaries, including any "employee benefit plan" (as defined in Section 3(3) of ERISA) (including any vacation, paid time-off and severance plans), each Company Employee's service with the Company or any Company Subsidiary (as well as service with any predecessor employer of the Company or any such Company Subsidiary, to the extent service with the predecessor employer was recognized by the Company or such Company Subsidiary and is accurately reflected within a Company Employee's records) shall be treated as service with Parent, the Surviving Corporation or any of their Subsidiaries for all purposes, including determining eligibility to participate, level of benefits, vesting and benefit accruals, except (i) to the extent that such service was not recognized under the corresponding Company Benefit Plan immediately prior to the Effective Time, (ii) for purposes of any defined benefit plan accruals or (iii) to the extent that such recognition would result in any duplication of benefits for the same period of service.

(g) Parent shall, and shall cause the Surviving Corporation to, use commercially reasonable efforts to waive, or cause to be waived, any pre-existing condition limitations, exclusions, actively at work requirements and waiting periods under any welfare benefit plan maintained by Parent, the Surviving Corporation or any of their Subsidiaries in which Company Employees (and their eligible dependents) will be eligible to participate from and after the Effective Time, except to the extent that such pre-existing condition limitations, exclusions, actively-at-work requirements and waiting

periods would not have been satisfied or waived under the corresponding Company Benefit Plan immediately prior to the Effective Time. Parent shall, or shall cause the Surviving Corporation to, use commercially reasonable efforts to recognize the dollar amount of all co-payments, deductibles and similar expenses incurred by each Company Employee (and his or her eligible dependents) during the calendar year in which the Effective Time occurs for purposes of satisfying such year's deductible and co-payment limitations under the relevant welfare benefit plans in which they will be eligible to participate from and after the Effective Time.

(h) Notwithstanding anything to the contrary herein, the provisions of this Section 6.10 are solely for the benefit of the parties to this Agreement, and no provision of this Section 6.10 is intended to, or shall, constitute the establishment or adoption of or an amendment to any employee benefit plan for purposes of ERISA or otherwise and no Company Personnel or any other individual associated therewith shall be regarded for any purpose as a third-party beneficiary of this Agreement or have the right to enforce the provisions hereof including in respect of continued employment (or resumed employment). Nothing contained herein shall alter the at-will employment relationship of any Company Employee.

#### SECTION 6.11 Merger Sub.

(a) Prior to the Effective Time, Merger Sub shall not engage in any activity of any nature except for activities related to or in furtherance of the Merger.

(b) Parent hereby (i) guarantees the due, prompt and faithful payment performance and discharge by Merger Sub of, and compliance by Merger Sub with, all of the covenants and agreements of Merger Sub under this Agreement and (ii) agrees to take all actions necessary, proper or advisable to ensure such payment, performance and discharge by Merger Sub hereunder.

SECTION 6.12 Takeover Statutes. If any Takeover Statute or similar statute or regulation becomes applicable to this Agreement or the Merger, the Company shall use reasonable best efforts to obtain such approvals and take such actions to ensure that the Merger may be consummated as promptly as practicable on the terms contemplated by this Agreement.

SECTION 6.13 Actions Regarding Certain Company Plans. Pursuant to the Master Trust Agreement for the Indiana Energy, Inc. Unfunded Supplemental Retirement Plan, effective May 1, 1999, as amended, the Master Trust Agreement for the Indiana Energy, Inc. Nonqualified Deferred Compensation Plan, effective May 1, 1999, as amended, the Company shall fund such trusts with the use of Company funds prior to or contemporaneously with the Closing pursuant to the terms of such trusts. The Company agrees to cause any third-party administrator to be appointed pursuant to the terms of the aforementioned trusts in this Section 6.13 to an independent third party with experience administering similar trusts and the fees payable to such administrator to be reasonable and customary.

## ARTICLE VII

### CONDITIONS PRECEDENT

SECTION 7.01 Conditions to Each Party's Obligation to Effect the Transactions. The obligation of each Party to effect the Closing is subject to the satisfaction or waiver (by such Party) at or prior to the Closing of the following conditions:

(a) Company Shareholder Approval. The Company Shareholder Approval shall have been obtained.

(b) Required Statutory Approvals and Required State Approvals. The Required Statutory Approvals, including the expiration or termination of any waiting period applicable to the Merger under the HSR Act, and the Required State Approvals shall have been obtained at or prior to the Effective Time and such approvals shall have become Final Orders. For purposes of this Section 7.01(b) and Section 7.01(d), a “Final Order” means a Judgment by the relevant Governmental Entity that (i) has not been reversed, stayed, enjoined, set aside, annulled or suspended and is in full force and effect, (ii) with respect to which, if applicable, any mandatory waiting period prescribed by Law before the Merger may be consummated has expired or been terminated, and (iii) as to which all conditions to the consummation of the Merger prescribed by Law have been satisfied.

(c) No Legal Restraints. No Law and no Judgment, whether preliminary, temporary or permanent, shall be in effect that prevents, makes illegal or prohibits the consummation of the Merger (any such Law or Judgment, a “Legal Restraint”).

(d) No Change in Law. Since the date of this Agreement, there shall not have occurred any change in any applicable Law which would require the approval of the IURC or the PUCO prior to the consummation of the transactions contemplated hereby, including the Merger, unless the approval of the IURC and/or the PUCO, as applicable, has been obtained and has become a Final Order.

SECTION 7.02 Conditions to Obligations of the Company. The obligation of the Company to effect Closing is further subject to the satisfaction or waiver (by the Company) at or prior to the Closing of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of Parent and Merger Sub contained herein (except for the representations and warranties contained in Section 4.02 and Section 4.05(b)) shall be true and correct (without giving effect to any limitation as to “materiality” or “Parent Material Adverse Effect” set forth therein) at and as of the Effective Time as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except where the failure of any such representation or warranty to be true and correct (without giving effect to any limitation as to “materiality” or “Parent Material Adverse Effect” set forth therein), individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect and (ii) the representations and

warranties of Parent and Merger Sub contained in Section 4.02 and Section 4.05(b) shall be true and correct at and as of the Closing Date as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except where the failure of any such representation or warranty to be true and correct would be de minimis.

(b) Performance of Covenants and Agreements of Parent and Merger Sub. Parent and Merger Sub shall have performed in all material respects all covenants and agreements required to be performed by them under this Agreement at or prior to the Closing.

(c) Officer's Certificate. The Company shall have received a certificate signed on behalf of Parent by an executive officer of Parent certifying the satisfaction by Parent and Merger Sub of the conditions set forth in Section 7.02(a) and Section 7.02(b).

SECTION 7.03 Conditions to Obligations of Parent and Merger Sub. The obligations of Parent and Merger Sub to consummate the Merger are further subject to the satisfaction or waiver (by Parent and Merger Sub) at or prior to the Closing of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of the Company contained herein (except for the representations and warranties contained in Section 3.01, Section 3.03, Section 3.04, Section 3.07(b)(i), Section 3.13 and Section 3.20) shall be true and correct (without giving effect to any limitation as to "materiality" or "Company Material Adverse Effect" set forth therein) at and as of the Effective Time as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except where the failure of any such representation or warranty to be true and correct (without giving effect to any limitation as to "materiality" or "Company Material Adverse Effect" set forth therein), individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (ii) the representations and warranties of the Company contained in Section 3.03 shall be true and correct at and as of the Closing Date as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except where the failure of any such representation or warranty to be true and correct would be de minimis and (iii) the representations and warranties of the Company contained in and Section 3.01, Section 3.04, Section 3.13 and Section 3.20 shall be true and correct in all respects at and as of the Closing as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such earlier date).

(b) Performance of Covenants and Agreements of the Company. The Company shall have performed in all material respects all covenants and agreements required to be performed by it under this Agreement at or prior to the Closing.

(c) Absence of Company Material Adverse Effect. Since the date of this Agreement, no fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect, shall have occurred.

(d) Absence of Burdensome Condition. No Law, Judgment (to the extent arising in connection with the Required Statutory Approvals, any assertion of jurisdiction by any state regulatory commission or any approval required by the IURC or the PUCO as described in Section 7.01(d)), any Required Statutory Approvals or any Required State Approvals shall impose or require any undertakings, terms, conditions, liabilities, obligations, commitments or sanctions, or any structural or remedial actions that constitute, or would reasonably be expected to constitute, a Burdensome Condition.

(e) Officer's Certificate. Parent shall have received a certificate signed on behalf of the Company by an executive officer of the Company certifying the satisfaction by the Company of the conditions set forth in Section 7.03(a), Section 7.03(b) and Section 7.03(c).

## ARTICLE VIII

### TERMINATION, AMENDMENT AND WAIVER

#### SECTION 8.01 Termination Rights.

(a) Termination by Mutual Consent. The Company and Parent shall have the right to terminate this Agreement at any time prior to the Effective Time, whether before or after receipt of the Company Shareholder Approval, by mutual written consent.

(b) Termination by Either the Company or Parent. Each of the Company and Parent shall have the right to terminate this Agreement, at any time prior to the Effective Time, whether before or after the receipt of the Company Shareholder Approval, if:

(i) the Closing shall not have occurred by 5:00 p.m. New York City time on April 21, 2019 (the "End Date"); provided, that if, prior to the End Date, all of the conditions to the Closing set forth in Article VII have been satisfied or waived, as applicable, or shall then be capable of being satisfied (except for any conditions set forth in Section 7.01(b), Section 7.01(c) and Section 7.01(d), if applicable, and those conditions that by their nature are to be satisfied at the Closing), either the Company or Parent may, prior to 5:00 p.m. New York City time on the End Date, extend the End Date to a date that is six (6) months after the End Date (and if so extended, such later date being the End Date); provided, further, that neither the Company nor Parent may terminate this Agreement or extend the End Date pursuant to this Section 8.01(b)(i) if it (or, in the case of Parent, Merger Sub) is in breach of any of its covenants or agreements and such breach has caused or resulted in either (1) the failure to satisfy the conditions to its obligations to consummate the Merger set forth in Article VII prior to the End Date or (2) the failure of the Closing to have occurred prior to the End Date;

(ii) the condition set forth in Section 7.01(c) is not satisfied and the Legal Restraint giving rise to such nonsatisfaction has become final and nonappealable; provided, however, that the right to terminate this Agreement under this Section 8.01(b)(ii) shall not be available to any Party if such failure to satisfy the condition set forth in Section 7.01(c) is the result of a failure of such Party to comply with its obligations pursuant to Section 6.03; or

(iii) the Company Shareholder Approval is not obtained at the Company Shareholders Meeting duly convened (unless such Company Shareholders Meeting has been adjourned, in which case at the final adjournment thereof).

(c) Termination by the Company. The Company shall have the right to terminate this Agreement:

(i) in the event that the Company Board has made a Company Adverse Recommendation Change with respect to a Superior Company Proposal and shall have approved, and concurrently with the termination hereunder, the Company shall have entered into, a Company Acquisition Agreement providing for the implementation of such Superior Company Proposal, so long as (1) the Company has complied in all material respects with its obligations under Section 5.03 and (2) the Company prior to or concurrently with such termination pays to Parent the Company Termination Fee in accordance with Section 8.02(b)(ii), and the termination pursuant to this Section 8.01(c)(i) shall not be effective and the Company shall not enter into any such Company Acquisition Agreement until Parent is in receipt of the Company Termination Fee; provided, however, that the Company shall not have the right to terminate this Agreement under this Section 8.01(c)(i) after the Company Shareholder Approval is obtained at the Company Shareholders Meeting;

(ii) if Parent or Merger Sub breaches or fails to perform any of its covenants or agreements contained herein, or if any of the representations or warranties of Parent or Merger Sub contained herein fails to be true and correct, which breach or failure to perform (1) would give rise to the failure of a condition set forth in Section 7.02(a) or Section 7.02(b), as applicable, and (2) is not reasonably capable of being cured by Parent or Merger Sub by the End Date (as it may be extended pursuant to Section 8.01(b)(i)) or is not cured by Parent within thirty (30) days after receiving written notice from the Company of such breach or failure; provided, however, that the Company shall not have the right to terminate this Agreement under this Section 8.01(c)(ii) if the Company is then in breach of any covenant or agreement contained herein or any representation or warranty of the Company contained herein then fails to be true and correct such that the conditions set forth in Section 7.03(a) or Section 7.03(b), as applicable, could not then be satisfied; or

(iii) if (1) all of the conditions set forth in Section 7.01, Section 7.02 and Section 7.03 have been satisfied or waived in accordance with this Agreement as of the date that the Closing should have been consummated pursuant to Section 1.03 (except for those conditions that by their terms are to be satisfied at the Closing), (2) Parent and Merger Sub do not complete the Closing on the day that the Closing should have been consummated pursuant to Section 1.03, (3) the

Company shall have delivered to Parent an irrevocable notice that it stands ready, willing and able to consummate the Closing, and (4) Parent and Merger Sub fail to consummate the Closing within five (5) Business Days following their receipt of written notice from the Company requesting such consummation.

(d) Termination by Parent. Parent shall have the right to terminate this Agreement:

(i) in the event that the Company Board or a committee thereof has made a Company Adverse Recommendation Change; provided, however, that Parent shall not have the right to terminate this Agreement under this Section 8.01(d)(i) after the Company Shareholder Approval is obtained at the Company Shareholders Meeting; or

(ii) if the Company breaches or fails to perform any of its covenants or agreements contained herein, or if any of the representations or warranties of the Company contained herein fails to be true and correct, which breach or failure (1) would give rise to the failure of a condition set forth in Section 7.03(a) or Section 7.03(b), as applicable, and (2) is not reasonably capable of being cured by the Company by the End Date (as it may be extended pursuant to Section 8.01(b)(i)) or is not cured by the Company within thirty (30) days after receiving written notice of such breach or failure; provided, however, that Parent shall not have the right to terminate this Agreement under this Section 8.01(d)(ii) if Parent or Merger Sub is then in breach of any representation, covenant or agreement contained herein such that the conditions set forth in Section 7.02(a) or Section 7.02(b), as applicable, could not then be satisfied.

## SECTION 8.02 Effect of Termination; Termination Fees.

(a) In the event of termination of this Agreement by either Parent or the Company as provided in Section 8.01, this Agreement shall forthwith become void and have no effect, without any liability or obligation on the part of the Company or Parent (or any shareholder, Affiliate or Representative thereof), whether arising before or after such termination, based on, arising out of or relating to this Agreement or the negotiation, execution, performance or subject matter hereof (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity), except for (i) Section 5.05(c), the last sentence of Section 6.02(b), Section 6.08, this Section 8.02 and Article IX, which provisions shall survive such termination and (ii) subject to Section 8.02(d), liability of any Party (whether or not the terminating Party) for any Willful Breach of this Agreement prior to such termination but solely to the extent such liability arises out of a Willful Breach by such Party of any covenant or agreement set forth herein that gave rise to the failure of a condition set forth in Article VII. The liabilities described in the preceding sentence shall survive the termination of this Agreement.

(b) Termination Fees.

(i) If (1) (A) either Parent or the Company terminates this Agreement pursuant to Section 8.01(b)(i) and, at the time of such termination, any of the conditions set forth in Section 7.01(b), Section 7.01(d), if applicable, Section 7.03(d) or in connection with the Required Statutory Approvals, the Required State Approvals or any assertion of jurisdiction by any state regulatory commission, Section 7.01(c) shall have not been satisfied or (B) either Parent or the Company terminates this Agreement pursuant to Section 8.01(b)(ii) (if, and only if, the applicable Legal Restraint giving rise to such termination arises in connection with the Required Statutory Approvals or any assertion of jurisdiction by any state regulatory commission) or (C) the Company terminates this Agreement pursuant to Section 8.01(c)(ii) based on a failure by Parent to perform its covenants or agreements under Section 6.03, and in each case of the foregoing clauses (A), (B) and (C), at the time of such termination, all other conditions to the Closing set forth in Section 7.01(a), Section 7.03(a), Section 7.03(c) and Section 7.03(d) shall have been satisfied or waived (except for (I) those conditions that by their nature are to be satisfied at the Closing but which conditions would be satisfied or would be capable of being satisfied if the Closing Date were the date of such termination, (II) those other conditions that are still capable of being satisfied or (III) those conditions that have not been satisfied as a result of a breach of this Agreement by Parent or Merger Sub), or (2) the Company terminates this Agreement pursuant to Section 8.01(c)(iii), then Parent shall pay to the Company the Parent Termination Fee. Parent shall pay the Parent Termination Fee to the Company (to an account designated in writing by the Company) prior to or concurrently with such termination of this Agreement by Parent or no later than three (3) Business Days after the date of the applicable termination by the Company.

(ii) If the Company terminates this Agreement pursuant to Section 8.01(c)(i) or Parent terminates this Agreement pursuant to Section 8.01(d)(i), the Company shall pay to Parent the Company Termination Fee. The Company shall pay the Company Termination Fee to Parent (to an account designated in writing by Parent) prior to or concurrently with such termination of this Agreement by the Company pursuant to Section 8.01(c)(i) or no later than three (3) Business Days after the date of such termination of this Agreement by Parent pursuant to Section 8.01(d)(i).

(iii) If (1) either (A) Parent or the Company terminates this Agreement pursuant to Section 8.01(b)(i) (but only if the Parent Termination Fee is not also payable under Section 8.02(b)(i) or Section 8.01(b)(iii) or (B) Parent terminates this Agreement pursuant to Section 8.01(d)(ii), (2) a Company Takeover Proposal shall have been publicly disclosed or made to the Company after the date hereof, and not withdrawn, (x) in the case of a termination pursuant to Section 8.01(b)(i) or Section 8.01(d)(ii), prior to the date of such termination, or (y) in the case of a termination pursuant to Section 8.01(b)(iii), prior to the date of the Company Shareholders Meeting, and (3) within twelve (12) months after the termination of this Agreement, the Company shall have entered into a Company Acquisition Agreement or consummated a Company Takeover Proposal (whether or not the

same Company Takeover Proposal referred to in clause (2)), then the Company shall pay the Company Termination Fee to Parent (to an account designated in writing by Parent) within three (3) Business Days after the earlier to the date the Company enters into such Company Acquisition Agreement or consummates such Company Takeover Proposal. For purposes of clause (3) of this Section 8.02(b)(iii), the term “Company Takeover Proposal” shall have the meaning assigned to such term in Section 5.03, except that the applicable percentage in the definition of “Company Takeover Proposal” shall be “50.1%” rather than “20% or more”.

(c) The Parties acknowledge that the agreements contained in Section 8.02(b) are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, the parties would not enter into this Agreement. If Parent fails to promptly pay an amount due pursuant to Section 8.02(b)(i) or the Company fails to promptly pay an amount due pursuant to Section 8.02(b)(ii) or Section 8.02(b)(iii), and, in order to obtain such payment, Parent, on the one hand, or the Company, on the other hand, commences a Claim that results in a Judgment against the Company for the amount set forth in Section 8.02(b)(ii) or Section 8.02(b)(iii) or any portion thereof, or a Judgment against Parent for the amount set forth in Section 8.02(b)(i), or any portion thereof, the Company shall pay to Parent, on the one hand, or Parent shall pay to the Company, on the other hand, its costs and expenses (including reasonable attorneys' fees and the fees and expenses of any expert or consultant engaged by the Company) in connection with such Claim, together with interest on the amount of such payment from the date such payment was required to be made until the date of payment at the U.S. prime rate as quoted by The Wall Street Journal in effect on the date such payment was required to be made. Any amount payable pursuant to Section 8.02(b) shall be paid by the applicable Party by wire transfer of same-day funds prior to or on the date such payment is required to be made under Section 8.02(b).

(d) Without limiting the rights of the Company under Section 9.10 prior to the termination of this Agreement pursuant to Section 8.01, if this Agreement is terminated under circumstances in which Parent is obligated to pay the Parent Termination Fee under Section 8.02(b)(i), except as otherwise contemplated by the last sentence of this Section 8.02(d), upon payment of the Parent Termination Fee, and, if applicable, the costs and expenses of the Company pursuant to Section 8.02(c) in accordance herewith, Parent, the Parent Subsidiaries and any of the Financing Source Parties and their respective Affiliates and Representatives shall have no further liability with respect to this Agreement or the transactions contemplated hereby, including the Financing, to the Company or the holders of the Company Common Stock, and payment of the applicable fee and such costs and expenses by Parent shall be the Company's sole and exclusive remedy for any Claims, losses, liabilities, damages, judgments, inquiries, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, suffered or incurred by the Company, the Company Subsidiaries or any other Person in connection with this Agreement, the transactions contemplated hereby, including the Financing (and the termination thereof) or any matter forming the basis for such termination, and the Company shall not have, and expressly waives and relinquishes, any other right, remedy or recourse (whether in contract or in tort or otherwise, or whether at

law (including at common law or by statute) or in equity), including against any Financing Source Party; provided, that, regardless of whether Parent pays or is obligated to pay the Parent Termination Fee, nothing in this Section 8.02(d) shall release Parent from liability for a Willful Breach of this Agreement. If this Agreement is terminated under circumstances in which the Company is obligated to pay the Company Termination Fee under Section 8.02(b)(ii) or Section 8.02(b)(iii), upon payment of the Company Termination Fee and, if applicable, the costs and expenses of Parent pursuant to Section 8.02(c) in accordance herewith, the Company shall have no further liability with respect to this Agreement or the transactions contemplated hereby to Parent, Merger Sub or any of their respective Affiliates or Representatives, and payment of the Company Termination Fee and such costs and expenses by the Company shall be Parent's sole and exclusive remedy for any Claims, losses, liabilities, damages, judgments, inquiries, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, suffered or incurred by Parent, Parent's Subsidiaries and any other Person in connection with this Agreement, the transactions contemplated hereby (and the termination thereof) or any matter forming the basis for such termination, and Parent and Merger Sub shall not have, and each expressly waives and relinquishes, any other right, remedy or recourse (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity); provided, that, regardless of whether the Company pays or is obligated to pay the Company Termination Fee, nothing in this Section 8.02(d) shall release the Company from liability for a Willful Breach of this Agreement. The Parties acknowledge and agree that in no event shall the Company or Parent, as applicable, be required to pay the Company Termination Fee, the Parent Termination Fee, as applicable, on more than one occasion.

(e) For purposes of this Agreement, "Willful Breach" means a breach that is a consequence of a deliberate act or deliberate failure to act undertaken by the breaching Party with the Knowledge that the taking of, or failure to take, such act would, or would reasonably be expected to, cause or constitute a material breach of any covenants or agreements contained in this Agreement; provided, that, without limiting the meaning of Willful Breach, the Parties acknowledge and agree that any failure by any Party to consummate the Merger and the other transactions contemplated hereby after the applicable conditions to the Closing set forth in Article VII have been satisfied or waived (except for those conditions that by their nature are to be satisfied at the Closing, which conditions would be capable of being satisfied at the time of such failure to consummate the Merger) shall constitute a Willful Breach of this Agreement. For the avoidance of doubt, (i) in the event that all applicable conditions to the Closing set forth in Article VII have been satisfied or waived (except for those conditions that by their nature are to be satisfied at the Closing, which conditions would be capable of being satisfied at the time of such failure to consummate the Merger) but Parent fails to close for any reason, such failure to close shall be considered a Willful Breach and (ii) the availability or unavailability of financing for the transactions contemplated by this Agreement shall have no effect on Parent's obligations hereunder. The Parties acknowledge and agree that, without in any way limiting the Parties' rights under Section 9.10, recoverable damages of the Company hereunder shall not be limited to reimbursement of expenses or out-of-pocket costs but shall also include the benefit of the bargain lost by the Company and its shareholders (including "lost premium"), taking into consideration relevant

matters, including the total consideration and value to be received by the shareholders of each Party under this Agreement and the time value of money, which shall be deemed in such event to be damages of the Company and shall be recoverable by the Company on behalf of itself or its shareholders.

**SECTION 8.03 Amendment.** This Agreement may be amended by the Parties at any time before or after receipt of the Company Shareholder Approval; provided, however, that (a) after receipt of the Company Shareholder Approval, there shall be made no amendment that by Law requires further approval by the shareholders of the Company without the further approval of such shareholders, (b) no amendment shall be made to this Agreement after the Effective Time, (c) except as provided above, no amendment of this Agreement shall require the approval of the shareholders of Parent or the shareholders of the Company and (d) no amendments to or waivers of any DFS Provision shall be effective without the written consent of the Financing Parties. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties.

