

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT (this Agreement) is executed as of April 28, 2016 (the Effective Date), by and among SOUTH CENTRAL MCN LLC (SCMCN), the CITY OF NIXA, MISSOURI (Nixa) (the preceding two parties, collectively, the Transaction Parties) and the CITY OF SPRINGFIELD, MISSOURI, BY AND THROUGH THE BOARD OF PUBLIC UTILITIES (City Utilities or CU), each, individually, a Party and collectively, the Parties.

WHEREAS, on August 14, 2015, SCMCN and Nixa entered into an Asset Purchase Agreement, as amended by the First Amendment to Asset Purchase Agreement effective as of August 14, 2015 (together, the APA), pursuant to which SCMCN agreed to purchase from Nixa approximately 10.82 miles of 69 kV transmission line and related facilities collectively defined as the Assets in Section 2.1 of the APA;

WHEREAS, effective February 12, 2016, SCMCN and Nixa entered into a Second Amendment to Asset Purchase Agreement, a true and correct copy of which is attached hereto as **Exhibit A** and by this reference made a part hereof (the Second Amendment); and

WHEREAS, by motion dated February 18, 2016, SCMCN sought leave of Missouri Public Service Commission to file the Second Amendment to the APA as part of the record in the proceedings pending before that Commission in the matter known on the Commission's records as Case No. EA-2016-0036 (Missouri CCN Case); and

WHEREAS, SCMCN has filed the Second Amendment to the APA as supplementation to its Application in the proceedings before the Federal Energy Regulatory Commission pending in Docket No. EC16-53-000 (Section 203 Proceeding); and

WHEREAS, the Parties desire to set forth herein the terms of their settlement of matters in dispute between and among them in the Missouri CCN Case and the Section 203 Proceeding.

NOW, THEREFORE, for and in consideration of the premises, the sufficiency of which is hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

1. Condition Precedent to Closing of Sale of Nixa Assets; Termination Date.

a. The Parties acknowledge the condition precedent to Closing (as defined in Section 7.1 of the APA) added by the Second Amendment (SWPA Zone Closing Condition) – that Closing cannot occur unless the City of Nixa shall have entered into a Network Integration Transmission Service Agreement between Seller and SPP pursuant to which, among other things, the Assets are incorporated into the SWPA Pricing Zone under the Southwest Power Pool (SPP) Open Access Transmission Tariff at rates acceptable to Seller in its sole discretion.

b. The Parties acknowledge that the SWPA Zone Closing is intended to remove the cost impact of the Transaction on CU and would, if implemented fully by the Southwest Power Pool, resolve the objections CU has interposed to the granting of the relief sought by SCMCN in the Missouri CCN Case and the Section 203 Proceeding.

c. The Transaction Parties will not, under any circumstances, modify, amend, delete, waive

or otherwise, in any manner or by any means, directly or indirectly attempt to circumvent the SWPA Zone Closing Condition without the advance, express and written consent of City Utilities.

d. SCMCN agrees that the Missouri Public Service Commission may place a condition on the CCN, and that the Federal Energy Regulatory Commission may condition its authorization for SCMCN's acquisition of the Assets, such that neither the CCN nor Section 203 authorization shall be effective until the SWPA Zone Closing Condition has been fully satisfied.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

■ [REDACTED]

3. **Resolution of Missouri CCN Case.** Within five (5) days following the Effective Date, City Utilities will execute and participate in the filing of the Waiver of Hearing and Motion to Withdraw Motion for Summary Disposition in the PSC Case as set forth in the attached ***Exhibit C***.

4. **Withdrawal of Protest and Alternative Motion to Dismiss in Section 203 Proceeding.** Within five (5) days following the Effective Date, City Utilities will file a notice of withdrawal of (i) its protest and (ii) alternative motion to dismiss in FERC Docket No. EC16-53-000.

5. **Conditional Assignment of Nixa Agreements; Reservation of Rights.** At Closing, City Utilities consents to the assignment by Nixa to SCMCN of Nixa's rights under the Interconnection Agreement between City Utilities and Nixa, dated September 24, 2004 and the Electric Line License Agreement dated February 13, 2006. For avoidance of doubt, City Utilities consents to deletion of all references to its power sale to Nixa from the Interconnection Agreement, concurrently with its assignment, including but not limited to all of the Whereas clauses on page one of the Interconnection Agreement. City Utilities further consents to the deletion of paragraph 4(e) of the Interconnection Agreement, concurrently with this assignment. Other than the changes to the Interconnection Agreement described herein, City Utilities reserves each and all of its rights under those agreements.

6. **Termination of Agreement and Effect of Termination.** In the event that the APA is terminated, whether as the result of a failure of the Closing to occur by March 31, 2017 (as provided in Section 9.1.7 of the APA, or such later date mutually agreed to by Nixa and SCMCN) or otherwise, then (a) this Agreement shall be of no further force and effect, (b) SCMCN shall void and relinquish any and all regulatory authorizations for SCMCN's acquisition of the Assets, including the Missouri CCN and the FERC's authorization in the Section 203 Proceeding, and (c) each Party waives any claim to preclusive effect in any future proceedings of any findings made in the Missouri CCN Proceeding or the Section 203 Proceeding based on, or as a result of, this Agreement. If Nixa and SCMCN extend the date set forth in Section 9.1.7 of the APA, then the term of this Agreement shall automatically extend day for day equal to the period of the extension of the APA beyond March 31, 2017.

7. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties. This Agreement may be modified only by written agreement of the Parties. It shall be binding upon the Parties hereto and their respective successors and assigns.

8. **Enforcement.** All provisions herein are for the protection of each Party and are intended to be for each Party's benefit and enforceable directly by each Party. Each Party agrees that any remedy at law for any actual or threatened breach of this Agreement by any other would be inadequate, and that each Party

shall be entitled to specific performance hereof or injunctive relief or both, by temporary remedy, writ or orders as may be entered into by a state or federal court of competent jurisdiction in addition to any damages that the harmed Party may be legally entitled to recover, together with reasonable expenses of litigation, including attorney's fees incurred in connection therewith as may be approved by such court, and each Party further agrees to waive any requirement for the securing or posting of any bond in connection with obtaining any such injunctive or equitable relief.

9. **Governing Law.** This contract is governed by the laws of the State of Missouri.

10. **Venue.** Venue for any action to enforce this Agreement shall be limited to either the Circuit Court of Greene County, Missouri or the United States District Court for the Western District of Missouri.

11. **Term.** This Agreement shall be effective upon Effective Date and shall terminate: (a) concurrently with the termination of the APA, regardless of the date on which such termination occurs; (b) if the APA is terminated because Closing shall not have occurred by the date specified in the APA, on the effective date of the termination of the APA; or (c) if Closing occurs, on the sixth anniversary of the Closing.

12. **Execution.** This Agreement is executed by the duly authorized representative of each party.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

South Central MCN LLC

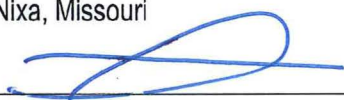
By: 
Edward M. Rahill
Chief Executive Officer

City Utilities

By: 
Scott Miller
General Manager

Approved: City Legal Dept - Feb 4-2016

City of Nixa, Missouri

By: 

Title: MAYOR