**SECTION 8.04 Extension; Waiver.** At any time prior to the Effective Time, the Parties may (a) extend the time for the performance of any of the obligations or other acts of the other Parties, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant to this Agreement, (c) waive compliance with any covenants and agreements contained herein or (d) waive the satisfaction of any of the conditions contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. The failure of any Party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

**SECTION 8.05 Procedures for Termination, Amendment, Extension or Waiver.** A termination of this Agreement pursuant to Section 8.01, an amendment of this Agreement pursuant to Section 8.03 or an extension or waiver pursuant to Section 8.04 shall, in order to be effective, require, in the case of the Company, Parent or Merger Sub, action by such Party's board of directors or the duly authorized designee of its board of directors. Termination of this Agreement prior to the Effective Time shall not require the approval of the shareholders of any Party. The Party desiring to terminate this Agreement pursuant to Section 8.01 shall give written notice of such termination to the other Parties in accordance with Section 9.02, specifying the provision of this Agreement pursuant to which such termination is effected.

## ARTICLE IX

### GENERAL PROVISIONS

**SECTION 9.01 Nonsurvival of Representations, Warranties, Covenants and Agreements; Contractual Nature of Representations and Warranties.** None of the representations or warranties contained herein or in any instrument delivered pursuant to this Agreement shall survive, and all rights, claims and causes of action (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) with respect thereto shall terminate at the Effective Time. Except for any covenant or agreement that by its terms contemplates performance after the Effective Time, none of the covenants or agreements of the

Parties contained herein shall survive, and all rights, Claims and causes of action (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) with respect to such covenants and agreements shall terminate at, the Effective Time. The Parties hereby acknowledge and agree that (a) all representations and warranties set forth in this Agreement are contractual in nature only, (b) no Person is asserting the truth or accuracy of any representation or warranty set forth in this Agreement, (c) if any such representation or warranty (as modified by the applicable Disclosure Letter) should prove untrue, the Parties' only rights, Claims or causes of action shall be to exercise the specific rights set forth in Sections 7.02(a), 7.03(a), 8.01(c)(ii) and 8.01(d)(ii), as and if applicable, and (d) the Parties shall have no other rights, Claims or causes of action (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) based on, arising out of or related to any such untruth of any such representation or warranty.

**SECTION 9.02 Notices.** All notices and other communications under this Agreement shall be in writing and shall be deemed given (a) when delivered personally by hand (with written confirmation of receipt by other than automatic means, whether electronic or otherwise), (b) when sent by facsimile or email (with written confirmation of transmission) or (c) one (1) Business Day following the day sent by an internationally recognized overnight courier (with written confirmation of receipt), in each case, at the following addresses, facsimile numbers and email addresses (or to such other address, facsimile number or email address as a Party may have specified by notice given to the other Party pursuant to this provision):

To Parent or Merger Sub:

CenterPoint Energy, Inc.  
1111 Louisiana Street  
Houston, TX 77002  
Attention: Dana O'Brien  
Facsimile: (713) 207 - 0141  
Email: dana.obrien@centerpointenergy.com

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

Akin Gump Strauss Hauer & Feld LLP  
One Bryant Park  
New York NY 10036  
Attention: Zachary Wittenberg  
Facsimile: (212) 872 - 1002  
Email: zwittenberg@akingump.com

and

Akin Gump Strauss Hauer & Feld LLP  
1111 Louisiana Street, 44th Floor  
Houston, TX 77002  
Attention: W. Robert Shearer  
Facsimile: (713) 236-0822  
Email: rshearer@akingump.com

To the Company:

Vectren Corporation  
One Vectren Square  
211 North Riverside Drive  
Evansville, IN 47708  
Attention: Susan Hardwick  
Facsimile: (812) 491-4684  
Email: shardwick@Vectren.com

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

Vectren Corporation  
One Vectren Square  
211 North Riverside Drive  
Evansville, IN 47708  
Attention: Ronald E. Christian  
Facsimile: (812) 491-4169  
Email: rchristian@vectren.com

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

Baker Botts L.L.P.  
30 Rockefeller Plaza  
New York, NY 10112-4498  
Attention: William S. Lamb  
James H. Mayor  
Facsimile: (212) 259-2557

Email: (713) 229-7849  
bill.lamb@bakerbotts.com  
james.mayor@bakerbotts.com

SECTION 9.03 Definitions. For purposes of this Agreement, each capitalized term has the meaning given to it, or specified, in Exhibit A.

SECTION 9.04 Interpretation.

(a) Time Periods. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, (i) the date that is the reference date in calculating such period shall be excluded and (ii) if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(b) Dollars. Unless otherwise specifically indicated, any reference herein to \$ means U.S. dollars.

(c) Gender and Number. Any reference herein to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(d) Articles, Sections and Headings. When a reference is made herein to an Article or a Section, such reference shall be to an Article or a Section of this Agreement unless otherwise indicated. The table of contents and headings contained herein are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(e) Include. Whenever the words "include", "includes" or "including" are used herein, they shall be deemed to be followed by the words "without limitation."

(f) Hereof. The words "hereof," "hereto," "hereby," "herein" and "hereunder" and words of similar import when used herein shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(g) Extent. The word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply "if."

(h) Contracts; Laws. Any Contract or Law defined or referred to herein means such Contract or Law as from time to time amended, modified or supplemented, unless otherwise specifically indicated.

(i) Persons. References to a person are also to its permitted successors and assigns.

(j) Or. Unless otherwise specifically provided herein, the term "or" shall not be deemed to be exclusive.

(k) Exhibits and Disclosure Letters. The Exhibits to this Agreement and the Disclosure Letters are hereby incorporated and made a part hereof and are an integral part of this Agreement. Each of the Company and Parent may, at its option, include in the Company Disclosure Letter or the Parent Disclosure Letter, respectively, items that are not material in order to avoid any misunderstanding, and such inclusion, or any references to dollar amounts herein or in the Disclosure Letters, shall not be deemed to be an acknowledgement or representation that such items are material, to establish any standard of materiality or to define further the meaning of such terms for purposes of this Agreement or otherwise. Any matter set forth in any section of the Disclosure Letters shall be deemed to be referred to and incorporated in any section to which it is specifically referenced or cross-referenced and also in all other sections of such Disclosure Letter to which such matter's application or relevance is reasonably apparent on the face of such matter. Any capitalized term used in any Exhibit or any Disclosure Letter but not otherwise defined therein shall have the meaning given to such term herein.

(l) Reflected On or Set Forth In. An item arising with respect to a specific representation, warranty, covenant or agreement shall be deemed to be "reflected on" or "set forth in" the Company Financial Statements included in the Company Reports, to the extent any such phrase appears in such representation, warranty, covenant or agreement if (i) there is a reserve, accrual or other similar item underlying a number on such balance sheet or financial statement that, reasonably apparent on the face of such reserve, accrual or other items, purports to be an element of the subject matter of such representation or (ii) such item and the amount thereof is otherwise expressly identified on such balance sheet or financial statement (or the notes thereto).

**SECTION 9.05 Severability.** If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party or such Party waives its rights under this Section 9.05 with respect thereto. Upon any determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated by this Agreement are fulfilled to the extent possible.

**SECTION 9.06 Counterparts.** This Agreement may be executed in one or more counterparts (including by means of facsimile or email in .pdf format), all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties.

**SECTION 9.07 Entire Agreement; No Third-Party Beneficiaries.** This Agreement, taken together with the Company Disclosure Letter, the Parent Disclosure Letter and the exhibits hereto and other instruments referred to herein, and the Confidentiality Agreement, constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between or among the Parties with respect to the transactions contemplated by this Agreement, including the Merger. Except as provided in the following two sentences (a) after

the Effective Time, the rights of the Company's shareholders and holders of Company Stock Units, Company Other Performance Units or Company Unpaid Performance Units to receive the Merger Consideration and payments pursuant to Article II, and (b) after the Effective Time, except for Section 6.09, each Party agrees that (i) its respective representations, warranties, covenants and agreements set forth herein are solely for the benefit of the other Parties, in accordance with and subject to the terms of this Agreement and (ii) this Agreement is not intended to, and does not, confer upon any Person other than the Parties any rights or remedies hereunder, including the right to rely upon the representations and warranties set forth herein. The Financing Parties and each of their respective Affiliates and their respective current, former and future direct or indirect equity holders, controlling persons, stockholders, agents, Affiliates, members, managers, general or limited partners, assignees or representatives (collectively, the "Financing Source Parties") shall be express third-party beneficiaries with respect to Section 8.02(d), Section 8.03(d), this Section 9.07, Section 9.08, Section 9.11(b), Section 9.12 and Section 9.14 (collectively, the "DFS Provisions").

**SECTION 9.08 Governing Law.** This Agreement, and all Claims or causes of action of the Parties (whether in contract or in tort or otherwise, or whether at law (including at common law or by statute) or in equity) that may be based on, arise out of or relate to this Agreement or the negotiation, execution, performance or subject matter hereof, shall be governed by and construed in accordance with the laws of the State of Indiana, without regard to principles of conflict of laws, except as otherwise set forth in the Debt Letters as in effect as of the date of this Agreement, all matters relating to the interpretation, construction, validity and enforcement (whether at law, in equity, in contract, in tort, or otherwise) against any of the Financing Source Parties in any way relating to the Debt Letters or the performance thereof or the Financing, shall be exclusively governed by, and construed in accordance with, the domestic Law of the State of New York without giving effect to any choice or conflict of law provision or rule whether of the State of New York or any other jurisdiction that would cause the application of Law of any jurisdiction other than the State of New York.

**SECTION 9.09 Assignment.** Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise, by any of the Parties without the prior written consent of the other Parties. Any purported assignment without such consent shall be void; provided, that Parent may make an assignment of its rights (but not its obligations) under this Agreement to any Financing Party without the prior written consent of the Company. Subject to the preceding sentences, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the Parties and their respective successors and assigns.

**SECTION 9.10 Specific Enforcement.** The Parties acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that monetary damages, even if available, would not be an adequate remedy therefor. It is accordingly agreed that, at any time prior to the termination of this Agreement pursuant to Article VIII, the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the performance of terms and provisions of this Agreement, including the right of a Party to cause each other Party to consummate the Merger and the other transactions contemplated by this Agreement, in any court referred to in Section 9.11.

without proof of actual damages (and each Party hereby waives any requirement for the securing or posting of any bond in connection with such remedy), this being in addition to any other remedy to which they are entitled at law or in equity. The Parties further agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to Law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy for any such breach. If any Party brings any Claim to enforce specifically the performance of the terms and provisions of this Agreement when expressly available to such Party pursuant to the terms of this Agreement, then, notwithstanding anything to the contrary herein, the End Date shall automatically be extended by the period of time between the commencement of such Claim and the date on which such Claim is fully and finally resolved.

**SECTION 9.11 Jurisdiction; Venue.**

(a) All Claims arising from, under or in connection with this Agreement shall be raised to and exclusively determined by the Commercial Courts of the State of Indiana located in Marion County or, if such court disclaims jurisdiction, the U.S. District Court for the Southern District of Indiana, to whose jurisdiction and venue the Parties unconditionally consent and submit. Each Party hereby irrevocably and unconditionally waives any objection to the laying of venue of Claim arising out of this Agreement in such court and hereby further irrevocably and unconditionally waives and agree not to plead or claim in any such court that any such Claim brought in any such court has been brought in an inconvenient forum. Each Party further agree that service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 9.02 hereof shall be effective service of process for any Claim brought against such Party in any such court.

(b) Notwithstanding anything to the contrary in this Agreement (including this Section 9.11), each Party agrees that it will not bring or support any action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against the Financing Source Parties in any way relating to this Agreement, including any dispute arising out of the Debt Letters or the performance thereof or the Financing, in any forum other than the Supreme Court of the State of New York, County of New York, or, if under applicable law exclusive jurisdiction is vested in the Federal courts, the United States District Court for the Southern District of New York (and of the appropriate appellate courts therefrom).

**SECTION 9.12 Waiver of Jury Trial. EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT OR THE MERGER (INCLUDING ANY PROCEEDING AGAINST THE FINANCING SOURCE PARTIES ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED HEREBY, THE DEBT LETTERS, THE FINANCING OR THE PERFORMANCE OF SERVICES WITH RESPECT THERETO). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, SUIT OR PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT**

AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 9.12.

SECTION 9.13 Construction. Each of the Parties has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of authorship of any of the provisions of this Agreement.

SECTION 9.14 Liability of Financing Source Parties. Notwithstanding anything to the contrary contained herein, the Company agrees that neither it nor any other Company Related Party (other than Parent and the Merger Sub) shall have any rights or claims against any Financing Source Parties in connection with this Agreement, the Financing or the transactions contemplated hereby or thereby, and no Financing Source Parties shall have any rights or claims against any Company Related Party (other than Parent and the Merger Sub) in connection with this Agreement, the Financing or the transactions contemplated hereby or thereby, whether at law or equity, in contract, in tort or otherwise; provided, that, following consummation of the Merger, the foregoing will not limit the rights of the parties to the Financing under the Debt Letters. In addition, in no event will any Financing Source Parties be liable for consequential, special, exemplary, punitive or indirect damages (including any loss of profits, business or anticipated savings) or damages of a tortious nature.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement, each as of the date first written above.

VECTREN CORPORATION

By: /s/ Carl L. Chapman  
Name: Carl L. Chapman  
Title: Chairman, President, and Chief Executive Officer

CENTERPOINT ENERGY, INC.

By: /s/ Scott M. Prochazka  
Name: Scott M. Prochazka  
Title: President & Chief Executive Officer

PACER MERGER SUB, INC.

By: /s/ Scott M. Prochazka  
Name: Scott M. Prochazka  
Title: President & Chief Executive Officer

[SIGNATURE PAGE TO AGREEMENT AND PLAN OF MERGER]

## EXHIBIT A

### DEFINED TERMS

Section 1.01 Certain Defined Terms. For purposes of this Agreement, each of the following terms has the meaning specified in this Section 1.01 of Exhibit A:

**“2018 Stock Units”** means any outstanding stock unit to be granted in May 2018 by the Company under the Company Stock Plan in accordance with its regular grant schedule to the Company Employees and in the amounts set forth on Section 5.01(a)(y) of the Company Disclosure Letter that is payable in shares of Company Common Stock or whose value is determined with reference to the value of shares of Company Common Stock.

**“2019 Stock Units”** means any outstanding stock unit granted in fiscal year 2019 by the Company under the Company Stock Plan in accordance with its regular grant schedule that is payable in shares of Company Common Stock or whose value is determined with reference to the value of shares of Company Common Stock.

**“Affiliate”** of any Person means another Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person. For purposes of this definition, “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

**“Anti-Corruption Laws”** means the United States Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, as amended, and all Laws of any jurisdiction applicable to the Company and its Affiliates concerning or relating to bribery or corruption.

**“Antitrust Laws”** means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, all applicable state, foreign or supranational antitrust Laws and all other applicable Laws issued by a Governmental Entity that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

**“Burdensome Condition”** means a material adverse effect on the financial condition, assets, liabilities, businesses or results of operations of (i) the Company and the Company Subsidiaries, taken as a whole, or (ii) Parent and its Subsidiaries, taken as a whole; provided, however, that for this purpose Parent and its Subsidiaries, and after giving effect to the Merger Parent and its Subsidiaries, shall be deemed a consolidated group of entities of the size and scale of a hypothetical company that is 100% of the size of the Company and the Company Subsidiaries taken as a whole as of the date of this Agreement.

**“Business Day”** means any day except for (a) a Saturday or a Sunday or (b) a day on which banking and savings and loan institutions are authorized or required by Law to be closed in Evansville, Indiana, Houston, Texas or New York, New York.

**“Claim”** means any demand, claim, petition, charge, complaint, grievance, litigation, suit, action, petition, charge, complaint, litigation, legal proceeding (whether at law or in equity, civil, criminal, administrative or investigative) or arbitration.

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

**“Company Benefit Agreement”** means each employment, consulting, bonus, incentive or deferred compensation, equity or equity-based compensation, severance, change-in-control, retention, termination or other material Contract between the Company or any Company Subsidiary, on the one hand, and any Company Personnel, on the other hand.

**“Company Benefit Plan”** means each (a) employee benefit plan (as defined in Section 3(3) of ERISA, whether or not subject to ERISA) or post-retirement or employment health or medical plan, program, policy or arrangement, (b) bonus, incentive or deferred compensation or equity or equity-based compensation plan, program, policy or arrangement, (c) severance, change-in control, retention or termination plan, program, policy or arrangement or (d) other compensation, pension, retirement, savings or other benefit plan, program, policy or arrangement, in each case, sponsored, maintained, contributed to or required to be maintained or contributed to by the Company or any Company Subsidiary for the benefit of any Company Personnel, or for which the Company or any Company Subsidiary has any direct or indirect liability, other than a Multiemployer Plan.

**“Company Commonly Controlled Entity”** means any person or entity that, together with the Company, is treated as a single employer under Section 414 of the Code.

**“Company Financial Advisor”** means any Person set forth in **Section 3.20** of the Company Disclosure Letter.

**“Company Material Adverse Effect”** means any fact, circumstance, effect, change, event or development that has or would reasonably be expected to have a material adverse effect on the business, properties, financial condition or results of operations of the Company and the Company Subsidiaries, taken as a whole; provided, that no fact, circumstance, effect, change, event or development resulting from or arising out of any of the following, individually or in the aggregate, shall constitute or be taken into account in determining whether a Company Material Adverse Effect has occurred: (a) any change or condition affecting any industry in which the Company or any Company Subsidiary operates, including electric generating, transmission or distribution, natural gas transmission and distribution, construction and performance contracting industries (including, in each case, any changes in the operations thereof); (b) any change affecting any economic, legislative or political condition or any change affecting any securities, credit, financial or other capital markets condition, in each case in the United States, in any foreign jurisdiction or in any specific geographical area; (c) any failure in and of itself by the Company or any Company Subsidiary to meet any internal or public projection, budget, forecast, estimate or prediction in respect of revenues, earnings or other financial or operating metrics for any period (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taking into account in determining whether there has or will be, a Company Material Adverse Effect); (d) any change attributable to the announcement, execution or delivery of this Agreement or the pendency of the Merger, including

(i) any action taken by the Company or any Company Subsidiary that is expressly required pursuant to this Agreement, or is consented to by Parent, or any action taken by Parent or any Affiliate thereof, to obtain any Consent from any Governmental Entity to the consummation of the Merger and the result of any such actions, (ii) any Claim arising out of or related to this Agreement (including shareholder litigation), (iii) any adverse change in supplier, employee, financing source, shareholder, regulatory, partner or similar relationships resulting therefrom or (iv) any change that arises out of or relates to the identity of Parent or any of its Affiliates as the acquirer of the Company; (e) any change or condition affecting the market for commodities, including any change in the price or availability of commodities; (f) any change in and of itself in the market price, credit rating or trading volume of shares of Company Common Stock on the NYSE or any change affecting the ratings or the ratings outlook for the Company or any Company Subsidiary (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taking into account in determining whether there has or will be, a Company Material Adverse Effect); (g) any change in applicable Law, regulation or GAAP (or authoritative interpretation thereof); (h) geopolitical conditions, the outbreak or escalation of hostilities, any act of war, sabotage or terrorism, or any escalation or worsening of any such act of war, sabotage or terrorism threatened or underway as of the date of this Agreement; (i) any fact, circumstance, effect, change, event or development resulting from or arising out of or affecting the national, regional, state or local engineering or construction industries or the wholesale or retail markets for commodities, materials or supplies (including equipment supplies, steel, concrete, electric power, fuel, coal, natural gas, water or coal transportation) or the hedging markets therefor, including any change in commodity prices; (j) any hurricane, strong winds, ice event, fire, tornado, tsunami, flood, earthquake or other natural disaster or severe weather-related event, circumstance or development; or (k) any change or effect arising from any requirements imposed by any Governmental Entities as a condition to obtaining the Required Statutory Approvals or the Required State Approvals; provided, however, that any fact, circumstance, effect, change, event or development set forth in clauses (a), (b), (e), (g), (h), (i) and (j) above may be taken into account in determining whether a Company Material Adverse Effect has occurred solely to the extent such fact, circumstance, effect, change, event or development has a materially disproportionate adverse effect on the Company and the Company Subsidiaries, taken as a whole, as compared to other entities (if any) engaged in the relevant business in the geographic area affected by such fact, circumstance, effect, change, event or development (in which case, only the incremental disproportionate impact may be taken into account in determining whether there has been, or would be, a Company Material Adverse Effect, to the extent such change is not otherwise excluded from being taken into account by clauses (a)–(j) of this definition).

**“Company Other Performance Unit”** means any stock unit payable in shares of Company Common Stock or whose value is determined with reference to the value of shares of Company Common Stock that is subject to performance-based vesting granted under the Company Stock Plan that is not a Company Unpaid Performance Unit.

**“Company Personnel”** means any current or former director, officer or employee of the Company or any Company Subsidiary.

**“Company Related Party”** means the Company, any holder of Company Common Stock and each of their respective Affiliates and their and their respective Affiliates’ Representatives.

“Company Stock Plan” means the Vectren Corporation At-Risk Compensation Plan as amended and in effect from time to time.

“Company Stock Unit” means any stock unit payable in shares of Company Common Stock or whose value is determined with reference to the value of shares of Company Common Stock granted that is subject to time-based vesting under the Company Stock Plan.

“Company Termination Fee” means an amount in cash equal to \$150,000,000.

“Company Union Contracts” means the Contracts set forth in Section 3.10 of the Company Disclosure Letter.

“Company Unpaid Performance Unit” means any stock unit payable in shares of Company Common Stock or whose value is determined with reference to the value of shares of Company Common Stock that was granted under the Company Stock Plan subject to performance-based vesting with a performance period that ended prior to the Closing Date, but remains unpaid as of the Closing Date.

“Contract” means any written or oral contract, lease, license, evidence of indebtedness, mortgage, indenture, purchase order, binding bid, letter of credit, security agreement, undertaking or other agreement that is legally binding.

“Designated Person” means any Person listed on a Sanctions List.

“Disclosure Letters” means, collectively, the Company Disclosure Letter and the Parent Disclosure Letter.

“Environmental Claim” means any Claim against, or any investigation of, the Company or any Company Subsidiary asserted by any Person alleging liability (including potential liability for investigatory costs, cleanup costs, response costs, natural resources damages, property damages, personal injuries, or penalties) or responsibility arising out of, based on or resulting from (a) the presence or Release of or exposure to any Hazardous Materials at any location, whether or not owned or operated by the Company or any Company Subsidiary, or (b) any violation or alleged violation of Environmental Law or any Environmental Permit.

“Environmental Laws” means any and all applicable Laws relating to pollution or protection of or damage to the environment (including ambient air, surface water, groundwater, land surface, subsurface and sediments), natural resources, endangered or threatened species, the climate, or, to the extent related to exposure to Hazardous Materials, public welfare or human health and safety, including such Laws relating to the presence, use, manufacturing, refining, production, generation, handling, transportation, treatment, recycling, transfer, storage, disposal, distribution, importing, labeling, testing, processing, discharge, Release, control, cleanup or exposure to Hazardous Materials.

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

“Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric generating, or gas or electric transmission or

distribution industries, as applicable, during the relevant time period that, in each case in the exercise of reasonable judgment in the light of the facts known at the time the decision was made, would reasonably have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition; provided, that Good Utility Practice is not intended to be limited to optimum practices, methods or acts to the exclusion of all others but rather to be acceptable practices, methods or acts generally accepted in the geographic location of the performance of such practice, method or act.

**“Governmental Entity”** means any U.S. or foreign federal, state, provincial or local governmental authority, court, government or self-regulatory organization, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing, including any governmental, quasi-governmental or nongovernmental body administering, regulating, or having general oversight over any energy-related markets, or any court, arbitrator, arbitration panel or similar judicial body.

**“Hazardous Materials”** means (a) petroleum, coal tar and other hydrocarbons and any derivatives or by-products, coal, coal combustion products, residues, or emissions, bottom ash, flue gas desulfurization material, explosive or radioactive materials or wastes, asbestos in any form, polychlorinated biphenyls, urea formaldehyde insulation, chlorofluorocarbons and other ozone-depleting substances and (b) any other chemical, material, substance or waste that is regulated or for which liability or standards of care are imposed under any Environmental Law.

**“Indebtedness”** means, with respect to any Person, without duplication, (a) all obligations of such Person for borrowed money (other than intercompany indebtedness), whether or not having recourse to the borrower, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person evidenced by letters of credit, bankers’ acceptances or similar facilities to the extent drawn upon by the counterparty thereto, (d) all capitalized lease obligations of such Person, (e) all obligations of such Person in respect of acceptances issued or created for the account of such person, (f) all obligations of such Person under any factoring, securitization or other similar facility arrangements, (g) all obligations of such Person issued or assumed as the deferred purchase price of property or services, (h) all guarantees or other assumptions of liability with respect to the Indebtedness of any other Person and (i) all guarantees or other assumptions of liability for any of the foregoing. For the avoidance of doubt, the Parties agree that “Indebtedness” shall not include performance guarantees made by the Company in the ordinary course of business.

**“Intellectual Property”** means all intellectual property and industrial property rights of any kind or nature, including all U.S. and foreign trademarks, service marks, service names, internet domain names, trade dress and trade names, and all goodwill associated therewith and symbolized thereby, patents and all related continuations, continuations-in-part, divisionals, reissues, reexaminations, substitutions, and extensions thereof, trade secrets, registered and unregistered copyrights and works of authorship, proprietary rights in databases to the extent recognized in any given jurisdiction, and registrations and applications for registration of any of the foregoing.

**“IT Systems”** means computers, software, hardware, databases, internet domain names, firmware, middleware, servers, workstations, networks, systems, routers, hubs, switches, data communications lines, and all other information technology equipment and associated documentation.

**“Judgment”** means any ruling, decision, judgment, order, verdict, decree, ruling, writ, subpoena, assessment or arbitration award of a Governmental Entity of competent jurisdiction.

**“Knowledge”** means (i) with respect to the Company, the actual knowledge of the individuals listed in **Section 1.01** of the Company Disclosure Letter and (ii) with respect to the Parent or the Merger Sub, the actual knowledge of the individuals listed in **Section 1.01** of the Parent Disclosure Letter.

**“Law”** means any domestic or foreign, federal, state, provincial or local statute, law, common law principle, enforceable requirement contained in a resolution, ordinance, rule, binding administrative interpretation, regulation, Judgment or other requirement of any Governmental Entity, including the rules and regulations of the NYSE, the FERC, the IURC and the PUCO.

**“Multiemployer Plan”** shall mean any plan defined in Sections 3(37) and 4001(a)(3) of ERISA subject to Title IV of ERISA to which Company or any Company Commonly Controlled Entity makes contributions.

**“NYSE”** means the New York Stock Exchange.

**“OFAC”** means the Office of Foreign Assets Control.

**“Organizational Documents”** means any corporate, partnership or limited liability organizational documents, including certificates or articles of incorporation, bylaws, certificates of formation, operating agreements (including limited liability company agreement and agreements of limited partnership), certificates of limited partnership, partnership agreements, shareholder agreements and certificates of existence, or other similar agreements governing the rights and privileges of equityholders, as applicable.

**“Other Equity-Based Right”** means each contractual right to receive the value of a share of Company Common Stock pursuant to the terms of a Company Benefit Plan, excluding awards under the Company Stock Plan and under any Company Benefit Plan qualified under section 401(a) of the Code.

**“Parent Material Adverse Effect”** means any fact, circumstance, effect, change, event or development that has or would reasonably be expected to have a material and adverse effect on the ability of Parent or Merger Sub to consummate, or that would reasonably be expected to prevent or materially impede, interfere with or delay Parent or Merger Sub’s consummation of, the transactions contemplated by this Agreement.

**“Parent Termination Fee”** means an amount in cash equal to \$210,000,000.

**PCI DSS** means the Payment Card Industry Data Security Standard, issued by the Payment Card Industry Security Standards Council, as may be revised from time to time.

**Permit** means a franchise, license, permit, authorization, waiver, variance, exemption, certification, order, registration, clearance or approval filed with or issued or granted by a Governmental Entity.

**Permitted Liens** means (a) Liens for Taxes and other governmental charges and assessments not yet due and payable or delinquent and Liens for Taxes being contested in good faith and for which adequate reserves have been established in accordance with GAAP in the Company's financial statements (or notes thereto), (b) Liens securing Indebtedness or liabilities that are reflected in the Company Reports or incurred in the ordinary course of business since the date of the most recent Annual Report on Form 10-K filed with the SEC by the Company and Liens on equity that are permitted under the documents evidencing such Indebtedness, (c) inchoate construction, mechanics', materialmen's, workmen's, repairmen's, employees', warehousemen's, carriers' and other similar Liens arising in the ordinary course of business for amounts that are not delinquent or are being contested in good faith and for which adequate reserves have been established in accordance with GAAP in the Company's financial statements (or notes thereto), (d) zoning restrictions, building codes, environmental activity or use restrictions and other land use regulations, survey exceptions, utility easements, rights of way and similar Liens that are imposed by any Governmental Entity having jurisdiction thereon, (e) interests of any lessor, lessee, licensor, licensee, grantor or grantee in any real properties and interests in real properties leased or used by the Company or any Company Subsidiary and any Liens on such interests, (f) such imperfections of title, easements, or other Liens (including servitudes, conservation easements, licenses, rights-of-way, road use agreements and public trust agreements) of record to which the Company's real property is subject that would be disclosed on current title reports or accurate surveys, and any other Encumbrances of public record, (g) transfer restrictions of general applicability on any securities of the Company imposed by applicable Law, (h) interests of any joint owner or tenant in common owner with the Company or any Company Subsidiary, (i) Liens created by or through Parent and its Affiliates, and (j) any other Liens or imperfections in title which, individually or in the aggregate, would not reasonably be expected to materially impair or interfere with the use of the property encumbered thereby as currently used or would not reasonably be expected to be material to the Company and the Company Subsidiaries, taken as a whole; provided, however, that the matters described in clauses (d), (e), (f) and (h) above shall only constitute "Permitted Liens" to the extent that they would not, individually or in the aggregate, materially impair or interfere with the use of the property encumbered thereby by the Company or any Company Subsidiary in the conduct of its business as now conducted.

**Person** means any natural person, firm, corporation, partnership, company, limited liability company, trust, joint venture, association, Governmental Entity or other entity.

**Personal Data** means any individually identifiable information (or information that, in combination with other information, could allow the identification of an individual), including demographic, health, behavioral, biometric, financial, nonpublic, and geolocation information, IP addresses, web or mobile browsing information, network and hardware identifiers, employee information, and any other information that is protected under any applicable privacy, data

security, or data breach notification Law, or PCI DSS, or which the Company or any Company Subsidiary is required to safeguard under any of its Contract obligations or the Company's or any Company Subsidiary's published privacy policies.

“Release” means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment (including ambient air, surface water, groundwater, land surface, subsurface and sediments).

“Required Financial Information” means, with respect to the Company and its Subsidiaries, all information, financial data and audited consolidated financial statements of the Company as of and for each of the fiscal years and unaudited consolidated financial statements for any quarterly period in each case as the Parent would be required to file with the SEC pursuant to Section 3-05 of Regulation S-X, regardless of the timing of such filing, and as required by Regulation S-K under the Securities Act for registered offerings of debt or equity securities, or if applicable of a type and form customarily included in private placements pursuant to Rule 144A under the Securities Act (including, to the extent applicable with respect to such financial statements, the report of the Company's auditors thereon and any necessary consents to filing such report in any filings with the SEC) to consummate an offering of secured or unsecured senior notes, senior subordinated notes or equity (including pro forma financial information for historical periods) and drafts of comfort letters customary for registered offerings of debt or equity securities or private placements under Rule 144A under the Securities Act, as applicable, by auditors of the Company which such auditors have prepared to issue at the time of pricing of a debt or equity securities offering and the closing thereof upon completion of customary procedures.

“Required State Approvals” means an order of each of the IURC and the PUCO issued in response to an application relating to money pool agreements, corporate services agreements and related cost allocations, other affiliate agreements, affiliate guidelines and related matters, the maintenance of books and records outside of the state of Indiana and other ancillary matters related to the Merger; provided, that, for the avoidance of doubt in each case the approval of the Merger by the IURC or the PUCO will not be a Required State Approval (subject to the terms of Section 7.01(d)) and the orders referred to in this sentence can be approving or denying or dismissing any of the matters addressed in the relevant applications.

“Sanctioned Country” means a country or territory which is at any time subject to Sanctions.

“Sanctions” means (a) economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government and administered by OFAC, (b) economic or financial sanctions imposed, administered or enforced from time to time by the U.S. State Department, the U.S. Department of Commerce or the U.S. Department of the Treasury, and (c) economic or financial sanctions imposed, administered or enforced from time to time by the United Nations Security Council, the European Union, or Her Majesty's Treasury.

“Sanctions List” means any of the lists of specially designated nationals or designated persons or entities (or equivalent) held by the U.S. government and administered by OFAC, the U.S. State Department, the U.S. Department of Commerce or the U.S. Department of the Treasury.

Treasury or any similar list maintained by any other U.S. government entity, the United Nations Security Council, the European Union, or Her Majesty's Treasury, in each case as the same may be amended, supplemented or substituted from time to time.

“Subsidiary” of any Person means another Person, an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its Board of Directors or other governing body (or, if there are no such voting interests, more than 50% of the equity interests of which) is owned directly or indirectly by such first Person.

“Tax Return” means all Tax returns, declarations, statements, reports, schedules, forms and information returns and any schedule or attachment thereto, including any amended Tax returns relating to Taxes.

“Taxes” means (a) all federal, state, local and foreign taxes, customs, tariffs, imposts, levies, duties, unclaimed property and escheat obligations, and other like assessments or charges in the nature of a tax imposed by a Governmental Entity, together with all interest, penalties and additions imposed with respect to such amounts and (b) any liability for any item described in clause (a) payable by reason of Contract, assumption, transferee or successor liability, operation of Law or otherwise, and in each case whether disputed or otherwise.

“Treasury Shares” means shares of Company Common Stock held by the Company or any of its wholly owned Subsidiaries or directly or indirectly held by Parent or Merger Sub.

“Utility Subsidiaries” means the Subsidiaries of the Company set forth in Section 3.19(a) of the Company Disclosure Letter.

Section 1.02 Other Defined Terms. In addition to the defined terms set forth in Section 1.01 of this Exhibit A, each of the following capitalized terms has the respective meaning specified in the Section set forth opposite such term below:

Term	Section
Agreement	Preamble
Articles of Merger	<u>1.02</u>
Bankruptcy and Equity Exceptions	<u>3.04</u>
Book-Entry Shares	<u>2.03(b)(i)</u>
Capitalization Reference Date	<u>3.03(a)</u>
Certificate	<u>2.03(b)(i)</u>
Closing	<u>1.03</u>
Closing Date	<u>1.03</u>
Commitment Letter	<u>4.08</u>
Company	Preamble
Company Acquisition Agreement	<u>5.03(b)</u>
Company Adverse Recommendation Change	<u>5.03(b)</u>
Company Articles	<u>3.01</u>

Company Board	Recitals
Company Board Recommendation	<u>3.04</u>
Company Bylaws	<u>3.01</u>
Company Common Stock	<u>2.01(a)</u>
Company Contract	<u>3.15(a)</u>
Company Disclosure Letter	<u>Article III</u>
Company DRIP	<u>3.03(c)</u>
Company Employee	<u>6.10(a)</u>
Company Financial Statements	<u>3.06(a)</u>
Company Indemnified Parties	<u>6.09(a)</u>
Company Intervening Event	<u>5.03(f)(iii)</u>
Company Projections	<u>3.22</u>
Company Recommendation Change Notice	<u>5.03(c)</u>
Company Reports	<u>3.06(a)</u>
Company Required Consents	<u>3.05(a)</u>
Company Required Statutory Approvals	<u>3.05(b)(iv)</u>
Company Risk Management Guidelines	<u>5.01(a)(ix)</u>
Company Shareholder Approval	<u>3.04</u>
Company Shareholders Meeting	<u>3.04</u>
Company Subsidiaries	<u>3.01</u>
Company Takeover Proposal	<u>5.03(f)(i)</u>
Company Voting Debt	<u>3.03(d)</u>
Confidentiality Agreement	<u>6.02(b)</u>
Consent	<u>3.05(b)</u>
Continuation Period	<u>6.10(a)</u>
Controlled Group Liability	<u>3.09(d)</u>
Debt Letters	<u>4.08</u>
DFS Provisions	<u>9.07</u>
Effective Time	<u>1.02</u>
End Date	<u>8.01(b)(i)</u>
Environmental Permit	<u>3.14(a)(i)</u>
Equity Securities	<u>3.03(d)</u>
Exchange Act	<u>3.05(b)(i)</u>
Exchange Agent	<u>2.03(a)(i)</u>
Exchange Fund	<u>2.03(a)(i)</u>
FERC	<u>3.05(b)(iv)</u>
Filing	<u>3.05(b)</u>
Final Order	<u>7.01(b)</u>
Financing	<u>4.08</u>
Financing Parties	<u>5.04(b)</u>
Financing Source Parties	<u>9.07</u>
FPA	<u>3.05(b)(iv)</u>
GAAP	<u>3.06(a)</u>
HSR Act	<u>3.05(b)(ii)</u>
IBCL	<u>Recitals</u>
Insurance Policies	<u>3.18</u>

IRS	<u>3.09(b)</u>
IURC	<u>3.19(b)</u>
Legal Restraint	<u>7.01(c)</u>
Liens	<u>3.02</u>
Maximum Amount	<u>6.09(c)</u>
Merger	<u>Recitals</u>
Merger Consideration	<u>2.01(a)</u>
Merger Sub	Preamble
Parent	Preamble
Parent Board	Recitals
Parent Common Stock	<u>2.01(d)</u>
Parent Disclosure Letter	<u>Article IV</u>
Parent Financial Statements	<u>4.04</u>
Parent Reports	<u>4.04</u>
Parent Required Consents	<u>4.03(a)</u>
Parent Required Statutory Approvals	<u>4.03(b)(iii)</u>
Parties	Preamble
Preferred Stock	<u>3.03(a)</u>
Proceedings	<u>5.02</u>
Proxy Statement	<u>6.01(a)</u>
PUCO	<u>3.19(b)</u>
PUHCA 2005	<u>3.19(a)</u>
Representatives	<u>5.03(a)</u>
Represented Employee	<u>6.10(d)</u>
Required Consents	<u>4.03(a)</u>
Required Statutory Approvals	<u>4.03(b)(iii)</u>
SEC	<u>3.05(b)(i)</u>
Securities Act	<u>3.05(b)(i)</u>
Substitute Financing	<u>5.04(e)</u>
Superior Company Proposal	<u>5.03(f)(ii)</u>
Surviving Corporation	<u>1.01</u>
Takeover Statute	<u>3.13</u>
Transaction Litigation	<u>6.04</u>
WARN Act	<u>3.10</u>
Willful Breach	<u>8.02(e)</u>

GOLDMAN SACHS BANK USA  
200 West Street  
New York, New York 10282-2198

MORGAN STANLEY SENIOR FUNDING, INC.  
1585 Broadway  
New York, New York 10036

**PERSONAL AND CONFIDENTIAL**

April 21, 2018

CenterPoint Energy, Inc.  
1111 Louisiana  
Houston, Texas 77002

Attention: William D. Rogers, Executive Vice President and Chief Financial Officer

Project Pacer  
\$5.0 Billion Senior Unsecured Bridge Facility  
Commitment Letter

Ladies and Gentlemen:

You have advised Goldman Sachs Bank USA (“Goldman Sachs”), Morgan Stanley Senior Funding, Inc. (“MSSF” and, together with Goldman Sachs the “Initial Lenders” and, the Initial Lenders together with each Lender (as defined below) that becomes a party hereto in accordance with Section 3 hereof, collectively, the “Commitment Parties,” “we” or “us”), that CenterPoint Energy, Inc. (the “Company” or “you”), intends to acquire (the “Acquisition”) all of the equity interests of a company previously identified to us and codenamed Pacer (the “Target”) pursuant to an Agreement and Plan of Merger to be entered into by and among the Company, a direct or indirect wholly-owned domestic subsidiary of the Company and the Target (the “Acquisition Agreement”) and to consummate certain transactions described therein and in this Commitment Letter, in each case on the terms and subject to the conditions set forth in this Commitment Letter and Exhibits A and B (collectively, the “Commitment Letter”).

You have also advised us that the total cost of the Acquisition, including refinancing certain existing indebtedness of the Target (and related fees, commissions and expenses (collectively, “Transaction Costs”)) will be provided by a combination of (a) cash on the balance sheet, issuance of commercial paper and borrowings under the Existing Revolving Credit Agreement (as defined in Exhibit A hereto), (b) the issuance by you of a combination of equity securities, equity-linked securities and unsecured debt securities (the foregoing, collectively, the “Securities”), and/or (c) to the extent that the Securities are not issued on or prior to the closing of the Acquisition, up to \$5.0 billion of borrowings under a senior unsecured 364-day term loan facility (the “Bridge Facility”), having the terms set forth in Exhibit A.

The Acquisition, the Bridge Facility and the transactions contemplated by or related to the foregoing are collectively referred to as the “Transactions”. No other financing will be required for the Transactions.

**1. Commitments and Agency Roles**

You hereby appoint Goldman Sachs to act, and Goldman Sachs hereby agrees to act, as sole and exclusive administrative agent (in such capacity, the “Administrative Agent”) for the Bridge Facility. You hereby appoint each of Goldman Sachs and MSSF to act, and each of Goldman Sachs and MSSF hereby agrees to act, as joint lead arranger and joint bookrunner (in such capacity, an “Arranger” and

collectively, the “Arrangers”) for the Bridge Facility. You hereby appoint MSSF to act, and MSSF hereby agrees to act, as the exclusive syndication agent for the Bridge Facility (the “Syndication Agent”). Goldman Sachs shall retain “left” and highest placement on all marketing materials prepared in connection with the Bridge Facility and MSSF will appear immediately to the “right” of Goldman Sachs. You agree that no other titles will be awarded and no compensation will be paid (other than as expressly contemplated by this Commitment Letter and the Fee Letter) in connection with the Bridge Facility unless you and we shall so agree. The Arrangers and the Administrative Agent will have the rights and authority customarily given to financial institutions in such roles. Goldman Sachs is pleased to advise you of its commitment to provide to the Company, severally and not jointly, \$2.5 billion of the Bridge Facility and MSSF is pleased to advise you of its commitment to provide to the Company, severally and not jointly, \$2.5 billion of the Bridge Facility, in each case, on the terms and subject to the conditions set forth in this Commitment Letter and the Fee Letter referred to below; provided, that any event occurring after the date hereof and prior to the Closing Date (as defined in Exhibit A) that would result in a mandatory prepayment or commitment reduction with respect to the Bridge Facility as set forth in Exhibit A under the Section titled “Mandatory Prepayments and Commitment Reductions” shall reduce on a pro rata basis (or be allocated between any affiliated Commitment Parties as they may otherwise determine) the Bridge Facility under this Commitment Letter on a dollar-for-dollar basis.

Our fees for services related to the Bridge Facility are set forth in a separate fee letter (the “Fee Letter”) between you and us entered into on the date hereof. As consideration for the execution and delivery of this Commitment Letter by us, you agree to pay the fees and expenses set forth in the Fee Letter as and when payable in accordance with the terms hereof and thereof.

## 2. Conditions Precedent

Our commitments hereunder and our agreements to perform the services described herein are subject only to the satisfaction or waiver of the conditions set forth in Exhibit B.

Notwithstanding anything to the contrary contained in this Commitment Letter, the Fee Letter, the Loan Documents (as defined below) or any other letter agreement between you and us concerning the financing of the Transactions to the contrary, (i) the only representations and warranties the accuracy of which will be a condition to the availability of the Bridge Facility on the Closing Date will be (a) the representations made by or with respect to the Target in the Acquisition Agreement that are material to the interests of the Lenders (but only to the extent that the breach of such representations would permit you or your applicable subsidiary to terminate your obligations under the Acquisition Agreement or to decline to close the Acquisition as a result of a breach of such representations in the Acquisition Agreement) (the “Target Representations”) and (b) the Specified Representations (as defined below) and (ii) the terms of the Loan Documents shall be in a form such that they do not impair the availability of the Bridge Facility on the Closing Date if the conditions expressly set forth in Exhibit B are satisfied. For purposes hereof, “Specified Representations” means the representations and warranties of the Company referred to in Exhibit A relating to corporate existence of the Company, corporate power and authority to enter into the Loan Documents; due authorization, execution and delivery and enforceability of the Loan Documents; no conflicts of the Loan Documents with (i) the Company’s organizational documents or (ii) any indenture, instrument or agreement for committed or funded indebtedness of the Company (in the case of this clause (ii), without giving effect to any material adverse effect qualifier therein) in excess of \$125.0 million; Investment Company Act; margin stock; solvency (to be defined in a manner consistent with the solvency definition set forth in Annex I to Exhibit B) and use of proceeds does not violate Patriot Act, OFAC, FCPA, other anti-terrorism laws and anti-money laundering laws. There shall be no conditions to closing and funding the Bridge Facility other than those set forth in Exhibit B.

### 3. Syndication

The Arrangers intend promptly after your signing of this Commitment Letter, and reserve the right, to syndicate the Bridge Facility to the Lenders (as such term is defined in Exhibit A), which syndication may occur in one or more stages. The Arrangers will lead the syndication in consultation with you, including determining the timing of all offers to prospective Lenders, any title of agent or similar designations or roles awarded to any Lender and the acceptance of commitments, the amounts offered and the compensation provided to each Lender from the amounts to be paid to the Arrangers pursuant to the terms of this Commitment Letter and the Fee Letter, and will, in consultation with you and on terms consistent with this Commitment Letter and the Fee Letter, determine the final commitment allocations; provided, however, that (a) until the date that is 45 days after the date of your signing of this Commitment Letter (the “Initial Syndication Period”), the selection of any Lender, any role awarded and allocations by the Arrangers shall be subject to the Company’s approval in its sole discretion (it being acknowledged that (i) you and the Arrangers intend that such roles and allocations be in accordance with the ranges and parameters to be memorialized between you and the Arrangers on or prior to your signing of this Commitment Letter and (ii) the Company consents to and approves any lender under the Existing Revolving Credit Agreement (each an “Existing Lender” becoming a Lender), (b) following the Initial Syndication Period, if and for so long as a “Successful Syndication” (as defined in the Fee Letter) has not been achieved, the selection of Lenders by the Arrangers shall be in consultation with the Company, and (c) following the achievement of a Successful Syndication, further assignments of commitments under the Bridge Facility shall be in accordance with the section captioned “Assignment and Participations” in the Term Sheet. Each of the Initial Lenders’ respective commitments hereunder with respect to the Bridge Facility shall be reduced on a pro rata dollar for dollar basis as and when commitments for the Bridge Facility are received from Lenders to the extent that each such Lender becomes (i) party to this Commitment Letter as an additional “Commitment Party” pursuant to a joinder agreement or other documentation (which in each case shall not add, amend or replace any of the conditions to the availability of the Bridge Facility) reasonably satisfactory to the Arrangers and you (each a “Joinder Agreement”) or (ii) party to the Bridge Loan Agreement (as defined below) as a “Lender” thereunder; provided, however, that, except in the case of any portion of the commitments of the Initial Lenders with respect to the Bridge Facility that is syndicated to any Lender that, upon first becoming party to this Commitment Letter or the Bridge Loan Agreement, is an Existing Lender, has been approved by the Company (such approval not to be unreasonably withheld) or is a commercial or investment bank whose senior, unsecured, long-term indebtedness has an “investment grade” rating by S&P or Moody’s (each as defined in Exhibit A), the Initial Lenders shall not be relieved of their respective obligations hereunder to fund such portion of such commitment on the Closing Date to the extent that such other Lender fails to fund such commitment on the Closing Date in accordance with the terms of the Bridge Facility. With respect to any syndication, assignment or participation other than through a Lender becoming party to this Commitment Letter or the Bridge Loan Agreement as set forth in the preceding sentence, the Initial Lenders shall not be relieved, released or novated from their respective commitments hereunder until the funding on the Closing Date has occurred. The Company agrees to use commercially reasonable efforts to ensure that the Arrangers’ syndication efforts benefit from the existing lending and investment banking relationships of the Company. To facilitate an orderly and successful syndication of the Bridge Facility, you agree that, until the earliest of (a) the termination by the Arrangers of syndication of the Bridge Facility, (b) 60 days following the Closing Date and (c) the date a Successful Syndication is achieved (the “Syndication Date”), you will not, and agree to use commercially reasonable efforts (to the extent not in contravention of the Acquisition Agreement) to ensure that the Target will not, syndicate or issue, attempt to syndicate or issue, or announce or authorize the announcement of the syndication or issuance of, any competing debt facility or debt or equity security of the Target or the Company or any of their respective subsidiaries, including any renewal or refinancing of any existing debt facility or debt security (other than

(i) existing ordinary course bilateral working capital facilities, (ii) commercial paper issuance, letters of credit and swap agreements, (iii) the Bridge Facility, (iv) the Securities, (v) any (A) indebtedness under the existing revolving credit facilities of the Company or its subsidiaries, (B) amendment to the existing revolving credit facilities of the Company or its subsidiaries for the purposes of adjusting the financial covenant contained therein or (C) refinancing of and/or increase to the commitments under the existing revolving credit facilities of the Company or its subsidiaries (provided that any such amendment, refinancing and/or increase pursuant to clauses (B) or (C) shall be in consultation and coordination with the Arrangers), (vi) accounts receivables facilities, (vii) purchase money and asset financing incurred in the ordinary course of business, (viii) trade and customer related financing in the ordinary course of business, (ix) indebtedness of any Regulated Subsidiary that is non-recourse to the Company and its other subsidiaries (other than a Regulated Subsidiary of such Regulated Subsidiary) and (x) debt issuances, extensions and amendments by the Target and its subsidiaries prior to the Closing Date permitted under the Acquisition Agreement), in each case without the prior written consent of the Arrangers (not to be unreasonably withheld or delayed), in each case if the announcement, syndication or issuance of such facilities or securities would reasonably be expected to interfere with the syndication of the Bridge Facility as reasonably determined by the Arrangers.

Until the Syndication Date, you agree to assist, and agree to use commercially reasonable efforts to cause the Target to assist, but in all instances subject to, and not in contravention of, the terms of the Acquisition Agreement, the Arrangers in achieving a syndication of the Bridge Facility that is reasonably satisfactory to the Arrangers and you, including providing, upon reasonable request by the Arrangers, information customary for transactions of this type reasonably deemed necessary by the Arrangers to complete such syndication, including using your commercially reasonable efforts in: (i) assisting in the preparation of a customary information memorandum (the "Information Memorandum"), a customary lender presentation (the "Lender Presentation") and other customary presentation materials (collectively, the "Facility Marketing Materials") reasonably acceptable in form and content to the Arrangers and you regarding the business, operations, financial projections and prospects of the Company and the Target (including the financial information and projections described in Exhibit B) including without limitation the delivery of all information relating to the Transactions prepared by or on behalf of the Company that the Arrangers deems reasonably necessary to complete the syndication of the Bridge Facility; (ii) using commercially reasonable efforts to obtain prior to the launch of general syndication updated ratings of the Company's senior unsecured indebtedness from Moody's and from S&P (each as defined in Exhibit A); (iii) arranging for direct communications with prospective Lenders in connection with the syndication of the Bridge Facility (including without limitation direct contact with senior management of the Company); (iv) hosting (including any preparations with respect thereto) with the Arrangers at places and times to be mutually agreed by the Arrangers and the Company one or more meetings with prospective Lenders; and (v) executing one or more Joinder Agreements at the reasonable request of the Arrangers. Notwithstanding anything to the contrary contained in this Commitment Letter, the Fee Letter or any other letter agreement, the Loan Documents or other undertaking concerning the financing of the Transactions contemplated hereby, neither the commencement nor the completion of the syndication of the Bridge Facility constitute a condition to the availability or funding of the Bridge Facility on the Closing Date. It is also understood that you will not be required to provide any information to the extent that the provision thereof would violate (i) any attorney-client privilege, (ii) any law, rule or regulation applicable to you, the Target or your or its respective affiliates or (iii) any obligation of confidentiality from a third party binding on you, the Target or your or its respective affiliates (so long as such confidentiality obligation was not entered into in contemplation of the Transactions); provided that in the event that you do not provide information in reliance on this sentence, you shall provide notice to the Arrangers that such information is being withheld and you shall use your commercially reasonable efforts to communicate, to the extent feasible, the applicable information in a way that would not violate the applicable obligation or risk waiver of such privilege.

You will be solely responsible for the contents of the Facility Marketing Materials and all other information, documentation or other materials delivered to us in connection therewith and you acknowledge that we will be using and relying upon such information without independent verification thereof.

You understand that certain prospective Lenders (such Lenders, “Public Lenders”) may have personnel that do not wish to receive MNPI (as defined below). At the Arrangers’ request, you agree to assist in the preparation of an additional version of the Facility Marketing Materials that does not contain material non-public information (for purposes of United States federal or state securities laws) concerning you, the Target or your or its respective subsidiaries or your or its respective securities (collectively, “MNPI”) which is suitable to make available to Public Lenders. You acknowledge and agree that the following documents may be distributed to Public Lenders (after you have been given a reasonable opportunity to review such documents), unless you advise the Arrangers in writing (including by email) prior to their distribution that such material should only be distributed to prospective private Lenders: (a) drafts and final versions of the definitive loan documents relating to the Bridge Facility, which shall be comprised of a credit agreement (the “Bridge Loan Agreement”) and notes (if any) (collectively, the “Loan Documents”); (b) administrative materials prepared by the Arrangers for prospective Lenders (including without limitation a lender meeting invitation, allocations and funding and closing memoranda); and (c) term sheets and notification of changes in the terms and conditions of the Bridge Facility. Before distribution of any Facility Marketing Materials in connection with the syndication of the Bridge Facility (i) to prospective Lenders that are not Public Lenders, you will provide us with a customary letter authorizing the dissemination of such materials and (ii) to prospective Public Lenders, you will provide us with a customary letter authorizing the dissemination of information that does not contain MNPI (the “Public Information Materials”) to Public Lenders and confirming the absence of MNPI therein. The Facilities Marketing Materials provided to Lenders and prospective Lenders will be accompanied by a disclaimer exculpating the Company, the Target and us with respect to any use thereof and of any related materials by the recipients thereof. In addition, at the Arrangers’ request, you will use commercially reasonable efforts to identify Public Information Materials by marking the same as “PUBLIC”.

#### 4. Information

You represent and warrant that (with respect to information relating to the Target and its subsidiaries, to the best of your knowledge) (i) all written information (other than projections, estimates, forecasts and other information of a general economic or industry specific nature) that has been or will be made available to each Arranger, each Commitment Party or the Lenders directly or indirectly by or on behalf of the Company or the Target in connection with the Transactions is and will be when furnished, when taken as a whole, correct in all material respects and does not and will not contain when furnished, when taken as a whole, any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances under which such statements are made (in each case after giving effect to all supplements and updates provided thereto) and (ii) the projections and other forward-looking information that have been or will be made available to each Arranger, each Commitment Party or the Lenders directly or indirectly by or on behalf of the Company or the Target in connection with the Transactions have been and will be prepared in good faith based upon assumptions that are believed by you to be reasonable when made and when made available to each Arranger, each Commitment Party, the Lenders and their respective affiliates; it being understood that the projections and other forward-looking information are as to future events and are not to be viewed as facts, are subject to significant uncertainties and contingencies, many of which are out of your control, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may differ significantly from the projected results and such differences may be material. You agree that if at any time prior to the later of (x) the Closing Date and (y) the earlier of (i) 60 days following the Closing Date and (ii) the Syndication Date,

any of the representations in the preceding sentence would be incorrect (to the best of your knowledge insofar as it applies to information concerning the Target and its subsidiaries), then you will promptly supplement, or cause to be supplemented (or, with respect to information concerning the Target and its subsidiaries, use commercially reasonable efforts to supplement), the information and projections so that such representations will be correct in light of the circumstances in which such statements are made (to the best of your knowledge insofar as it applies to information concerning the Target and its subsidiaries). You understand that in providing our services pursuant to this Commitment Letter we may use and rely on the information and projections without independent verification thereof.

##### 5. Indemnification

You hereby agree to indemnify upon demand and hold harmless the Administrative Agent, each Arranger, the Syndication Agent, each Lender (including in any event each Commitment Party) and their respective affiliates and each partner, trustee, shareholder, director, officer, employee, advisor, representative, agent, attorney and controlling person thereof (each of the above, an "Indemnified Person"), from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses (including legal expenses), joint or several, of any kind or nature whatsoever that may be brought or threatened by the Company, the Target or any of their respective affiliates or any other person or entity and which may be incurred by or asserted against or involve any Indemnified Person (whether or not any Indemnified Person is a party to such action, suit, proceeding or claim) as a result of or arising out of or in any way related to or resulting from the Acquisition, this Commitment Letter, the Fee Letter, the Bridge Facility, the Transactions or any related transaction contemplated hereby or thereby or any use or intended use of the proceeds of the Bridge Facility and without regard to the exclusive or contributory negligence of any Indemnified Person; provided that you will not have to indemnify an Indemnified Person against any claim, loss, damage, liability or expense to the extent the same resulted from (A) the gross negligence or willful misconduct of such Indemnified Person or any of its affiliates or related parties, (B) any material breach of the obligations of such Indemnified Person or any of its affiliates or related parties under this Commitment Letter, the Fee Letter or any Loan Documents or (C) any dispute among Indemnified Persons that does not involve an act or omission by you or any of your subsidiaries (other than any claims against the Administrative Agent, the Arrangers or the Syndication Agent in their capacity as such but subject to clause (A) above), in the case of clauses (A) through (C), to the extent determined by a court of competent jurisdiction in a final and non-appealable judgment; provided, further, that you shall not be required to reimburse the costs of more than one counsel to all Indemnified Persons (and, if reasonably necessary, one local counsel in any relevant jurisdiction or one specialist counsel in any applicable specialty approved by you) and, solely in the case of an actual or potential conflict of interest, of one additional counsel (and if reasonably necessary, one local counsel plus one specialist counsel, in respectively, any relevant jurisdiction or applicable specialty) to the affected Indemnified Persons. Notwithstanding any other provision of this Commitment Letter, no Indemnified Person will be responsible or liable to you or any other person or entity for damages arising from the use by others of any information or other materials obtained through internet, electronic, telecommunications or other information transmission systems, except to the extent resulting from such Indemnified Person's own gross negligence or willful misconduct (to the extent determined by a court of competent jurisdiction in a final and non-appealable judgment).

Your indemnity and reimbursement obligations under this Section 5 will be in addition to any liability that you may otherwise have and will be binding upon and inure to the benefit of the successors, assigns, heirs and personal representatives of you and the Indemnified Persons.

Neither we nor any other Indemnified Person will be responsible or liable based on its or their exclusive or contributory negligence or otherwise to you or any other person or entity for any indirect, special, punitive or consequential damages that may be alleged as a result of the Acquisition, this Commitment

Letter, the Fee Letter, the Bridge Facility, the Transactions or any related transaction contemplated hereby or thereby or any use or intended use of the proceeds of the Bridge Facility. Neither you nor any of your affiliates will be responsible or liable (based on its or their exclusive or contributory negligence or otherwise) to the Arrangers or any other Indemnified Person or any other person or entity for any indirect, special, punitive or consequential damages that may be alleged as a result of the Acquisition, this Commitment Letter, the Fee Letter, the Bridge Facility, the Transactions or any related transaction contemplated hereby or thereby or any use or intended use of the proceeds of the Bridge Facility; provided that nothing in this sentence shall limit your indemnity and reimbursement obligations set forth in this Section 5.

## 6. Assignments

This Commitment Letter may not be assigned by a party hereto without the prior written consent of each other party hereto (and any purported assignment without such consent will be null and void), is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person (including your equity holders, employees or creditors) other than the parties hereto (and any Indemnified Person); provided, however, that each Commitment Party may assign its commitments and agreements hereunder, in whole or in part, to (i) any of its affiliates (provided that, except in the case of (A) a Commitment Party assigning its commitment to its affiliate which is also a Commitment Party and (B) assignments to Goldman Sachs Lending Partners LLC or Morgan Stanley Bank, N.A., such assigning Commitment Party shall not be released from its portion of its commitment so assigned to the extent that such affiliate fails to fund the portion of the commitment so assigned to it on the Closing Date) and (ii) in the case of each of the Initial Lenders only, to any additional “Commitment Parties” who become party to this Commitment Letter pursuant to a Joinder Agreement as provided in Section 3 above, and upon any such assignment, each of the Initial Lenders will be released from that portion of its commitments and agreements that has been so assigned. This Commitment Letter may not be amended or any term or provision hereof waived or modified except by an instrument in writing signed by each of the parties hereto. In the event that any reduction of the commitments of the Commitment Parties is required under the terms hereof, Commitment Parties which are affiliated with each other may allocate such reduction of commitments between themselves as such affiliated Commitment Parties may agree, provided that such allocation shall not change the combined commitment reduction required under the terms hereof with respect to such affiliated Commitment Parties. As used in this Commitment Letter and the Fee Letter the term “affiliate” includes our lending partners.

## 7. USA PATRIOT Act Notification

The Arrangers notify the Company and the Target that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (as amended, supplemented or modified from time to time, the “Patriot Act”) they and each Lender may be required to obtain, verify and record information that identifies the Company and the Target, including the name and address of each such Person and other information that will allow the Arrangers and each Lender to identify the Company and the Target in accordance with the Patriot Act and other applicable “know your customer” and anti-money laundering rules and regulations. This notice is given in accordance with the requirements of the Patriot Act and is effective for the Arrangers and each Lender.

## 8. Sharing Information; Affiliate Activities; Absence of Fiduciary Relationship

Please note that this Commitment Letter, the Fee Letter and any written communications provided by each Commitment Party, each Arranger or any of their affiliates in connection with the Transactions are confidential and may not be disclosed to any other person or entity without our prior written consent except, pursuant to applicable law or compulsory legal process (in which case you agree, to the extent

practicable and not prohibited by applicable law, to inform us promptly thereof); provided that we hereby consent to your disclosure of (i) this Commitment Letter and the Fee Letter and such communications (A) to the Company's officers, directors, agents and advisors who are directly involved in the consideration of the Transactions on a confidential basis, (B) pursuant to a subpoena or order issued by a court or by a judicial, administrative or legislative body or committee, or as otherwise required by applicable law or compulsory legal process (in which case you agree to inform us promptly thereof to the extent not prohibited by law) or (C) upon the request or demand of any regulatory authority purporting to have jurisdiction over you or any of your subsidiaries (in which case you agree to inform us promptly thereof to the extent not prohibited by law), (ii) this Commitment Letter and the information contained herein and the Fee Letter (redacted in a manner reasonably satisfactory to us) to the Target and its affiliates, and their respective officers, directors, employees, agents, attorneys, accountants and other advisors in connection with the Transactions, in each case, who are directly involved in the consideration of the Transactions to the extent you notify such persons of their obligation to keep this Commitment Letter and the information contained herein and the Fee Letter confidential, (iii) following your acceptance of the provisions hereof and return of an executed counterpart of this Commitment Letter to the Arrangers as provided below, you may file a copy of any portion of this Commitment Letter (but not the Fee Letter other than the existence thereof) in any public record in which you are required by law or regulation on the advice of your counsel to file it, (iv) you may disclose the aggregate fee amounts contained in the Fee Letter as part of projections, pro forma information or a generic disclosure of aggregate sources and uses related to aggregate compensation amounts related to the Transactions to the extent customary or required in offering and marketing materials for the Bridge Facility, Securities or in any public filing relating to the Transactions, in each case in a manner which does not disclose the fees payable pursuant to the Fee Letter, on a confidential basis, (v) following the execution of this Commitment Letter, you may disclose to the Lenders and the prospective Lenders the amount of the applicable fees under the Fee Letter to the extent that they are stated therein to be for the account of the Lenders, (vi) this Commitment Letter and the information contained herein and the Fee Letter in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Commitment Letter, Fee Letter or the transactions contemplated thereby or enforcement thereof or hereof and (vii) this Commitment Letter and the information contained herein to any rating agency on a confidential basis and in consultation with the Arrangers.

Each Commitment Party agrees that it will treat as confidential all information provided to it hereunder by or on behalf of the Company, the Target or any of your or their respective subsidiaries or affiliates; provided, however, that nothing herein will prevent such Commitment Party from disclosing any such information (a) pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding, or otherwise as required by applicable law or compulsory legal process (in which case such person agrees to inform you promptly thereof to the extent practicable and not prohibited by law), (b) upon the request or demand of any regulatory authority having jurisdiction over such person or any of its affiliates, (c) to the extent that such information is publicly available or becomes publicly available other than by reason of improper disclosure by such person, its affiliates or representatives, (d) to such person's affiliates and their respective officers, directors, partners, members, employees, legal counsel, advisors, representatives, independent auditors and other experts or agents who need to know such information and on a confidential basis, (e) to potential and prospective Lenders or any direct or indirect contractual counterparties to any swap or derivative transaction relating to you or your obligations under the Bridge Facility, in each case, subject to such recipient's agreement (which agreement may be in writing or by "click through" agreement or other affirmative action on the part of the recipient to access such information and acknowledge its confidentiality obligations in respect thereof pursuant to customary syndication practice) to keep such information confidential on substantially the terms set forth in this paragraph, (f) received by such person on a non-confidential basis from a third party source (other than you, the Target or any of your or its respective affiliates, advisors, members, directors, employees, agents or other representatives) not known by such person to be prohibited from disclosing

such information to such person by a legal, contractual or fiduciary obligation, (g) for purposes of establishing a “due diligence” defense, (h) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Commitment Letter, the Fee Letter or the transactions contemplated thereby or enforcement hereof and thereof, (i) to any rating agency on a confidential basis, (j) contained in, and as contemplated by, any offering circular, private placement memorandum, prospectus or other similar disclosure document or in any amendment or supplement thereto and (j) with your prior written consent; provided that the foregoing obligations of the Commitment Parties shall remain in effect until the earlier of (i) two years from the date hereof and (ii) the date of execution of the Bridge Loan Agreement at which time any confidentiality undertaking in the Bridge Loan Agreement shall supersede the provisions in this paragraph.

You acknowledge that each Arranger and its affiliates are full service securities firms engaged in a broad array of activities and as such may from time to time effect transactions for their own (or entities with which they co-invest) account or the account of customers, and may hold, purchase, sell or vote long or short positions in securities or indebtedness, or options thereon, of the Company, the Target and other companies that may be the subject of the Transactions. In addition, the Arrangers may at any time communicate independent recommendations and/or publish or express independent research views in respect of such securities, indebtedness or options. Each Arranger and its affiliates may have economic interests that are different from or conflict with those of the Company regarding the transactions contemplated hereby, and you acknowledge and agree that each Arranger has no obligation to disclose such interests to you. You further acknowledge and agree that nothing in this Commitment Letter, the Fee Letter or the nature of our services or in any prior relationship will be deemed to create an advisory, fiduciary or agency relationship between us, on the one hand, and you, your equity holders or your affiliates, on the other hand, and you waive, to the fullest extent permitted by law, any claims you may have against the Arrangers for breach of fiduciary duty or alleged breach of fiduciary duty in connection with any aspect of the Transactions and agree that the Arrangers will have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on your behalf, including your equity holders, employees or creditors. You acknowledge that the Transactions (including the exercise of rights and remedies hereunder and under the Fee Letter) are arms’ length commercial transactions between you, on the one hand, and the Commitment Parties, on the other hand, and that we are acting as principal and in our own best interests. You are relying on your own experts and advisors to determine whether the Transactions are in your best interests and are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated hereby. In addition, you acknowledge that we may employ the services of our affiliates in providing certain services hereunder and may exchange with such affiliates information concerning you, the Target and other companies that may be the subject of the Transactions and such affiliates will be entitled to the benefits afforded to us hereunder. In connection with the services and transactions contemplated hereby, you agree that we are permitted to access, use and share with any of our bank or non-bank affiliates, agents, advisors (legal or otherwise) or representatives any information concerning the Company or any of its affiliates that is or may come into our possession or in the possession of any of our affiliates in accordance with Section 8 (it being understood that the persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential). In addition, each of the parties hereto acknowledges that each of Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC has been retained by the Company as a financial advisor (in such capacity, a “Financial Advisor”) to the Company in connection with the Acquisition. Each of the parties hereto agrees to such retention, and further agrees not to assert any claim it might allege based on any actual or potential conflicts of interest that might be asserted to arise or result from, on the one hand, the engagement of the Financial Advisors, and on the other hand, our and our affiliates’ relationships with you as described and referred to herein.

Consistent with our policies to hold in confidence the affairs of our customers, we will not use or disclose confidential information obtained from you by virtue of the Transactions in connection with our performance of services for any of our other customers (other than as permitted to be disclosed under this Section 8). Furthermore, you acknowledge that neither we nor any of our affiliates have an obligation to use in connection with the Transactions, or to furnish to you, confidential information obtained or that may be obtained by us from any other person.

Please note that the Arrangers and their respective affiliates do not provide tax, accounting or legal advice.

**9. Waiver of Jury Trial; Governing Law; Submission to Jurisdiction; Surviving Provisions**

**ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY ACTION, SUIT, PROCEEDING OR CLAIM ARISING IN CONNECTION WITH OR AS A RESULT OF ANY MATTER REFERRED TO IN THIS COMMITMENT LETTER OR THE FEE LETTER IS HEREBY IRREVOCABLY WAIVED BY THE PARTIES HERETO. THIS COMMITMENT LETTER WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK; PROVIDED, HOWEVER, THAT (I) THE INTERPRETATION OF THE DEFINITION OF TARGET MATERIAL ADVERSE EFFECT AND WHETHER OR NOT A TARGET MATERIAL ADVERSE EFFECT HAS OCCURRED, (II) THE DETERMINATION OF THE ACCURACY OF ANY TARGET REPRESENTATIONS AND WHETHER AS A RESULT OF ANY INACCURACY THEREOF YOU OR YOUR AFFILIATES HAVE THE RIGHT TO TERMINATE YOUR (OR THEIR) OBLIGATIONS UNDER THE ACQUISITION AGREEMENT, OR TO DECLINE TO CONSUMMATE THE ACQUISITION PURSUANT TO THE ACQUISITION AGREEMENT AND (III) THE DETERMINATION OF WHETHER THE ACQUISITION HAS BEEN CONSUMMATED IN ACCORDANCE WITH THE TERMS OF THE ACQUISITION AGREEMENT, IN EACH CASE, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED SOLELY IN ACCORDANCE WITH, THE LAWS OF THE STATE OF INDIANA, WITHOUT REGARD TO ANY OTHER PRINCIPLES OF CONFLICTS OF LAWS.** Each of the parties hereto hereby irrevocably (i) submits, for itself and its property, to the exclusive jurisdiction of (a) the Supreme Court of the State of New York, New York County, and (b) the United States District Court for the Southern District of New York, located in the Borough of Manhattan, and any appellate court from any such court, in any action, suit, proceeding or claim arising out of or relating to this Commitment Letter, the Fee Letter or the Transactions or the performance of services contemplated hereunder or under the Fee Letter, or for recognition or enforcement of any judgment, and agrees that all claims in respect of any such action, suit, proceeding or claim may be heard and determined in such New York State court or such Federal court, (ii) waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any action, suit, proceeding or claim arising out of or relating to this Commitment Letter, the Fee Letter, the Transactions or the performance of services contemplated hereunder or under the Fee Letter in any such New York State or Federal court and (iii) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such action, suit, proceeding or claim in any such court. Each of the parties hereto agrees to commence any such action, suit, proceeding or claim either in the United States District Court for the Southern District of New York located in the Borough of Manhattan or in the Supreme Court of the State of New York, New York County.

This Commitment Letter is issued for your benefit only and no other person or entity (other than the Indemnified Persons) may rely hereon.

The provisions of Sections 5, 8 and this Section 9 of this Commitment Letter will survive any termination or completion of the arrangements contemplated by this Commitment Letter or the Fee Letter, including without limitation whether or not the Loan Documents are executed and delivered and whether or not the Bridge Facility is made available or Loans are disbursed; provided, that the provisions of Section 5 shall be superseded (to the extent covered thereby) by the terms of the Loan Documents upon execution and delivery thereof by the parties thereto. You may terminate (on a pro rata basis among the Commitment Parties) the Commitment Parties' commitments hereunder at any time, in whole or in part, subject to the provisions of the preceding sentence and your obligations pursuant to the Fee Letter.

#### 10. Termination; Acceptance

Our commitments hereunder and our agreements to provide the services described herein will terminate upon the first to occur of (i) the execution and delivery of the Bridge Loan Agreement by the parties thereto, (ii) the consummation of the Acquisition without the use of the Bridge Facility, (iii) public announcement of the abandonment of the Acquisition by you, or the termination of the Acquisition Agreement in accordance with its terms, (iv) the commitments under the Bridge Facility are reduced to zero (\$0) in accordance with the terms of this Commitment Letter, and (v) 11:59 p.m. New York City time on April 21, 2019; provided that, to the extent the End Date (as defined in the Acquisition Agreement) is extended to a date (the "Extended Date") that is on or prior to October 21, 2019 in accordance with the terms of Section 8.01(b)(i) of the Acquisition Agreement (in the form provided to the Arrangers prior to their execution hereof), the date referred to in this clause (iv) shall, upon notice of such extension to the Arrangers from the Company, be automatically extended to such Extended Date (the earliest date in clauses (ii) through (iv) being the "Commitment Termination Date"), unless the closing of the Bridge Facility has been consummated on or before such date on the terms and subject to the conditions set forth herein; provided that the termination of commitments and agreements pursuant to clause (iv) of this sentence does not preclude our or your rights and remedies in respect of any breach of this Commitment Letter or the Fee Letter during the term thereof.

This Commitment Letter may be executed in any number of counterparts, each of which when executed will be an original and all of which, when taken together, will constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile or other electronic transmission will be as effective as delivery of a manually executed counterpart hereof.

Each of the parties hereto agree that this Commitment Letter is a binding and enforceable agreement with respect to subject matter contained herein, including an agreement to negotiate in good faith (prior to the anticipated Closing Date) the Loan Documents by the parties hereto in a manner consistent with this Commitment Letter, it being acknowledged and agreed that the commitments provided hereunder by the Commitment Parties are only subject to the conditions precedent set forth in Exhibit B.

Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed copy of this Commitment Letter, together, if not previously executed and delivered, with the Fee Letter on or before 9:00 a.m. New York City time on April 23, 2018 (the "Countersign Date"), whereupon this Commitment Letter and the Fee Letter will become binding agreements between us. If not signed and returned as described in the preceding sentence by the earlier of (i) the specified time on the Countersign Date and (ii) the time of the public announcement (by you) of the Acquisition, this offer will terminate on such earlier date.

*[The remainder of this page is intentionally left blank.]*

We look forward to working with you on this assignment.

Very truly yours,

**GOLDMAN SACHS BANK USA**

By: /s/ Robert Ehudin  
Robert Ehudin  
Authorized Signatory

Commitment Letter

**MORGAN STANLEY SENIOR FUNDING, INC.**

By: /s/ Subhalakshmi Ghosh-Kohli

Name: Subhalakshmi Ghosh-Kohli

Title: Authorized Signatory

Commitment Letter

**ACCEPTED AND AGREED TO AS OF THE DATE FIRST WRITTEN ABOVE:**

**CENTERPOINT ENERGY, INC.**

By: /s/ William D. Rogers  
Name: William D. Rogers  
Title: Executive Vice President and Chief Financial Officer

Commitment Letter

## Exhibit A

### Summary of Terms and Conditions of the Bridge Facility

*Capitalized terms not otherwise defined herein shall have the same meaning as specified with respect thereto in the Commitment Letter to which this Exhibit A is attached.*

<b>Bridge Facility:</b>	A 364-day senior unsecured term loan facility in an aggregate principal amount of \$5.0 billion (the “ <u>Bridge Facility</u> ”).
<b>Borrower:</b>	CenterPoint Energy, Inc. (the “ <u>Company</u> ”).
<b>Guarantor:</b>	None.
<b>Joint Bookrunners and Joint Lead Arrangers:</b>	Each of Goldman Sachs Bank USA (“ <u>Goldman Sachs</u> ”) and Morgan Stanley Senior Funding, Inc. (“ <u>MSSF</u> ”) will act as joint bookrunner and joint lead arranger (in such capacity, an “ <u>Arranger</u> ” and collectively, the “ <u>Arrangers</u> ”) for the Bridge Facility and will perform the duties customarily associated with such roles.
<b>Administrative Agent:</b>	Goldman Sachs will act as sole and exclusive administrative agent (in such capacity, the “ <u>Administrative Agent</u> ”) for the Lenders and will perform the duties customarily associated with such role.
<b>Syndication Agent:</b>	MSSF will act as sole and exclusive syndication agent (in such capacity, the “ <u>Syndication Agent</u> ”) for the Lenders and will perform the duties customarily associated with such role.
<b>Lenders:</b>	Goldman Sachs, MSSF and/or other banks, financial institutions and institutional lenders selected by the Arrangers in consultation with the Company (each, a “ <u>Lender</u> ” and, collectively, the “ <u>Lenders</u> ”).
<b>Purpose/Use of Proceeds:</b>	The proceeds of the Bridge Facility will be used to fund, in part, the Acquisition, including paying all Transaction Costs.
<b>Availability:</b>	A single drawing may be made under the Bridge Facility on the Closing Date.
<b>Closing Date:</b>	The date on or before the Commitment Termination Date on which the Bridge Facility is available to be borrowed subject to the conditions set forth herein (the “ <u>Closing Date</u> ”).
<b>Maturity:</b>	The maturity date (the “ <u>Maturity Date</u> ”) of the Bridge Facility will be the date that is 364 days after the Closing Date.
<b>Amortization:</b>	None. All loans outstanding under the Bridge Facility (the “ <u>Loans</u> ”) will be due and payable on the Maturity Date.

Exhibit A-1

**Interest Rate:**

All amounts outstanding under the Bridge Facility will bear interest, at the Company's option, at a rate *per annum* equal to:

- (a) the Base Rate plus the Applicable Margin; or
- (b) the reserve adjusted Eurodollar Rate plus the Applicable Margin.

The "Applicable Margin" will be determined as of any date by reference to the pricing grid contained in Annex I to this Exhibit A (the "Pricing Grid").

As used herein, (i) "Base Rate" means a fluctuating rate per annum equal to the greatest of (x) the rate last quoted by The Wall Street Journal as the "Prime Rate" in the U.S., (y) the Federal Funds effective rate plus  $\frac{1}{2}$  of 1.0% and (z) the one-month reserve adjusted Eurodollar Rate plus 1.0% and (ii) "reserve adjusted Eurodollar Rate" means a fluctuating rate *per annum* equal to (x) the rate *per annum* determined by the Administrative Agent to be the offered rate for deposits in dollars with a term equivalent to such elected interest period appearing on the page of the Reuters Screen which displays an average of the London interbank offered rate administered by the ICE Benchmark Administration (such page currently being the LIBOR01 page) or (y) if the rate in clause (ii)(x) above does not appear on such page or service or if such page or service is not available, the rate *per annum* determined by the Administrative Agent to be the offered rate for deposits in dollars with a term equivalent to such elected interest period on such other page or other service which displays an average of the London interbank offered rate; provided that the reserve adjusted Eurodollar Rate shall not be less than 0.00%.

**Duration Fees:**

The Company will pay fees (the "Duration Fees") for the ratable benefit of the Lenders in amounts equal to the applicable percentage set forth below, of the principal amount of the Loans outstanding at the close of business, New York City time, on each date set forth in the grid below, payable on each such date:

Duration Fees		
90 days after the Closing Date	180 days after the Closing Date	270 days after the Closing Date
0.50%	0.75%	1.00%

**Ticking Fees:**

The Company will pay non-refundable ticking fees (the "Ticking Fees") in amounts equal to the percentage *per annum* as determined in accordance with the Pricing Grid (the "Ticking Fee Rate") on the daily average undrawn total commitments in respect of the Bridge Facility, which Ticking Fees will accrue beginning on the date (the "Ticking Fee Start Date") that is the later of (x) the date of the execution of the Bridge Loan Agreement and (y) the date that is 90 days following the date on which the Company executed the Commitment Letter (the "Commitment Date"), and through the earlier of (i) the date of termination of the commitments and (ii) the Closing Date, payable on the earlier of such date.

Exhibit A-2

**Default Interest:**

Upon the occurrence and during the continuance of any payment default, interest on amounts not paid when due will accrue at a rate of 2.0% *per annum* plus (i) in the case of Loans, the rate equal to the rate then applicable thereto and (ii) in the case of other amounts, the rate equal to the rate then applicable to Base Rate Loans, and will be payable on demand.

**Interest Payments:**

Quarterly for Loans bearing interest based upon the Base Rate; on the last day of the applicable interest periods (which will be one, two, three or six months) for Loans bearing interest based upon the reserve adjusted Eurodollar Rate (and at the end of every three months, in the case of interest periods longer than three months); and upon each mandatory and voluntary prepayment on the principal amount prepaid, in each case payable in arrears and computed on the basis of a 360-day year with respect to Loans bearing interest based upon the reserve adjusted Eurodollar Rate and a 365/366-day year with respect to Loans bearing interest based upon clause (x) of the definition of Base Rate.

**Funding Protection and Taxes:**

Consistent with the Documentation Principles set forth below. It is understood that (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines and 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.

**Voluntary Prepayments  
and Commitment Reductions:**

The Bridge Facility may be prepaid in whole or in part without premium or penalty upon one business day's (or, in the case of a prepayment of Loans bearing interest based upon the reserve adjusted Eurodollar Rate, three business days') prior written notice, subject to reimbursement of the Lenders' breakage costs in the case of a prepayment of Loans bearing interest based upon the reserve adjusted Eurodollar Rate prior to the last day of the applicable interest period. Voluntary prepayments of the Bridge Facility may not be reborrowed.

The Bridge Facility commitments may be terminated in whole or in part without premium or penalty upon one business day's prior written notice.

Exhibit A-3

**Mandatory Prepayments  
and Commitment Reductions:**

The following amounts shall be applied to prepay Loans within three business days following receipt of (and, prior to the Closing Date, the commitments with respect to the Bridge Facility, under the Commitment Letter or the Loan Documents, shall be automatically and permanently reduced by such amounts):

1. **Incurrence of Indebtedness:** An amount equal to 100.0% of the net cash proceeds received (including into escrow; provided that the conditions to release of such cash proceeds from escrow are no more onerous than the conditions set forth in Exhibit B to the Commitment Letter) from the incurrence of indebtedness for borrowed money (including hybrid securities and debt securities convertible to equity) by the Company or any of its subsidiaries, other than Excluded Debt (as defined below).
2. **Equity Offerings:** An amount equal to 100.0% of (i) the net cash proceeds received (including into escrow; provided that the conditions to release of such cash proceeds from escrow are no more onerous than the conditions set forth in Exhibit B to the Commitment Letter) from the issuance of any common or preferred equity securities (other than an Equity Forward Contract) by the Company or any of its subsidiaries other than issuances pursuant to employee benefit plans and issuances to Target equity holders pursuant to the Acquisition and (ii) the amount payable in the future to the Company or any of its subsidiaries pursuant to any equity forward contract entered into in connection with financing the Acquisition (an “Equity Forward Contract”) shall be applied to reduce the commitments under the Bridge Facility immediately upon such Equity Forward Contract being executed and effective (provided that any conditions or restrictions under such Equity Forward Contract to such payment are no more onerous than the conditions set forth in Exhibit B to the Commitment Letter). In the event that the Company receives any cash proceeds of any equity issuance, up to the amount of any voluntary reduction of commitments under the Bridge Facility previously made by the Company in connection with such equity issuance, then (to avoid duplication) such amount of cash proceeds shall not be applied in mandatory prepayment of Loans or reduction of commitments under the Bridge Facility.
3. **Asset Sales; Insurance Proceeds:** An amount equal to 100.0% of the net cash proceeds (including cash equivalents) received from the sale or other disposition of any property or assets of the Company or any of its subsidiaries that results in receipt of net proceeds (in cash or cash equivalents) or insurance or condemnation proceeds paid on account of any loss of any property or assets of the Company or any of its subsidiaries (in each case), other than any Excluded Asset Sales (as defined below).

Exhibit A-4

**Excluded Asset Sale** means (a) the disposition of cash or cash equivalents or other assets classified as current assets on the consolidated balance sheet of the Company, (b) the sale, exchange or other disposition of accounts or notes receivable, (c) the disposition of assets to the Company or any of its subsidiaries, (d) the disposition of assets by any Regulated Subsidiary (as defined below), (e) dispositions with net cash proceeds individually of up to \$50.0 million or in aggregate of up to \$150.0 million, (f) ordinary course of business asset dispositions, (g) dispositions for which the proceeds are to be reinvested in other assets within twelve months following receipt (or, in the case of casualty or condemnation proceeds, to be applied in the repair or replacement of the affected assets within such period as may be reasonably required), and (h) any insurance proceeds related to Hurricane Harvey received by the Company or its subsidiaries.

**Excluded Debt** means (a) indebtedness incurred pursuant to the Bridge Facility, (b) indebtedness between the Company and/or any of its subsidiaries, (c) commercial paper financings, accounts receivables financing, letter of credit and swap agreements, (d) any trade, seller or customer finance-related financing, (e) indebtedness under the Existing Revolving Credit Agreement (as defined below) and other existing revolving credit facilities of the Company or its subsidiaries, as may be amended from time to time, including under increased commitment amount, to the extent that such commitment increases do not exceed \$1.2 billion in aggregate, (f) indebtedness under any Qualifying Committed Financing (as defined below) to the extent the commitments thereunder have already been applied to reduce the commitments under the Bridge Facility, (g) indebtedness of any Regulated Subsidiary that is non-recourse to the Company and its other subsidiaries (other than a Regulated Subsidiary of such Regulated Subsidiary), (h) purchase money and asset financing incurred in the ordinary course of business and (i) indebtedness (except the Securities and other indebtedness incurred in connection with the Acquisition) of up to \$150.0 million in the aggregate.

**Regulated Subsidiary** means each subsidiary of the Company (including, following the Closing Date as applicable, the Target and its subsidiaries) whose primary line of business is (a) the transmission and distribution of electric energy and whose operations (including its electrical rates charged to the public) are regulated by applicable governmental authorities or (b) the transmission and distribution of natural gas and whose operations (including its natural gas rates charged to the public) are regulated by applicable governmental authorities and whose material transmission assets are included in its regulated rate base and whose only material pipeline assets are related to its regulated gas distribution business.

In addition, the commitments under the Bridge Facility shall be automatically reduced by the principal amount of commitments obtained by the Company or any of its subsidiaries entering into any

Exhibit A-5

committed but unfunded term loan or similar credit facility for the stated purpose of financing the Acquisition, to the extent that the conditions to availability thereunder are no more restrictive than the conditions to availability of the Bridge Facility (a “Qualifying Committed Financing”).

The Company will notify the Administrative Agent in writing of the receipt of any of the foregoing amounts (or other applicable event) in each case within three business days thereof.

All mandatory prepayments will be applied without penalty or premium (except for breakage costs, if any) and will be applied *pro rata* to Loans (or as between Lenders which are affiliated with each other as they shall otherwise determine).

**Documentation Principles:**

The Loan Documents will contain representations and warranties, covenants and events of default which shall be substantially similar to the Amended and Restated Credit Agreement, dated as of March 3, 2016 by and among the Company, JPMorgan Chase Bank, N.A., as Administrative Agent and the other financial institutions party thereto (as amended, restated, extended, supplemented, modified and otherwise in effect on the date hereof, the “Existing Revolving Credit Agreement”) and only with modifications consistent with this Exhibit A or that are otherwise mutually and reasonably agreed by the Company and the Arrangers. For purposes hereof, the words “substantially similar to” the Existing Revolving Credit Agreement and words of similar import mean substantially the same as the Existing Revolving Credit Agreement with modifications only (a) as are necessary to reflect the other terms specifically set forth in this Commitment Letter, (b) to reflect any changes in law or accounting standards (or in the interpretation thereof) since March 3, 2016 as reasonably agreed by the Company and the Administrative Agent and (c) to reflect the operational or administrative requirements of the Administrative Agent, as reasonably agreed between the Company and the Administrative Agent. It is also understood and agreed that the Bridge Loan Agreement shall include customary LSTA EU bail-in and ERISA provisions. The foregoing provisions are referred to herein as the “Documentation Principles”.

**Representations and Warranties:**

The Bridge Facility will contain representations and warranties by the Company consistent with the Documentation Principles to be made on the date of the Loan Documents and on the Closing Date; provided that the Bridge Loan Agreement will also include a solvency representation on the Closing Date (such representation to be consistent with that certification set forth in Annex I to Exhibit B).

**Affirmative and Negative Covenants:**

The Bridge Facility will contain affirmative and negative covenants consistent with the Documentation Principles.

Exhibit A-6

**Financial Covenant:**

The Company shall not permit as of the last day of each fiscal quarter, the ratio of Consolidated Indebtedness for Borrowed Money as of such date to Consolidated Capitalization as of such date to exceed 65%; provided, however, during each period after the occurrence of a Storm Certificate Effective Date until the applicable Other Covenant Trigger Date, the applicable ratio shall be 70% (defined terms used in this paragraph but not defined herein shall be defined as set forth in the Existing Revolving Credit Agreement), provided, further that in the event that the financial covenant set forth in Section 7.2(a) of the Existing Revolving Credit Agreement (as may be amended, modified, renewed or replaced) is amended in connection with the Transactions, the financial covenant set forth above shall be automatically modified on the Closing Date to match the Existing Revolving Credit Agreement (as so amended, modified, renewed or replaced); provided that in no event shall such amendment increase the applicable ratio set forth above to a level greater than 75%.

**Events of Default:**

The Bridge Facility will contain events of default consistent with the Documentation Principles.

The acceleration of the Loans shall be permitted at any time after they have been funded only to the extent that an event of default is outstanding and continuing at such time.

**Conditions Precedent to Borrowing:**

The several obligation of each Lender to make, or cause an affiliate to make, Loans on the Closing Date will be subject only to the conditions set forth in Section 2 of the Commitment Letter and in Exhibit B thereto.

**Actions Between Effective Date and Closing Date:**

During the period from and including the effectiveness of the Bridge Loan Agreement (the “Effective Date”) to and including the earlier of the Commitment Termination Date and the funding of the Loans on the Closing Date, and notwithstanding (i) that any representation given as a condition to the Effective Date (excluding the Specified Representations and Target Representations constituting conditions to funding as set forth in Exhibit B to the Commitment Letter (“Funding Conditions”)) was incorrect, (ii) any failure by the Company to comply with the affirmative covenants, negative covenants and financial covenants (excluding compliance on the Closing Date with certain affirmative and negative covenants constituting Funding Conditions), (iii) any provision to the contrary in the Bridge Loan Agreement or (iv) that any condition to the Effective Date may subsequently be determined not to have been satisfied, neither the Administrative Agent nor any Lender shall be entitled to (unless an event of default under the Bridge Loan Agreement shall have occurred and is continuing with respect to nonpayment of fees thereunder or bankruptcy or insolvency of the Company) (a) cancel any of its commitments in respect of the Bridge Facility (except as set forth in “Mandatory Prepayments and Commitment Reductions” above), (b)

Exhibit A-7

rescind, terminate or cancel the Bridge Loan Agreement or any of its commitments thereunder or exercise any right or remedy under the Bridge Loan Agreement, to the extent to do so would prevent, limit or delay the making of its Loan, (c) refuse to participate in making its Loan or (d) exercise any right of set-off or counterclaim in respect of its Loan to the extent to do so would prevent, limit or delay the making of its Loan; provided that the Funding Conditions are satisfied. Furthermore, (a) the rights and remedies of the Lenders and the Administrative Agent shall not be limited in the event that any Funding Condition is not satisfied on the Closing Date and (b) from the Closing Date after giving effect to the funding of the Loans on such date, all of the rights, remedies and entitlements of the Administrative Agent and the Lenders shall be available notwithstanding that such rights were not available prior to such time as a result of the foregoing.

**Defaulting Lender:**

The Loan Documents shall contain “Defaulting Lender” provisions substantially similar to the corresponding provisions of the Existing Revolving Credit Agreement.

**Assignments and Participations:**

The Lenders may assign (other than to natural persons, the Company or its subsidiaries) all of their Loans and commitments under the Bridge Facility, or a part of their Loans and commitments in an amount of not less than \$5.0 million, to Eligible Assignees (to be defined in the Bridge Loan Agreement), in each case, which are reasonably acceptable to the Administrative Agent and (unless any event of default is continuing) the Company; provided that such assignee shall be deemed reasonably acceptable to the Company if (i) the Company does not otherwise reject such assignee within ten business days of the date on which approval is requested and (ii) such assignment is made by the Arrangers in accordance with the syndication provisions of the Commitment Letter; provided, further, that assignments made to another Lender, an approved fund of a Lender, an affiliate of a Lender or of an Agent will not be subject to the above consent requirements. The Lenders will also have the right to sell participations (other than to natural persons, the Company or its subsidiaries) without the consent of the Company or the Administrative Agent, subject only to customary limitations on voting rights, in their respective shares of the Bridge Facility.

**Amendments and Required Lenders:**

No amendment, modification, termination or waiver of any provision of the Loan Documents will be effective without the written approval of Lenders holding more than 50.0% of the aggregate amount of Loans and commitments outstanding under the Bridge Facility (collectively, the “Required Lenders”), except that the consent of each Lender will be required with respect to certain matters relating to principal, fees and interest rates, payment dates and maturity, pro rata payment and sharing provisions and amendment provisions and the definition of Required Lenders, in a manner substantially similar to the Existing Revolving Credit Agreement.

Exhibit A-8

**Indemnity and Expenses:**

The Bridge Facility will provide customary and appropriate provisions relating to indemnity and related matters in a form substantially similar to the Existing Revolving Credit Agreement. The Company will also pay (i) reasonable and documented out-of-pocket expenses of the Arrangers, the Syndication Agent and the Administrative Agent associated with the syndication of the Bridge Facility, (ii) reasonable and documented out-of-pocket expenses of the Administrative Agent associated with the preparation, negotiation, execution, delivery and administration of the Loan Documents and any amendment or waiver with respect thereto (including, in the case of clauses (i) and (ii) the reasonable fees, disbursements and other charges of (x) one counsel plus one specialist counsel in any applicable specialty and, solely in the case of an actual or potential conflict of interest, of one additional counsel and if reasonable and necessary, one local counsel plus one specialist counsel in, respectively each jurisdiction or applicable specialty to the affected indemnified person (y) and the charges of electronic loan administration platforms) and (iii) all reasonable and documented out-of-pocket expenses of the Arrangers, the Syndication Agent, the Administrative Agent and the Lenders (including the reasonable fees, disbursements and other charges of one counsel plus one specialist counsel in any applicable specialty and, solely in the case of an actual or potential conflict of interest, of one additional counsel and if reasonable and necessary, one local counsel plus one specialist counsel in, respectively each jurisdiction or applicable specialty to the affected indemnified person) in connection with the enforcement of the Loan Documents or in any bankruptcy case or insolvency proceeding.

**Governing Law and Jurisdiction:**

The Bridge Facility will provide that the Company will submit to the exclusive jurisdiction and venue of the federal and state courts of the County and State of New York and will waive any right to trial by jury. New York law will govern the Loan Documents; provided that the laws of the State of Indiana will govern (i) whether a Target Material Adverse Effect has occurred, (ii) compliance with any Target Representations and (iii) whether the Acquisition has been consummated in accordance with the terms of the Acquisition Agreement.

**Counsel to the Arrangers and the Administrative Agent:**

Weil, Gotshal & Manges LLP.

Exhibit A-9

**Annex I to Exhibit A**

**Bridge Facility Pricing Grid**

**“Applicable Margin”** means, as of any date of determination, the percentage *per annum* set forth below under the applicable type of Loan opposite the applicable Designated Ratings of the Company from S&P and Moody’s, in each case, with a stable or better outlook:

Company's Designated Ratings (S&P or Moody's)	Applicable Margin								Ticking Fee Rate	
	Closing Date through 89 days after Closing Date		90 days after Closing Date through 179 days after Closing Date		180 days after Closing Date through 269 days after Closing Date		270 days after Closing Date and thereafter			
	Base Rate Loans	Euro- dollar Loans	Base Rate Loans	Euro- dollar Loans	Base Rate Loans	Euro- dollar Loans	Base Rate Loans	Euro- dollar Loans		
Rating Level 1: > A-/A3	0 bps	100 bps	25 bps	125 bps	50 bps	150 bps	75 bps	175 bps	10.0 bps	
Rating Level 2: A-/A3	12.5 bps	112.5 bps	37.5 bps	137.5 bps	62.5 bps	162.5 bps	87.5 bps	187.5 bps	12.5 bps	
Rating Level 3: BBB+/Baa1	25 bps	125 bps	50 bps	150 bps	75 bps	175 bps	100 bps	200 bps	200 bps	
Rating Level 4: BBB/Baa2	50 bps	150 bps	75 bps	175 bps	100 bps	200 bps	125 bps	225 bps	22.5 bps	
Rating Level 5: BBB-/Baa3	75 bps	175 bps	100 bps	200 bps	125 bps	225 bps	150 bps	250 bps	27.5 bps	
Rating Level 6: £ BB+/Ba1	100 bps	200 bps	125 bps	225 bps	150 bps	250 bps	175 bps	275 bps	32.5 bps	

For the purposes of the foregoing (and subject to the last paragraph hereof):

**“Designated Rating”** means (a) in the case of S&P, the Company’s senior unsecured long-term debt rating or its equivalent (or if such rating is discontinued or unavailable, the Company’s corporate credit rating) issued by S&P and (b) in the case of Moody’s, the Company’s senior unsecured long-term debt rating or its equivalent (or if such rating is discontinued or unavailable, the Company’s long-term issuer rating) issued by Moody’s.

**“Moody’s”** means Moody’s Investors Service, Inc.

**“Rating Agencies”** means (a) S&P and (b) Moody’s.

Annex I to Exhibit A-1

S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

For purposes of the foregoing, (a) if the Designated Ratings differ (i) by one level, the Applicable Margin and Ticking Fee Rate shall be based upon the higher of such Designated Ratings; (ii) by two levels, the Applicable Margin and Ticking Fee Rate shall be based upon the level between such Designated Ratings; (iii) by more than two levels, the Applicable Margin and Ticking Fee Rate shall be based upon the level which is one level above the lower of such Designated Ratings; (b) if only one of the two Rating Agencies issues a Designated Rating, the Applicable Margin and Ticking Fee Rate shall be based upon such Designated Rating; (c) if the Designated Ratings established by either of the two Rating Agencies shall be changed (other than as a result of a change in the rating system of such Rating Agency), such change shall be effective as of the date on which it is first announced by the applicable Rating Agency (it being understood that a change in outlook status (e.g., watch status, negative outlook status) does not constitute a change in any Designated Rating for purposes hereof); and (d) if the rating system of either Rating Agency shall change, or if either Rating Agency shall cease to be in the business of rating corporate debt obligations, the Company and the Administrative Agent shall negotiate in good faith if necessary to amend this definition and the definitions of "Designated Rating" and "Rating Agencies" to reflect such changed rating system or the unavailability of Designated Ratings from such Rating Agency and, pending the effectiveness of any such amendment, the Applicable Margin and Ticking Fee Rate shall be determined by reference to the Designated Rating of such Rating Agency most recently in effect prior to such change or cessation.

Annex I to Exhibit A-2

**Exhibit B**

**Summary of Conditions Precedent to the Bridge Facility**

1. **Concurrent Transactions.** The terms of the Acquisition Agreement (including all exhibits, schedules, annexes and other attachments thereto) shall be reasonably satisfactory to the Arrangers (it being agreed that the execution version of the Acquisition Agreement provided to the Arrangers prior to their execution of the Commitment Letter is reasonably satisfactory to the Arrangers). The Acquisition shall have been consummated or will be consummated substantially concurrently with the funding under the Bridge Facility in accordance with the Acquisition Agreement; provided that no amendment, modification or waiver of any term thereof or any condition to consummate the Acquisition thereunder, or consent or request by the Company or any of its subsidiaries (other than any such amendment, modification, waiver, consent or request that is not materially adverse to the Lenders) shall be made or granted, as the case may be, without the prior written consent of the Arrangers, such consent not to be unreasonably withheld or delayed; it being understood and agreed that neither of the following are materially adverse to the Lenders: (x) a reduction of less than 10% in the consideration payable under the Acquisition Agreement so long as such decrease in the consideration payable shall reduce dollar-for-dollar the commitments in respect of the Bridge Facility or (y) an increase in the consideration payable under the Acquisition Agreement so long as such increase is paid in the form of common equity of the Company.
2. **Target Material Adverse Effect.** There shall not have occurred: (i) from January 1, 2018 to the date of the Acquisition Agreement, any fact, circumstance, effect, change, event or development that has had or would reasonably be expected to have, individually or in the aggregate, a Target Material Adverse Effect (as defined below), except (A) as set forth in the Company Reports publicly available and filed with or furnished to the SEC at least two (2) Business Days prior to the date hereof (excluding any disclosures of factors or risks contained or references therein under the captions “Risk Factors” or “Forward-Looking Statements” and any other statements that are predictive, cautionary or forward-looking in nature) and (B) subject to Section 9.04(k) of the Acquisition Agreement, as set forth in Section 3.07(b) of the Company Disclosure Letter in the form provided to the Arrangers prior to the date hereof or (ii) since the date of the Acquisition Agreement, any fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Target Material Adverse Effect. For the purposes hereof, “Target Material Adverse Effect” means any fact, circumstance, effect, change, event or development that has or would reasonably be expected to have a material adverse effect on the business, properties, financial condition or results of operations of the Company and the Company Subsidiaries, taken as a whole; provided that no fact, circumstance, effect, change, event or development resulting from or arising out of any of the following, individually or in the aggregate, shall constitute or be taken into account in determining whether a Company Material Adverse Effect has occurred: (a) any change or condition affecting any industry in which the Company or any Company Subsidiary operates, including electric generating, transmission or distribution, natural gas transmission and distribution, construction and performance contracting industries (including, in each case, any changes in the operations thereof); (b) any change affecting any economic, legislative or political condition or any change affecting any securities, credit, financial or other capital markets condition, in each case in the United States, in any foreign jurisdiction or in any specific geographical area; (c) any failure in and of itself by the Company or any Company Subsidiary to meet any internal or public projection, budget, forecast, estimate or prediction in respect of revenues, earnings or other financial or operating metrics for any period (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taking into

Exhibit B-1

account in determining whether there has or will be, a Company Material Adverse Effect); (d) any change attributable to the announcement, execution or delivery of the Acquisition Agreement or the pendency of the Merger, including (i) any action taken by the Company or any Company Subsidiary that is expressly required pursuant to the Acquisition Agreement, or is consented to by Parent, or any action taken by Parent or any Affiliate thereof, to obtain any Consent from any Governmental Entity to the consummation of the Merger and the result of any such actions, (ii) any Claim arising out of or related to the Acquisition Agreement (including shareholder litigation), (iii) any adverse change in supplier, employee, financing source, shareholder, regulatory, partner or similar relationships resulting therefrom or (iv) any change that arises out of or relates to the identity of Parent or any of its Affiliates as the acquirer of the Company; (e) any change or condition affecting the market for commodities, including any change in the price or availability of commodities; (f) any change in and of itself in the market price, credit rating or trading volume of shares of Company Common Stock on the NYSE or any change affecting the ratings or the ratings outlook for the Company or any Company Subsidiary (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taking into account in determining whether there has or will be, a Company Material Adverse Effect); (g) any change in applicable Law, regulation or GAAP (or authoritative interpretation thereof); (h) geopolitical conditions, the outbreak or escalation of hostilities, any act of war, sabotage or terrorism, or any escalation or worsening of any such act of war, sabotage or terrorism threatened or underway as of the date of the Acquisition Agreement; (i) any fact, circumstance, effect, change, event or development resulting from or arising out of or affecting the national, regional, state or local engineering or construction industries or the wholesale or retail markets for commodities, materials or supplies (including equipment supplies, steel, concrete, electric power, fuel, coal, natural gas, water or coal transportation) or the hedging markets therefor, including any change in commodity prices; (j) any hurricane, strong winds, ice event, fire, tornado, tsunami, flood, earthquake or other natural disaster or severe weather-related event, circumstance or development or (k) any change or effect arising from any requirements imposed by any Governmental Entities as a condition to obtaining the Required Statutory Approvals or the Required State Approvals; provided, however, that any fact, circumstance, effect, change, event or development set forth in clauses (a), (b), (e), (g), (h), (i) and (j) above may be taken into account in determining whether a Company Material Adverse Effect has occurred solely to the extent such fact, circumstance, effect, change, event or development has a materially disproportionate adverse effect on the Company and the Company Subsidiaries, taken as a whole, as compared to other entities (if any) engaged in the relevant business in the geographic area affected by such fact, circumstance, effect, change, event or development (in which case, only the incremental disproportionate impact may be taken into account in determining whether there has been, or would be, a Company Material Adverse Effect, to the extent such change is not otherwise excluded from being taken into account by clauses (a)–(j) of this definition). Capitalized terms used in this paragraph 2 are used as defined in the Acquisition Agreement (in the form provided to the Arrangers prior to their execution of the Commitment Letter).

3. **Financial Statements.** The Arrangers shall have received (i) audited consolidated balance sheets and related audited consolidated statements of operations, cash flows and shareholders' equity of each of the Company and the Target prepared in accordance with generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements of the Financial Accounting Standards Board ("GAAP") as of and for each of the three fiscal years ending at least 60 days prior to the Closing Date, (ii) unaudited consolidated balance sheets and related unaudited consolidated statements of operations and cash flows prepared in accordance with GAAP as of and for each fiscal quarter (other than the fourth fiscal quarter) of each of the

Exhibit B-2

Company and the Target ending after the latest fiscal year for which financial statements have been delivered under clause (i) and at least 40 days prior to the Closing Date and for the corresponding periods of the prior fiscal year and (iii) customary *pro forma* financial statements of the Company giving effect to the Transactions and all other recent, probable or pending acquisitions, in each of clauses (i) through (iii) meeting the requirements of Regulation S-X and, in the case of clause (iii), as of and for the periods required by Rule 3-05 and Article 11, as applicable, of Regulation S-X and only to the extent the Company will be required to file such financial statements with the Securities and Exchange Commission, regardless of the timing of such filing. The Arrangers hereby acknowledge that the Company's or the Target's public filing with the Securities and Exchange Commission of any required audited financial statements on Form 10-K or required unaudited financial statements on Form 10-Q, in each case, will satisfy the requirements under clauses (i) or (ii) as applicable, of this paragraph.

4. **Definitive Documents; Customary Closing Conditions.** Loan Documents substantially consistent with the terms set forth in this Commitment Letter shall have been executed and delivered by the Company. The Company shall have complied with each of the following closing conditions: (i) the delivery of customary legal opinions from Akin Gump Strauss Hauer & Feld LLP, as special counsel to the Company (or other counsel reasonably acceptable to the Administrative Agent), in form and substance reasonably acceptable to the Company and the Administrative Agent; (ii) the delivery of customary resolutions and secretary's certificates relating to the organization, existence and good standing of the Company and the authorization of the Loan Documents and a customary certificate that certifies that the condition precedent set forth in paragraph 1 of this Exhibit B has been satisfied; (iii) the delivery of a customary borrowing notice; (iv) payment of fees and, to the extent invoiced at least three days prior to the Closing Date, expenses payable to the Arrangers, the Administrative Agent or the Lenders to the extent required by the Fee Letter or the Loan Documents to be paid on or prior to the Closing Date; (v) the delivery of a solvency certificate from the chief financial officer of the Company in the form of Annex I to Exhibit B certifying the solvency of the Company and its subsidiaries on a consolidated basis after giving effect to the Transactions; and (vi) the Administrative Agent shall have received at least five business days prior to the Closing Date all documentation and other information reasonably requested by the Administrative Agent (or any Lender through the Administrative Agent) in writing at least ten Business Days prior to the Closing Date that is required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act.
5. **No Default/Accuracy of Certain Representations and Warranties.** (i) There shall exist no default or event of default under the Loan Documents with respect to (a) non-payment of fees due under the Bridge Facility; (b) breach of negative covenants relating to certain liens, consolidation, merger or disposal of assets (it being understood that such event of default shall be substantially the same as Section 8.1(d) of the Existing Revolving Credit Agreement as it relates to a breach of covenants substantially the same as Section 7.2(b) and Section 7.2(c) of the Existing Revolving Credit Agreement); (c) non-payment or acceleration of other indebtedness for borrowed money in excess of \$125 million (it being understood that such event of default shall be substantially the same as Section 8.1(f)(i) of the Existing Revolving Credit Agreement); or (d) bankruptcy or insolvency events with respect to the Company (but not any of its subsidiaries) (it being understood that such events of default shall be substantially the same as Section 8.1(g) and Section 8.1(h) of the Existing Revolving Credit Agreement), and (ii) the Target Representations and the Specified Representations shall be true and correct in all material respects (except those which are qualified by materiality, which shall be true and correct), in each case at the time of, and immediately after giving effect to, the making of the Loans on the Closing Date.

Exhibit B-3

**Annex I to Exhibit B**

**Form of Solvency Certificate**

**SOLVENCY CERTIFICATE  
of  
CENTERPOINT ENERGY, INC.  
AND ITS SUBSIDIARIES**

Pursuant to Section [●] of the Credit Agreement, the undersigned hereby certifies, solely in such undersigned's capacity as [chief financial officer] [chief accounting officer] [*specify other officer with equivalent duties*] of CenterPoint Energy, Inc. (the "Company"), and not individually and on behalf of the Company and without personal liability, as follows:

As of the date hereof, after giving effect to the consummation of the Transactions, including the making of the Loans under the Credit Agreement, and after giving effect to the application of the proceeds of such indebtedness:

- a. The fair value of the assets of the Company and its subsidiaries, on a consolidated basis, exceeds, on a consolidated basis, their debts and liabilities, subordinated, contingent or otherwise;
- b. The present fair saleable value of the property of the Company and its subsidiaries, on a consolidated basis, is greater than the amount that will be required to pay the probable liability, on a consolidated basis, of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured;
- c. The Company and its subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured; and
- d. The Company and its subsidiaries, on a consolidated basis, are not engaged in, and are not about to engage in, business for which they have unreasonably small capital.

For purposes of this Certificate, the amount of any contingent liability at any time shall be computed as the amount that would reasonably be expected to become an actual and matured liability. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

[Signature Page Follows]

Annex I to Exhibit B-1

IN WITNESS WHEREOF, the undersigned has executed this Certificate in such undersigned's capacity as [chief financial officer] [chief accounting officer] [*specify other officer with equivalent duties*] of the Company, on behalf of the Company, and not individually and without personal liability, as of the date first stated above.

**CENTERPOINT ENERGY, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



For Immediate Release

For more information contact  
**CenterPoint Energy**  
**Media:** Leticia Lowe 713.207.7702  
**Investors:** David Mordy 713.207.6500

**Vectren Corporation**  
**Media:** Natalie Hedde 812.491.5105  
**Investors:** Dave Parker 812.491.4135

**CenterPoint Energy and Vectren to Merge**  
*Advances strategy to become a leading U.S. energy delivery,  
 infrastructure and services company*

- **Vectren shareholders to receive \$72.00 in cash for each share of Vectren common stock**
- **Complementary businesses to operate regulated utility businesses in eight states, have combined footprint in nearly 40 states, and serve over 7 million customers**
- **Combined company to be named CenterPoint Energy with corporate headquarters in Houston; Vectren will become a CenterPoint Energy company with the combined company's natural gas utilities operations and the Indiana electric operation to be headquartered in Evansville, Ind.**
- **CenterPoint Energy expects to maintain annual guidance basis EPS growth target of 5 to 7 percent in 2019 and 2020, excluding any one-time charges related to the merger**
- **Transaction anticipated to be funded by combination of equity and debt; capital structure and resulting credit metrics expected to support solid investment grade credit quality**

**Houston and Evansville, Ind. – April 23, 2018** – CenterPoint Energy, Inc. (NYSE: CNP) and Vectren Corporation (NYSE: VVC) today announced they have entered into a definitive merger agreement to form a leading energy delivery, infrastructure and services company serving more than 7 million customers across the United States.

Under the terms of the agreement, which have been unanimously approved by both CenterPoint Energy's and Vectren's Boards of Directors, Vectren shareholders will receive \$72.00 in cash for each share of Vectren common stock. CenterPoint Energy will also assume all outstanding Vectren net debt.

"This merger represents a significant step toward our vision to lead the nation in delivering energy, service and value. By combining our two highly complementary companies, we are creating an energy delivery, infrastructure and services leader that will drive value for our shareholders and customers, while enhancing growth opportunities for our businesses," said Scott M. Prochazka, president and chief executive officer of CenterPoint Energy. "From the evolution of customer expectations to the development of innovative technologies, this is a time of extraordinary opportunity for our industry. As a combined company, we will continue to focus on a future that benefits our customers, employees, communities and shareholders."

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Vectren Chairman, President and Chief Executive Officer Carl L. Chapman said, "With CenterPoint Energy, we've found the right partner to begin the next chapter for Vectren and our family of companies. They share the same core values and dedication to the communities they serve, which is evidenced by the commitments they have made to our employees, philanthropic outreach, and Evansville, Ind., our home, where CenterPoint Energy will locate the newly combined company's natural gas utility operations headquarters. Together, we will be a stronger, more competitive company that will be well-positioned to continue to provide value for our stakeholders in the years to come."

### **The Combined Company**

The combined company is expected to have electric and natural gas delivery operations in eight states with assets totaling \$29 billion and an enterprise value of \$27 billion.

Headquartered in Houston, CenterPoint Energy has significant natural gas operations in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma and Texas, serving more than 3.4 million customers. The company also delivers electricity to more than 2.4 million customers in the greater Houston area. CenterPoint Energy's competitive natural gas sales and services business serves more than 100,000 customers in 33 states. The company employs nearly 8,000.

Headquartered in Evansville, Ind., Vectren provides natural gas to more than 1 million customers in Indiana and Ohio, and electricity to 145,000 customers in Indiana. Vectren's non-utility businesses include Infrastructure Services (VISCO), which provides underground pipeline construction, repair and replacement services, and Energy Services (VESCO), which offers performance contracting services and renewable energy project development. CenterPoint Energy intends to continue operating VISCO out of Indianapolis, Ind., and VESCO out of Newburgh, Ind. (near Evansville). Vectren also owns and operates power generation assets in Indiana with a production capacity of 1,248 megawatts. The company employs approximately 5,500.

Following the completion of the merger, the combined company expects to execute a unified business strategy focused on the safe and reliable delivery of electricity, natural gas and related services to customers.

### **Advantages and Benefits**

By combining their experienced professionals and complementary businesses, CenterPoint Energy and Vectren believe they will create a strong, diversified company with compelling advantages and benefits:

- Opportunities to leverage combined talent, skills and resources to enhance already award-winning customer service levels;

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- World-class workforce and financial resources to provide sustainable and innovative energy solutions;
- Ability to share best practices for service, reliability and technology across the combined company's footprint;
- Opportunities to leverage and expand competitive energy-related services across a larger U.S. footprint; and
- Combined company scale to create opportunities for long-term efficiencies in the delivery of services to customers.

## **Earnings Impact**

With the merger, CenterPoint Energy expects to maintain an annual guidance basis EPS growth target of 5 to 7 percent in 2019 and 2020, excluding any one-time charges related to the merger.

## **Leadership**

At the closing of the transaction, Scott M. Prochazka will serve as president and CEO of the combined company. The full executive team for the combined company will be announced prior to or in conjunction with the closing of the merger. The natural gas utilities operations of the combined company, as well as that businesses' lead executive, will be headquartered in Evansville. Additionally, CenterPoint Energy will establish a chief business officer for Vectren's electric business who will directly report to CenterPoint Energy's CEO and spearhead southwestern Indiana's electric grid modernization and generation transition initiatives recently underway. In addition to utility field employees, CenterPoint Energy will retain key operational activities in support of the utilities in Evansville.

Integration teams co-led by leaders from each company are in the process of being established and will be centered in Evansville. These teams will be responsible for identifying best practices and facilitating the integration of the two companies.

## **Commitment to the Community**

CenterPoint Energy and Vectren share a commitment to the communities where they operate. Both companies are dedicated to supporting local charities, fostering employee volunteerism and building partnerships with diverse area businesses. Each company has a legacy of contributing to the social, economic and environmental sustainability of its communities, a commitment that will continue as the companies combine.

Pursuant to the merger agreement, CenterPoint Energy will contribute an additional \$3 million per year for a minimum of five years after the closing of the merger to the Vectren Foundation, which will continue to operate out of Evansville. The Vectren Foundation supports education, environmental conservation and environmental stewardship, as well as community revitalization and sustainability across Vectren's service territory. These areas are consistent with CenterPoint Energy's strategic giving across its service territories.

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Prochazka concluded, "CenterPoint Energy and Vectren both have outstanding histories and longstanding commitments to serving their customers and communities safely and reliably. We look forward to working with the talented people at Vectren as we integrate our two companies and build on our proven track records of success."

## **Terms and Conditions**

The closing of the transaction is subject to Vectren shareholder approval, approvals from the Federal Energy Regulatory Commission and Federal Communications Commission, and expiration or termination of the Hart-Scott-Rodino waiting period. In addition to these conditions, the company will make certain regulatory filings in Indiana and Ohio.

Subject to these conditions, the merger is expected to close by the first quarter 2019. Until the closing, CenterPoint Energy and Vectren will remain separate companies.

## **Advisors**

Goldman Sachs & Co. LLC served as exclusive financial advisor to CenterPoint Energy. BofA Merrill Lynch served as exclusive financial advisor to Vectren. Akin Gump Strauss Hauer & Feld LLP and Bingham Greenbaum Doll LLP served as legal counsel to CenterPoint Energy. Baker Botts LLP served as legal counsel to Vectren.

## **Joint Investor Conference Call/Webcast**

CenterPoint Energy President and CEO Scott Prochazka and Vectren Chairman, President and CEO Carl Chapman will host a conference call on Tuesday, April 24, 2018, at 9 a.m. Central time, 10 a.m. Eastern time.

Interested parties may listen to a live audio broadcast of the conference call on CenterPoint Energy's website under the [Investors section](#), as well as Vectren's website under the [Investor section](#). A replay of the call can be accessed approximately two hours after the completion of the call and will be archived on CenterPoint Energy's website for at least one year.

## **About CenterPoint Energy**

CenterPoint Energy, Inc., headquartered in Houston, Texas, is a domestic energy delivery company that includes electric transmission and distribution, natural gas distribution and energy services operations. The company serves more than five million metered customers primarily in Arkansas, Louisiana, Minnesota, Mississippi, Oklahoma, and Texas. The company also owns 54.0 percent of the common units representing limited partner interests in Enable Midstream Partners, a publicly traded master limited partnership it jointly controls with OGE Energy Corp. Enable Midstream Partners owns, operates and develops natural gas and crude oil infrastructure assets. With nearly 8,000 employees, CenterPoint Energy and its predecessor companies have been in business for more than 150 years. For more information, please visit [www.CenterPointEnergy.com](http://www.CenterPointEnergy.com).

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## About Vectren Corporation

Vectren Corporation is an energy holding company headquartered in Evansville, Ind. Vectren's energy delivery subsidiaries provide gas and/or electricity to more than 1 million customers in adjoining service territories that cover nearly two-thirds of Indiana and about 20 percent of Ohio, primarily in the west central area. Vectren's nonutility subsidiaries and affiliates currently offer energy-related products and services to customers throughout the U.S. These include infrastructure services and energy services. To learn more about Vectren, visit [www.vectren.com](http://www.vectren.com).

## Forward-Looking Statement

The statements in this press release contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this press release are forward-looking statements made in good faith by us and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "target," "will" or other similar words are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, statements relating to: (1) CenterPoint Energy's proposed acquisition of Vectren, (2) shareholder and regulatory approvals, (3) the completion of the proposed transactions, (4) benefits of the proposed transactions, (5) integration plans and expected synergies, (6) the expected timing of completion of the transactions, and (7) anticipated future financial measures and operating performance and results, including estimates for growth and other matters affecting future operations.

## Risks Related to the Merger

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to:

(1) the risk that Vectren may be unable to obtain shareholder approval for the proposed transactions, (2) the risk that CenterPoint Energy or Vectren may be unable to obtain governmental and regulatory approvals required for the proposed transactions, or that required governmental and regulatory approvals or agreements with other parties interested therein may delay the proposed transactions or may be subject to or impose adverse conditions or costs, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transactions or could otherwise cause the failure of the proposed transactions to close, (4) the risk that a condition to the closing of the proposed transactions or the committed financing may not be satisfied, (5) the failure to obtain, or to obtain on favorable terms, any equity, debt or other financing necessary to complete or permanently finance the proposed transactions and the costs of such financing, (6) the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed transactions, (7) the receipt of an unsolicited offer from another party to acquire assets or capital stock of Vectren that could interfere with the proposed transactions, (8) the timing to consummate the proposed transactions, (9) the costs incurred to consummate the proposed transactions, (10) the possibility that the expected cost savings, synergies or other value creation from the proposed transactions will not be realized, or will not be realized within the expected time period, (11) the risk that the companies may not realize fair values from properties that may be required to be sold in connection with the merger, (12) the credit ratings of the companies following the proposed transactions, (13) disruption from the proposed transactions making it more difficult to maintain relationships with customers, employees, regulators or suppliers, and (14) the diversion of management time and attention on the proposed transactions.

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## Risks Related to CenterPoint Energy

Important factors related to CenterPoint Energy, its affiliates, and its and their operations that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to:

(1) the performance of Enable Midstream Partners, LP (Enable), the amount of cash distributions CenterPoint Energy receives from Enable, Enable's ability to redeem the Series A Preferred Units in certain circumstances and the value of CenterPoint Energy's interest in Enable, and factors that may have a material impact on such performance, cash distributions and value, including factors such as: (A) competitive conditions in the midstream industry, and actions taken by Enable's customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable; (B) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids (NGLs), the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; (C) the demand for crude oil, natural gas, NGLs and transportation and storage services; (D) environmental and other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; (E) recording of non-cash goodwill, long-lived asset or other than temporary impairment charges by or related to Enable; (F) changes in tax status; (G) access to debt and equity capital; and (H) the availability and prices of raw materials and services for current and future construction projects; (2) industrial, commercial and residential growth in CenterPoint Energy's service territories and changes in market demand, including the effects of energy efficiency measures and demographic patterns; (3) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (4) future economic conditions in regional and national markets and their effect on sales, prices and costs; (5) weather variations and other natural phenomena, including the impact of severe weather events on operations and capital; (6) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy's and Enable's businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses; (7) tax reform and legislation, including the effects of the comprehensive tax reform legislation informally referred to as the TCJA and uncertainties involving state commissions' and local municipalities' regulatory requirements and determinations regarding the treatment of excess deferred taxes and CenterPoint Energy's rates; (8) CenterPoint Energy's ability to mitigate weather impacts through normalization or rate mechanisms, and the effectiveness of such mechanisms; (9) the timing and extent of changes in commodity prices, particularly natural gas, and the effects of geographic and seasonal commodity price differentials; (10) problems with regulatory approval, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates; (11) local, state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change; (12) the impact of unplanned facility outages; (13) any direct or indirect effects on CenterPoint Energy's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt CenterPoint Energy's businesses or the businesses of third parties, or other catastrophic events such as fires, earthquakes, explosions, leaks, floods, droughts, hurricanes, pandemic health events or other occurrences; (14) CenterPoint Energy's ability to invest planned capital and the timely recovery of CenterPoint Energy's investment in capital; (15) CenterPoint Energy's ability to control operation and maintenance costs; (16) actions by credit rating agencies; (17) the sufficiency of CenterPoint Energy's insurance coverage, including availability, cost, coverage and terms; (18) the investment performance of CenterPoint Energy's pension and postretirement benefit plans; (19) commercial bank and financial market conditions, CenterPoint Energy's access to capital, the cost of such capital, and the results of CenterPoint Energy's financing and refinancing efforts, including availability of funds in the debt capital markets; (20) changes in interest rates and their impact on CenterPoint Energy's costs of borrowing and the valuation of its pension benefit obligation; (21) changes in rates of inflation; (22) inability of various counterparties to meet their obligations to CenterPoint Energy; (23) non-payment for CenterPoint Energy's services due to financial distress of its customers; (24) the extent and effectiveness of CenterPoint Energy's risk management and hedging activities, including, but not limited to, its financial and weather hedges; (25) timely and appropriate regulatory actions allowing securitization for any future hurricanes or natural disasters or other recovery of costs, including costs associated with Hurricane Harvey; (26) CenterPoint Energy's or Enable's potential business strategies and strategic initiatives, including restructurings, joint ventures and acquisitions or dispositions of assets or businesses (including a reduction of CenterPoint Energy's interests in Enable, whether through its decision to sell all or a portion of the Enable common units it owns in the public equity markets or otherwise, subject to certain limitations), which CenterPoint Energy cannot assure will be completed or will have the anticipated benefits to it or Enable; (27) acquisition and merger activities involving CenterPoint Energy or its competitors; (28) CenterPoint Energy's or Enable's ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (29) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc., Reliant Energy and RRI), a wholly-owned subsidiary of NRG Energy, Inc. (NRG), and its subsidiaries, currently the subject of bankruptcy proceedings, to satisfy their obligations to CenterPoint Energy, including indemnity obligations; (30) the outcome of litigation; (31) the ability of retail electric providers (REPs), including REP affiliates of NRG and Vistra Energy Corp., formerly known as TCEH Corp., to satisfy their obligations to CenterPoint Energy and its subsidiaries; (32) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of new, developing or alternative sources of generation; (33) the timing and outcome of any audits, disputes and other proceedings related to taxes; (34) the effective tax rates; and (35) the effect of changes in and application of accounting standards and pronouncements.

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## Risks Related to Vectren

Important factors related to Vectren, its affiliates, and its and their operations that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to:

(1) factors affecting utility operations such as unfavorable or unusual weather conditions; catastrophic weather-related damage; unusual maintenance or repairs; unanticipated changes to coal and natural gas costs; unanticipated changes to gas transportation and storage costs, or availability due to higher demand, shortages, transportation problems or other developments; environmental or pipeline incidents; transmission or distribution incidents; unanticipated changes to electric energy supply costs, or availability due to demand, shortages, transmission problems or other developments; or electric transmission or gas pipeline system constraints, (2) new or proposed legislation, litigation and government regulation or other actions, such as changes in, rescission of or additions to tax laws or rates, pipeline safety regulation and environmental laws and regulations, including laws governing air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact the continued operation, and/or cost recovery of generation plant costs and related assets; compliance with respect to these regulations could substantially change the operation and nature of Vectren's utility operations, (3) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, terrorist acts, physical attacks, cyber attacks, or other similar occurrences could adversely affect Vectren's facilities, operations, financial condition, results of operations, and reputation, (4) approval and timely recovery of new capital investments related to the electric generation transition plan, including timely approval to build and own generation, ability to meet capacity requirements, ability to procure resources needed to build new generation at a reasonable cost, ability to appropriately estimate costs of new generation, the effects of construction delays and cost overruns, ability to fully recover the investments made in retiring portions of the current generation fleet, scarcity of resources and labor, and workforce retention, development and training, (5) increased competition in the energy industry, including the effects of industry restructuring, unbundling, and other sources of energy, (6) regulatory factors such as uncertainty surrounding the composition of state regulatory commissions, adverse regulatory changes, unanticipated changes in rate-setting policies or procedures, recovery of investments and costs made under regulation, interpretation of regulatory-related legislation by the Indiana Utility Regulatory Commission and/or Public Utilities Commission of Ohio and appellate courts that review decisions issued by the agencies, and the frequency and timing of rate increases, (7) financial, regulatory or accounting principles or policies imposed by the Financial Accounting Standards Board; the SEC; the Federal Energy Regulatory Commission; state public utility commissions; state entities which regulate electric and natural gas transmission and distribution, natural gas gathering and processing, electric power supply; and similar entities with regulatory oversight, (8) economic conditions including the effects of inflation, commodity prices, and monetary fluctuations, (9) economic conditions, including increased potential for lower levels of economic activity; uncertainty regarding energy prices and the capital and commodity markets; volatile changes in the demand for natural gas, electricity, and other nonutility products and services; economic impacts of changes in business strategy on both gas and electric large customers; lower residential and commercial customer counts; variance from normal population growth and changes in customer mix; higher operating expenses; and reductions in the value of investments, (10) volatile natural gas and coal commodity prices and the potential impact on customer consumption, uncollectible accounts expense, unaccounted for gas and interest expense, (11) volatile oil prices and the potential impact on customer consumption and price of other fuel commodities, (12) direct or indirect effects on Vectren's business, financial condition, liquidity and results of operations resulting from changes in credit ratings, changes in interest rates, and/or changes in market perceptions of the utility industry and other energy-related industries, (13) the performance of projects undertaken by Vectren's nonutility businesses and the success of efforts to realize value from, invest in and develop new opportunities, including but not limited to, Vectren Infrastructure Services Company, Vectren Energy Services Company, and remaining ProLiance Holdings, LLC assets, (14) factors affecting Infrastructure Services, including the level of success in bidding contracts; fluctuations in volume and mix of contracted work; mix of projects received under blanket contracts; unanticipated cost increases in completion of the contracted work; funding requirements associated with multiemployer pension and benefit plans; changes in legislation and regulations impacting the industries in which the customers served operate; the effects of weather; failure to properly estimate the cost to construct projects; the ability to attract and retain qualified employees in a fast growing market where skills are critical; cancellation and/or reductions in the scope of projects by customers; credit worthiness of customers; ability to obtain materials and equipment required to perform services; and changing market conditions, including changes in the market prices of oil and natural gas that would affect the demand for infrastructure construction, (15) factors affecting Energy Services, including unanticipated cost increases in completion of the contracted work; changes in legislation and regulations impacting the industries in which the customers served operate; changes in economic influences impacting customers served; failure to properly estimate the cost to construct projects; risks associated with projects owned or operated; failure to appropriately design, construct, or operate projects; the ability to attract and retain qualified employees; cancellation and/or reductions in the scope of projects by customers; changes in the timing of being awarded projects; credit worthiness of customers; lower energy prices negatively impacting the economics of performance contracting business; and changing market conditions, (16) employee or contractor workforce factors including changes in key executives, collective bargaining agreements with union employees, aging workforce issues, work stoppages, or pandemic illness, (17) risks associated with material business transactions such as acquisitions and divestitures, including, without limitation, legal and regulatory delays; the related time and costs of implementing such

-more-

transactions; integrating operations as part of these transactions; and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions, and (18) costs, fines, penalties and other effects of legal and administrative proceedings, settlements, investigations, claims, including, but not limited to, such matters involving compliance with federal and state laws and interpretations of these laws.

The foregoing list of factors is not all-inclusive because it is not possible to predict all factors, and any and all differences between the risk factors under the headings “Risks Related to CenterPoint Energy” or “Risks Related to Vectren,” except where context dictates otherwise, are not intended to be, and should not be read as, a representation, warranty, statement, affirmation or acknowledgement of any kind by CenterPoint Energy, Vectren or their respective affiliates that any risk factors present under one heading, but absent under the other, are not potential risk factors for CenterPoint Energy or Vectren, or their respective affiliates, as applicable. Furthermore, it may not be possible to assess the impact of any such factor on CenterPoint Energy’s or Vectren’s respective businesses or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Additional risks and uncertainties will be discussed in other materials that CenterPoint Energy and Vectren will file with the SEC in connection with the proposed transactions. Other risk factors are detailed from time to time in CenterPoint Energy’s and Vectren’s annual reports on Form 10-K and quarterly reports on Form 10-Q filed with the SEC, but any specific factors that may be provided should not be construed as exhaustive. Each forward-looking statement speaks only as of the date of the particular statement. While we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, we undertake no obligation to update or revise any of our forward-looking statements whether as a result of new information, future events or otherwise.

#### **Additional Information and Where to Find It**

In connection with the proposed transactions, Vectren expects to file a proxy statement, as well as other materials, with the SEC. **WE URGE INVESTORS TO READ THE PROXY STATEMENT AND THESE OTHER MATERIALS FILED WITH THE SEC CAREFULLY WHEN THEY BECOME AVAILABLE BEFORE MAKING ANY VOTING OR INVESTMENT DECISION BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.** Investors will be able to obtain free copies of the proxy statement (when available) and other documents that will be filed by Vectren with the SEC at <http://www.sec.gov>, the SEC’s website, or from Vectren’s website (<http://www.vectren.com>) under the tab, “Investors” and then under the heading “SEC Filings.” Security holders may also read and copy any reports, statements and other information filed by Vectren with the SEC, at the SEC public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 or visit the SEC’s website for further information on its public reference room.

#### **Participants in the Solicitation**

CenterPoint Energy, Vectren and certain of their respective directors, executive officers and other persons may be deemed to be participants in the solicitation of proxies from Vectren’s shareholders with respect to the proposed transactions. Information regarding the directors and executive officers of CenterPoint Energy is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 15, 2018, and information regarding the directors and executive officers of Vectren is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 22, 2018. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the proxy statement and other materials when they are filed with the SEC in connection with the proposed transaction.

#### **Prospective Financial Information**

Prospective financial information is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the prospective financial information described above will not materialize or will vary significantly from actual results. For further discussion of some of the factors that may cause actual results to vary materially from the information provided above see “Forward-Looking Statements” above. Accordingly, the prospective financial information provided above is only an estimate of what CenterPoint Energy management believes is realizable as of the date of this press release. It should also be recognized that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, the information should be viewed in context and undue reliance should not be placed upon it.

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# CENTERPOINT ENERGY AND VECTREN MERGER

## Delivering Energy, Service and Value

April 23, 2018



# Cautionary Statement

This presentation and the oral statements made in connection herewith contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this presentation and the oral statements made in connection herewith are forward-looking statements made in good faith by us and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this presentation, the words "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "goal," "intend," "may," "objective," "plan," "potential," "predict," "projection," "should," "target," "will" or other similar words are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, statements relating to: (1) CenterPoint Energy's proposed acquisition of Vectren, (2) shareholder and regulatory approvals, (3) the completion of the proposed transactions, (4) benefits of the proposed transactions, (5) integration plans and expected synergies, (6) the expected timing of completion of the transactions, and (7) anticipated future financial measures and operating performance and results, including estimates for growth and other matters affecting future operations.

## *Risks Related to the Merger*

Important factors that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the risk that Vectren may be unable to obtain shareholder approval for the proposed transactions, (2) the risk that CenterPoint Energy or Vectren may be unable to obtain governmental and regulatory approvals required for the proposed transactions, or that required governmental and regulatory approvals or agreements with other parties interested therein may delay the proposed transactions or may be subject to or impose adverse conditions or costs, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transactions or could otherwise cause the failure of the proposed transactions to close, (4) the risk that a condition to the closing of the proposed transactions or the committed financing may not be satisfied, (5) the failure to obtain, or to obtain on favorable terms, any equity, debt or other financing necessary to complete or permanently finance the proposed transactions and the costs of such financing, (6) the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed transactions, (7) the receipt of an unsolicited offer from another party to acquire assets or capital stock of Vectren that could interfere with the proposed transactions, (8) the timing to consummate the proposed transactions, (9) the costs incurred to consummate the proposed transactions, (10) the possibility that the expected cost savings, synergies or other value creation from the proposed transactions will not be realized, or will not be realized within the expected time period, (11) the risk that the companies may not realize fair values from properties that may be required to be sold in connection with the merger, (12) the credit ratings of the companies following the proposed transactions, (13) disruption from the proposed transactions making it more difficult to maintain relationships with customers, employees, regulators or suppliers, and (14) the diversion of management time and attention on the proposed transactions.

## *Risks Related to CenterPoint Energy*

Important factors related to CenterPoint Energy, its affiliates, and its and their operations that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) the performance of Enable Midstream Partners, LP (Enable), the amount of cash distributions CenterPoint Energy receives from Enable, Enable's ability to redeem the Series A Preferred Units in certain circumstances and the value of CenterPoint Energy's interest in Enable, and factors that may have a material impact on such performance, cash distributions and value, including factors such as: (A) competitive conditions in the midstream industry, and actions taken by Enable's customers and competitors, including the extent and timing of the entry of additional competition in the markets served by Enable; (B) the timing and extent of changes in the supply of natural gas and associated commodity prices, particularly prices of natural gas and natural gas liquids (NGLs), the competitive effects of the available pipeline capacity in the regions served by Enable, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; (C) the demand for crude oil, natural gas, NGLs and transportation and storage services; (D) environmental and other governmental regulations, including the availability of drilling permits and the regulation of hydraulic fracturing; (E) recording of non-cash goodwill, long-lived asset or other than temporary impairment charges by or related to Enable; (F) changes in tax status; (G) access to debt and equity capital; and (H) the availability and prices of raw materials and services for current and future construction projects; (2) industrial, commercial and residential growth in CenterPoint Energy's service territories and changes in market demand, including the effects of energy efficiency measures and demographic patterns; (3) timely and appropriate rate actions that allow recovery of costs and a reasonable return on investment; (4) future economic conditions in regional and national markets and their effect on sales, prices and costs; (5) weather variations and other natural phenomena, including the impact of severe weather events on operations and capital; (6) state and federal legislative and regulatory actions or developments affecting various aspects of CenterPoint Energy's and Enable's businesses, including, among others, energy deregulation or re-regulation, pipeline integrity and safety and changes in regulation and legislation pertaining to trade, health care, finance and actions regarding the rates charged by our regulated businesses; (7) tax reform and legislation, including the effects of the comprehensive tax reform legislation informally referred to as the TCJA and uncertainties involving state commissions' and local municipalities' regulatory requirements and determinations regarding the treatment of excess deferred taxes and CenterPoint Energy's rates; (8) CenterPoint Energy's ability to mitigate weather impacts

# Cautionary Statement (Continued)

through normalization or rate mechanisms, and the effectiveness of such mechanisms; (9) the timing and extent of changes in commodity prices, particularly natural gas, and the effects of geographic and seasonal commodity price differentials; (10) problems with regulatory approval, construction, implementation of necessary technology or other issues with respect to major capital projects that result in delays or in cost overruns that cannot be recouped in rates; (11) local, state and federal legislative and regulatory actions or developments relating to the environment, including those related to global climate change; (12) the impact of unplanned facility outages; (13) any direct or indirect effects on CenterPoint Energy's facilities, operations and financial condition resulting from terrorism, cyber-attacks, data security breaches or other attempts to disrupt CenterPoint Energy's businesses or the businesses of third parties, or other catastrophic events such as fires, earthquakes, explosions, leaks, floods, droughts, hurricanes, pandemic health events or other occurrences; (14) CenterPoint Energy's ability to invest planned capital and the timely recovery of CenterPoint Energy's investment in capital; (15) CenterPoint Energy's ability to control operation and maintenance costs; (16) actions by credit rating agencies; (17) the sufficiency of CenterPoint Energy's insurance coverage, including availability, cost, coverage and terms; (18) the investment performance of CenterPoint Energy's pension and postretirement benefit plans; (19) commercial bank and financial market conditions, CenterPoint Energy's access to capital, the cost of such capital, and the results of CenterPoint Energy's financing and refinancing efforts, including availability of funds in the debt capital markets; (20) changes in interest rates and their impact on CenterPoint Energy's costs of borrowing and the valuation of its pension benefit obligation; (21) changes in rates of inflation; (22) inability of various counterparties to meet their obligations to CenterPoint Energy; (23) non-payment for CenterPoint Energy's services due to financial distress of its customers; (24) the extent and effectiveness of CenterPoint Energy's risk management and hedging activities, including, but not limited to, its financial and weather hedges; (25) timely and appropriate regulatory actions allowing securitization for any future hurricanes or natural disasters or other recovery of costs, including costs associated with Hurricane Harvey; (26) CenterPoint Energy's or Enable's potential business strategies and strategic initiatives, including restructurings, joint ventures and acquisitions or dispositions of assets or businesses (including a reduction of CenterPoint Energy's interests in Enable, whether through its decision to sell all or a portion of the Enable common units it owns in the public equity markets or otherwise, subject to certain limitations), which CenterPoint Energy cannot assure will be completed or will have the anticipated benefits to it or Enable; (27) acquisition and merger activities involving CenterPoint Energy or its competitors; (28) CenterPoint Energy's or Enable's ability to recruit, effectively transition and retain management and key employees and maintain good labor relations; (29) the ability of GenOn Energy, Inc. (formerly known as RRI Energy, Inc., Reliant Energy and RRI), a wholly-owned subsidiary of NRG Energy, Inc. (NRG), and its subsidiaries, currently the subject of bankruptcy proceedings, to satisfy their obligations to CenterPoint Energy, including indemnity obligations; (30) the outcome of litigation; (31) the ability of retail electric providers (REPs), including REP affiliates of NRG and Vistra Energy Corp., formerly known as TCEH Corp., to satisfy their obligations to CenterPoint Energy and its subsidiaries; (32) changes in technology, particularly with respect to efficient battery storage or the emergence or growth of new, developing or alternative sources of generation; (33) the timing and outcome of any audits, disputes and other proceedings related to taxes; (34) the effective tax rates; and (35) the effect of changes in and application of accounting standards and pronouncements.

## *Risks Related to Vectren*

Important factors related to Vectren, its affiliates, and its and their operations that could cause actual results to differ materially from those indicated by the provided forward-looking information include risks and uncertainties relating to: (1) factors affecting utility operations such as unfavorable or unusual weather conditions; catastrophic weather-related damage; unusual maintenance or repairs; unanticipated changes to coal and natural gas costs; unanticipated changes to gas transportation and storage costs, or availability due to higher demand, shortages, transportation problems or other developments; environmental or pipeline incidents; transmission or distribution incidents; unanticipated changes to electric energy supply costs, or availability due to demand, shortages, transmission problems or other developments; or electric transmission or gas pipeline system constraints, (2) new or proposed legislation, litigation and government regulation or other actions, such as changes in, rescission of or additions to tax laws or rates, pipeline safety regulation and environmental laws and regulations, including laws governing air emissions, carbon, waste water discharges and the handling and disposal of coal combustion residuals that could impact the continued operation, and/or cost recovery of generation plant costs and related assets; compliance with respect to these regulations could substantially change the operation and nature of Vectren's utility operations, (3) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, terrorist acts, physical attacks, cyber attacks, or other similar occurrences could adversely affect Vectren's facilities, operations, financial condition, results of operations, and reputation, (4) approval and timely recovery of new capital investments related to the electric generation transition plan, including timely approval to build and own generation, ability to meet capacity requirements, ability to procure resources needed to build new generation at a reasonable cost, ability to appropriately estimate costs of new generation, the effects of construction delays and cost overruns, ability to fully recover the investments made in retiring portions of the current generation fleet, scarcity of resources and labor, and workforce retention, development and training, (5) increased competition in the energy industry, including the effects of industry restructuring, unbundling, and other sources of energy, (6) regulatory factors such as uncertainty surrounding the composition of state regulatory commissions, adverse regulatory changes, unanticipated changes in rate-setting policies or procedures, recovery of investments and costs made under regulation, interpretation of regulatory-related legislation by the

## Cautionary Statement (Continued)

Indiana Utility Regulatory Commission and/or Public Utilities Commission of Ohio and appellate courts that review decisions issued by the agencies, and the frequency and timing of rate increases, (7) financial, regulatory or accounting principles or policies imposed by the Financial Accounting Standards Board; the SEC; the Federal Energy Regulatory Commission; state public utility commissions; state entities which regulate electric and natural gas transmission and distribution, natural gas gathering and processing, electric power supply; and similar entities with regulatory oversight, (8) economic conditions including the effects of inflation, commodity prices, and monetary fluctuations, (9) economic conditions, including increased potential for lower levels of economic activity; uncertainty regarding energy prices and the capital and commodity markets; volatile changes in the demand for natural gas, electricity, and other nonutility products and services; economic impacts of changes in business strategy on both gas and electric large customers; lower residential and commercial customer counts; variance from normal population growth and changes in customer mix; higher operating expenses; and reductions in the value of investments, (10) volatile natural gas and coal commodity prices and the potential impact on customer consumption, uncollectible accounts expense, unaccounted for gas and interest expense, (11) volatile oil prices and the potential impact on customer consumption and price of other fuel commodities, (12) direct or indirect effects on Vectren's business, financial condition, liquidity and results of operations resulting from changes in credit ratings, changes in interest rates, and/or changes in market perceptions of the utility industry and other energy-related industries, (13) the performance of projects undertaken by Vectren's nonutility businesses and the success of efforts to realize value from, invest in and develop new opportunities, including but not limited to, Vectren Infrastructure Services Company, Vectren Energy Services Company, and remaining ProLiance Holdings, LLC assets, (14) factors affecting Infrastructure Services, including the level of success in bidding contracts; fluctuations in volume and mix of contracted work; mix of projects received under blanket contracts; unanticipated cost increases in completion of the contracted work; funding requirements associated with multiemployer pension and benefit plans; changes in legislation and regulations impacting the industries in which the customers served operate; the effects of weather; failure to properly estimate the cost to construct projects; the ability to attract and retain qualified employees in a fast growing market where skills are critical; cancellation and/or reductions in the scope of projects by customers; credit worthiness of customers; ability to obtain materials and equipment required to perform services; and changing market conditions, including changes in the market prices of oil and natural gas that would affect the demand for infrastructure construction, (15) factors affecting Energy Services, including unanticipated cost increases in completion of the contracted work; changes in legislation and regulations impacting the industries in which the customers served operate; changes in economic influences impacting customers served; failure to properly estimate the cost to construct projects; risks associated with projects owned or operated; failure to appropriately design, construct, or operate projects; the ability to attract and retain qualified employees; cancellation and/or reductions in the scope of projects by customers; changes in the timing of being awarded projects; credit worthiness of customers; lower energy prices negatively impacting the economics of performance contracting business; and changing market conditions, (16) employee or contractor workforce factors including changes in key executives, collective bargaining agreements with union employees, aging workforce issues, work stoppages, or pandemic illness, (17) risks associated with material business transactions such as acquisitions and divestitures, including, without limitation, legal and regulatory delays; the related time and costs of implementing such transactions; integrating operations as part of these transactions; and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions, and (18) costs, fines, penalties and other effects of legal and administrative proceedings, settlements, investigations, claims, including, but not limited to, such matters involving compliance with federal and state laws and interpretations of these laws.

The foregoing list of factors is not all-inclusive because it is not possible to predict all factors, and any and all differences between the risk factors under the headings "Risks Related to CenterPoint Energy" or "Risks Related to Vectren," except where context dictates otherwise, are not intended to be, and should not be read as, a representation, warranty, statement, affirmation or acknowledgement of any kind by CenterPoint Energy, Vectren or their respective affiliates that any risk factors present under one heading, but absent under the other, are not potential risk factors for CenterPoint Energy or Vectren, or their respective affiliates, as applicable. Furthermore, it may not be possible to assess the impact of any such factor on CenterPoint Energy's or Vectren's respective businesses or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Additional risks and uncertainties will be discussed in other materials that CenterPoint Energy and Vectren will file with the SEC in connection with the proposed transactions. Other risk factors are detailed from time to time in CenterPoint Energy's and Vectren's annual reports on Form 10-K and quarterly reports on Form 10-Q filed with the SEC, but any specific factors that may be provided should not be construed as exhaustive. Each forward-looking statement speaks only as of the date of the particular statement. While we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, we undertake no obligation to update or revise any of our forward-looking statements whether as a result of new information, future events or otherwise.

# Additional Information

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## Use of Non-GAAP Financial Measures

In addition to presenting its financial results in accordance with generally accepted accounting principles ("GAAP"), including presentation of net income and diluted earnings per share, the Company also provides guidance based on adjusted net income and adjusted diluted earnings per share, which are non-GAAP financial measures. Generally, a non-GAAP financial measure is a numerical measure of a company's historical or future financial performance that excludes or includes amounts that are not normally excluded or included in the most directly comparable GAAP financial measure. The Company's adjusted net income and adjusted diluted earnings per share calculation excludes from net income and diluted earnings per share, respectively, the impact of ZENS and related securities and mark-to-market gains or losses resulting from the Company's Energy Services business. A reconciliation of net income and diluted earnings per share to the basis used in providing 2015 - 2017 guidance is provided in this presentation on slide 19 and 20. The Company is unable to present a quantitative reconciliation of forward-looking adjusted net income and adjusted diluted earnings per share because changes in the value of ZENS and related securities and mark-to-market gains or losses resulting from the Company's Energy Services business are not estimable.

Management evaluates the Company's financial performance in part based on adjusted net income and adjusted diluted earnings per share. We believe that presenting these non-GAAP financial measures enhances an investor's understanding of the Company's overall financial performance by providing them with an additional meaningful and relevant comparison of current and anticipated future results across periods. Management believes the adjustments made in these non-GAAP financial measures exclude or include items, as applicable, to most accurately reflect the Company's business performance. These excluded or included items, as applicable, are reflected in the reconciliation tables on slides 19 and 20. The Company's adjusted net income and adjusted diluted earnings per share non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, net income and diluted earnings per share, which respectively are the most directly comparable GAAP financial measures. These non-GAAP financial measures also may be different than non-GAAP financial measures used by other companies.

## Additional Information and Where to Find It

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## Participants in the Solicitation

The Company, Vectren and certain of their respective directors, executive officers and other persons may be deemed to be participants in the solicitation of proxies from Vectren's shareholders with respect to the proposed transactions. Information regarding the directors and executive officers of the Company is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 15, 2018, and information regarding the directors and executive officers of Vectren is available in its definitive proxy statement for its 2018 annual meeting, filed with the SEC on March 22, 2018. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the proxy statement and other materials when they are filed with the SEC in connection with the proposed transaction.

# Agenda

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**Transaction Overview**

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**CenterPoint, Vectren and Combined Operations Overview**

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**Strategic Rationale**

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**CenterPoint Earnings Guidance 2018 - 2020**

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**Financing Plan**

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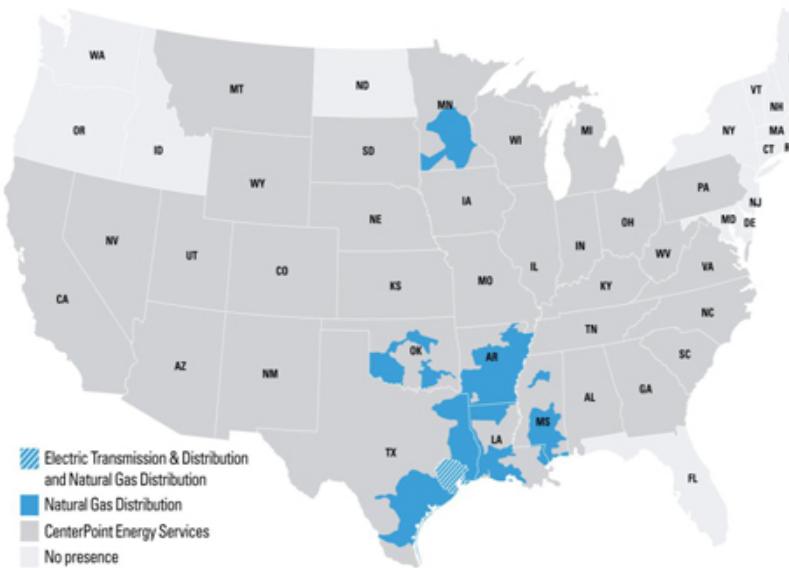
**Appendix**

## Transaction Overview

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- **CenterPoint Energy, Inc. and Vectren Corporation to combine: \$27 billion total enterprise value**
  - Cash consideration of \$72 per share, plus assumed debt
    - Approximately 83.1 million shares outstanding
    - Forecasted assumed debt is approximately \$2.5 billion
- **Nearly \$29 billion in combined assets and 7.1 million total customers at year end 2017**
- **Anticipated closing by Q1 2019**
  - Subject to Vectren shareholder approval
  - Subject to approvals by several federal agencies and other customary closing conditions; ancillary regulatory filings to be made in IN and OH; state change of control filings are not required

# CenterPoint at a Glance



## Electric Transmission & Distribution

- Electric utility operations with ~2.4 million metered customers across ~5,000 square miles in and around Houston, Texas in 2017
- 88,636 GWh delivered in 2017

## Natural Gas Distribution

- Regulated gas distribution jurisdictions in six states with ~3.5 million customers in 2017
- Delivered 412 Bcf of natural gas in 2017

## Energy Services

- Non-regulated competitive natural gas supply and related energy services serving ~31,000<sup>(1)</sup> commercial and industrial customers across 33 states in 2017
- Marketed 1,200 Bcf of natural gas in 2017

<sup>(1)</sup> These numbers do not include approximately 72,000 natural gas customers as of December 31, 2017 that are under residential and small customer choice programs invoiced by their host utility

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# CenterPoint Vision and Strategy

## Our Vision: Lead the nation in delivering energy, service and value

- We are a premier U.S. energy delivery company
- Delivering energy is CenterPoint Energy's core business
- Delivering service and value applies to all stakeholders

## Our Strategy: Operate, Serve, Grow

- Ensure safe, reliable, efficient and environmentally responsible energy delivery businesses
- Utilize new and innovative technology to enhance performance



- Add value to energy delivery through superior customer service, new technology and innovation
- Provide leadership in the communities we serve

- Develop a diverse and capable employee base
- Invest in core energy delivery businesses
- Deliver new products and services

# Vectren at a Glance

Vectren Corporation, headquartered in Evansville, IN, is an energy holding company with regulated and unregulated subsidiaries

## Regulated Utilities

### Gas Utility Services

- Provided natural gas distribution and transportation services to over 1 million customers in 2017 located in about two-thirds of Indiana and the west-central area of Ohio

### Electric Utility Services

- Provided electric generation, transmission and distribution services to 145,000 customers in 2017 located in southwestern Indiana
- Owned / operated 1,248 MW of electric generating capacity in 2017

## Non-Regulated Businesses

### Infrastructure Services (VISCO)

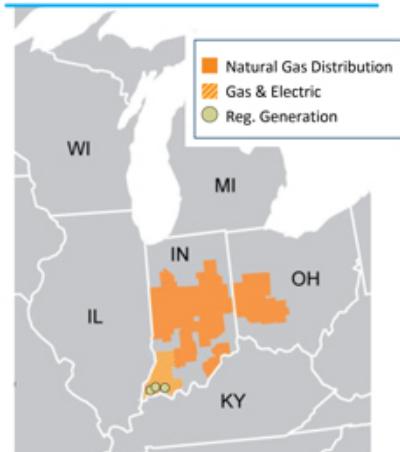
- One of the largest US providers of underground construction and repair services to LDCs and pipelines

### Energy Services (VESCO)

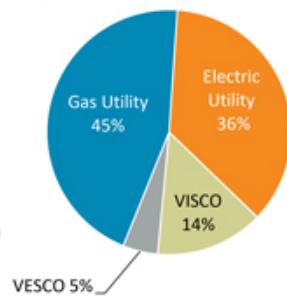
- Provides energy performance contracting and sustainable infrastructure, such as renewables, distributed generation, and combined heat and power projects

Note: Number of customers and generating capacity figures as of December 31, 2017

## Utility Service Territories



## 2017A Net Income



## Value Drivers

- Expected LT consolidated EPS growth of 6-8% (CAGR) through 2027
  - Reflects expected Utility Capex Plan of \$6.5 billion driving sustainable growth (2018 – 2027)
  - VISCO distribution growth anticipated from continued LDC pipeline replacement programs
- Attractive regulatory jurisdictions**
  - Efficient capital recovery mechanisms in place

# Vectren's Smart Energy Future



**Gas Infrastructure:**  
~\$3.8 billion of planned Capex ('18-'27)

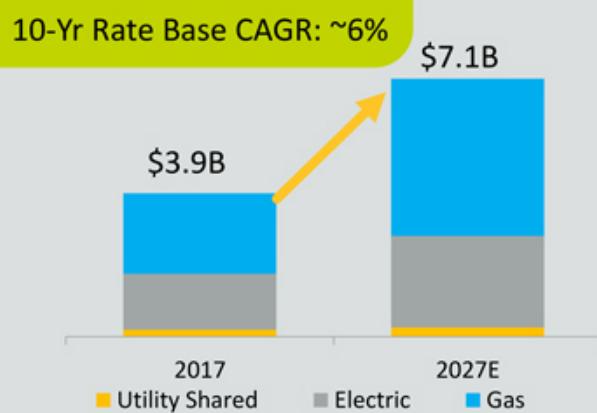
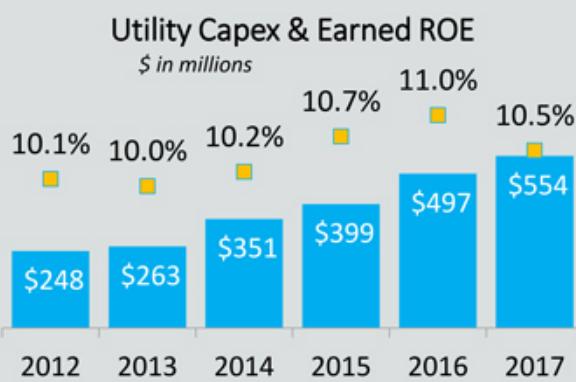


**Electric Grid Modernization:**  
~\$1.1 billion of planned Capex ('18-'27)



**Generation Transition:**  
~\$1.3 billion of planned Capex ('18-'27)

## 10-Year Utility \$6.5 Billion Capex Plan Aligns with Extended Regulatory & Strategic Planning Horizon



# Combined Utility Regulated Business Profile



	CNP	VVC	Combined
<b>Gas LDC</b>			
<b>Rate Base (in billions)</b>	<b>\$2.8</b>	<b>\$2.3</b>	<b>\$5.1</b>
<b>Utility Customers (in millions)</b>	<b>3.5</b>	<b>1.0</b>	<b>4.5</b>
<b>Electric</b>			
<b>Rate Base (in billions)</b>	<b>\$5.1</b>	<b>\$1.6</b>	<b>\$6.7</b>
<b>Utility Customers (in millions)</b>	<b>2.4</b>	<b>0.1</b>	<b>2.6<sup>(1)</sup></b>

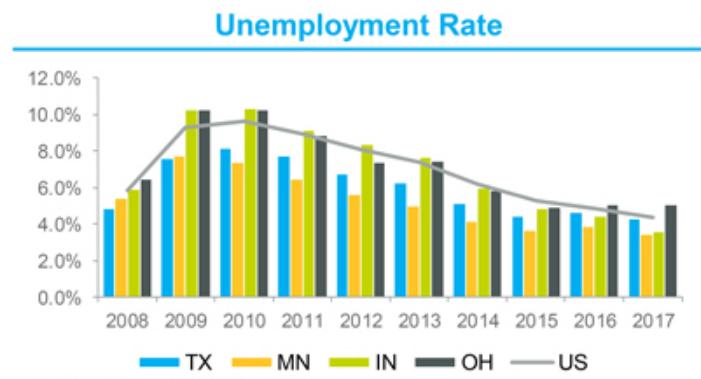
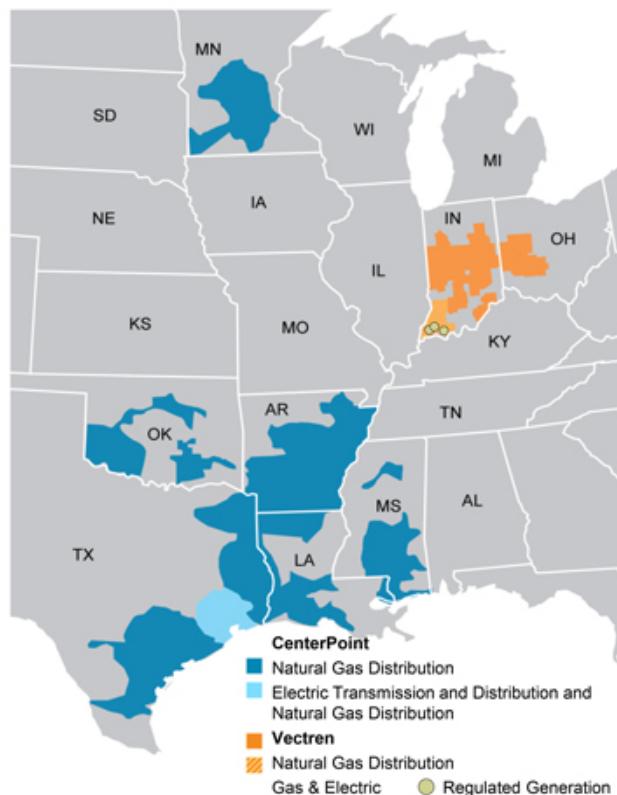
(2017 numbers)

- Combined 2017 Pro Forma Net Income Contribution greater than 70% regulated



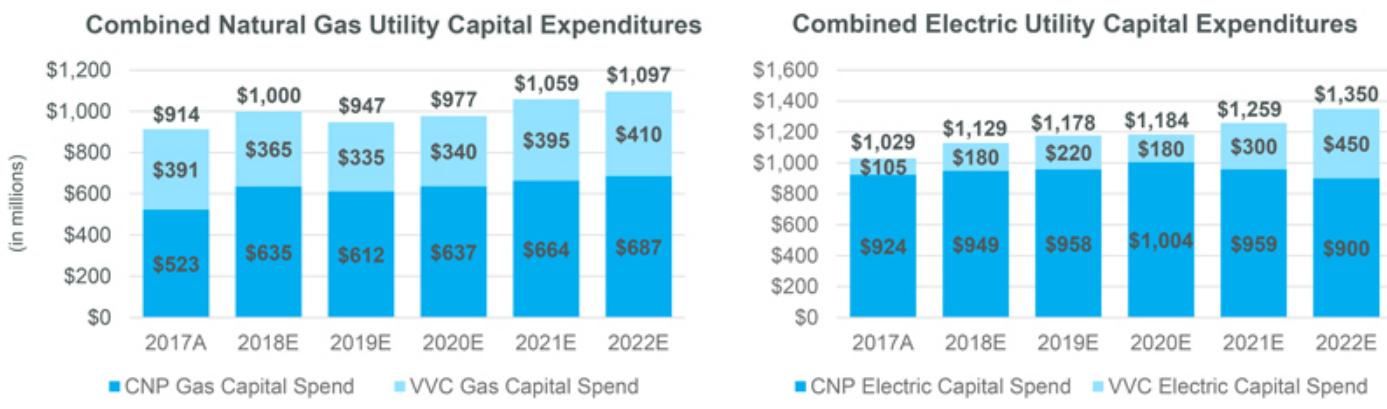
(1) 2.44 million CNP customers and 145,000 VVC customers

# Combined Utility Operations in Strong Growth States



## Strategic Rationale

- Expanded regulated utility footprint with strong long-term growth fundamentals
  - Solid capital investment plan and strong rate base growth for combined utilities
  - Constructive regulatory jurisdictions expected to allow for returns at or near allowed ROEs
    - 75% of capex in IN and OH is recovered through regulatory mechanisms or deferred
  - Strong case for natural gas distribution growth: abundant natural gas supply and lower natural gas prices expected to provide long-term customer benefits and a firm reliance upon natural gas



## Strategic Rationale

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- **Complementary skill sets and knowledge base benefit customers**
  - Combining the Vectren and CenterPoint utilities better prepares the company for a customer-centric, technology focused utility of the future
    - CenterPoint experience with smart meters, intelligent grid, data management and leak detection technologies
    - Vectren experience with energy efficiency and infrastructure services
- **Growth opportunities for unregulated businesses**
  - Complementary businesses in CES and VESCO
  - VISCO growth opportunities due to nationwide infrastructure spend
  - Customer base can be leveraged across unregulated businesses

# 2018 – 2020 CenterPoint Earnings Outlook



- CenterPoint maintains expectation of 5-7% year-over-year guidance EPS growth rate in 2019<sup>(3)</sup> and 2020
- Merger is anticipated to be EPS neutral to accretive in 2020
- Transaction provides greater confidence in CenterPoint's earnings trajectory

<sup>(1)</sup> Refer to slides 19 – 20 for reconciliation to GAAP measures and slide 5 for information on non-GAAP measures

<sup>(2)</sup> Excluding tax reform benefit

<sup>(3)</sup> Excluding expected one-time charges associated with the merger in 2018 and 2019

Note: The guidance range considers utility operations performance to date and certain significant variables that may impact earnings, such as weather, throughput, commodity prices, effective tax rates, financing activities, and regulatory and judicial proceedings to include regulatory action as a result of recent tax reform legislation. The guidance range also assumes ownership of 54.1% of the common units representing limited partner interests in Enable and includes the amortization of CenterPoint Energy's basis differential in Enable and effective tax rates. In providing this guidance, CenterPoint Energy uses a non-GAAP measure of adjusted diluted earnings per share that does not consider other potential impacts, such as changes in accounting standards or unusual items, earnings or losses from the change in the value of the ZENS securities and the related stocks, or the timing effects of mark-to-market accounting in its Energy Services business. CenterPoint does not include other potential Enable impacts on guidance, such as any changes in accounting standards or unusual items.

## Financing Plan

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- **Strength of CenterPoint's balance sheet should allow flexibility in financing \$6 billion purchase price**
  - Equity: Anticipated \$2.5 billion of common equity or equity content securities offered in advance of closing
  - Debt: Plan to finance the balance with various debt offerings including commercial paper
- **CenterPoint will assume outstanding Vectren debt**
- **Capital structure and resulting credit metrics expected to support solid investment grade credit quality**

## Appendix

# Reconciliation: CenterPoint Net Income and Diluted EPS to Adjusted Net Income and Adjusted Diluted EPS Used in Providing Annual Earnings Guidance



	Twelve Months Ended			
	December 31, 2016		December 31, 2015	
	Net Income (in millions)	Diluted EPS	Net Income (in millions)	Diluted EPS
<b>Consolidated as reported</b>				
Midstream Investments	\$ 432	\$ 1.00	\$ (692)	\$ (1.61)
Utility Operations <sup>(1)</sup>	(121)	(0.28)	1,024	2.38
	<u>311</u>	<u>0.72</u>	<u>332</u>	<u>0.77</u>
<b>Loss on impairment of Midstream Investments:</b>				
CenterPoint's impairment of its investment in Enable (net of taxes of \$456) <sup>(3)</sup>	-	-	769	1.79
CenterPoint's share of Enable's impairment of its goodwill and long-lived assets (net of taxes of \$233) <sup>(3)</sup>	-	-	388	0.90
Total loss on impairment	-	-	1,157	2.69
<b>Midstream Investments excluding loss on impairment</b>	<u>121</u>	<u>0.28</u>	<u>133</u>	<u>0.31</u>
<b>Consolidated excluding loss on impairment</b>	<u>432</u>	<u>1.00</u>	<u>465</u>	<u>1.08</u>
<b>Timing effects impacting CES<sup>(2)</sup>:</b>				
Mark-to-market (gains) losses (net of taxes of \$8 and \$2) <sup>(3)</sup>	13	0.03	(2)	(0.01)
<b>ZENS-related mark-to-market (gains) losses:</b>				
Marketable securities (net of taxes of \$114 and \$33) <sup>(3)(4)</sup>	(212)	(0.49)	60	0.14
Indexed debt securities (net of taxes of \$145 and \$26) <sup>(3)(5)</sup>	268	0.62	(48)	(0.11)
<b>Utility operations earnings on an adjusted guidance basis</b>	<u>\$ 380</u>	<u>\$ 0.88</u>	<u>\$ 342</u>	<u>\$ 0.79</u>
<b>Adjusted net income and adjusted diluted EPS used in providing earnings guidance:</b>				
Utility Operations on a guidance basis	\$ 380	\$ 0.88	\$ 342	\$ 0.79
Midstream Investments excluding loss on impairment	<u>121</u>	<u>0.28</u>	<u>133</u>	<u>0.31</u>
<b>Consolidated on a guidance basis</b>	<u>\$ 501</u>	<u>\$ 1.16</u>	<u>\$ 475</u>	<u>\$ 1.10</u>

(1) CenterPoint earnings excluding Midstream Investments

(2) Energy Services segment

(3) Taxes are computed based on the impact removing such item would have on tax expense

(4) As of May 18, 2016, comprised of Time Warner Inc., Charter Communications, Inc. and Time Inc. Prior to May 18, 2016, comprised of Time Warner Inc., Time Warner Cable Inc. and Time Inc.

Results prior to June 23, 2015 also included AOL Inc.

(5) 2016 includes amount associated with the Charter Communications, Inc. and Time Warner Cable Inc. merger

2015 includes amount associated with Verizon tender offer for AOL, Inc common stock

# Reconciliation: CenterPoint Net Income and Diluted EPS to Adjusted Net Income and Adjusted Diluted EPS Used in Providing Annual Earnings Guidance



	Quarter Ended December 31, 2017		Twelve Months Ended December 31, 2017	
	Net Income (in millions)	Diluted EPS	Net Income (in millions)	Diluted EPS
<b>Consolidated net income and diluted EPS as reported</b>	\$ 1,296	\$ 2.99	\$ 1,792	\$ 4.13
Midstream Investments	(551)	(1.27)	(675)	(1.56)
Utility Operations <sup>(1)</sup>	745	1.72	1,117	2.57
<b>Timing effects impacting CES<sup>(2)</sup>:</b>				
Mark-to-market gains (net of taxes of \$20 and \$29) <sup>(3)</sup>	(36)	(0.09)	(50)	(0.12)
<b>ZENS-related mark-to-market (gains) losses:</b>				
Marketable securities (net of taxes of \$33 and \$3) <sup>(3)(4)</sup>	64	0.15	(4)	(0.01)
Indexed debt securities (net of taxes of \$38 and \$17) <sup>(3)</sup>	(70)	(0.16)	(32)	(0.07)
<b>Utility operations earnings on an adjusted guidance basis</b>	\$ 703	\$ 1.62	\$ 1,031	\$ 2.37
<b>Adjusted net income and adjusted diluted EPS used in providing earnings guidance:</b>				
Utility Operations on a guidance basis	\$ 703	\$ 1.62	\$ 1,031	\$ 2.37
Midstream Investments	551	1.27	675	1.56
<b>Consolidated on a guidance basis</b>	<b>\$ 1,254</b>	<b>\$ 2.89</b>	<b>\$ 1,706</b>	<b>\$ 3.93</b>
<b>Benefit from tax reform<sup>(5)</sup></b>				
Utility	(599)	(1.38)	(599)	(1.38)
Midstream	(514)	(1.18)	(514)	(1.18)
Total benefit from tax reform	(1,113)	(2.56)	(1,113)	(2.56)
Utility Operations on a guidance basis, excluding benefit from tax reform	\$ 104	\$ 0.24	\$ 432	\$ 0.99
Midstream Investments excluding benefit from tax reform	37	0.09	161	0.38
<b>2017 Consolidated on a guidance basis, excluding benefit from tax reform</b>	<b>\$ 141</b>	<b>\$ 0.33</b>	<b>\$ 593</b>	<b>\$ 1.37</b>

(1) CenterPoint earnings excluding Midstream Investments

(2) Energy Services segment

(3) Taxes are computed based on the impact removing such item would have on tax expense

(4) Time Warner Inc., Charter Communications, Inc. and Time Inc.

(5) Tax reform legislation informally called the Tax Cuts and Jobs Act of 2017