

Liberty Utilities (Missouri Water) LLC d/b/a Liberty
Five year Capitalization Expenditure Schedule

	2024	2025	2026	2027	2028
8118-0100 - Holiday Hills - Water	228,801	78,801	48,757	78,846	48,846
8120-0100 - Timber Creek - Water	60,907	85,907	32,885	40,000	10,000
8120-0200 - Timber Creek - Sewer	50,664	40,664	664	6,000	30,000
8122-0100 - Ozark Mountain - Water	133,556	49,556	19,542	19,500	66,500
8122-0200 - Ozark Mountain - Sewer	55,463	75,467	75,467	45,000	45,000
8124-0100 - Fox River - Water	15,997	140,997	115,972	140,972	25,000
8124-0200 - Fox River - Sewer	61,431	11,431	166,396	10,000	110,000
8149-0100 - Noel - Water	123,577	163,074	87,626	107,996	85,000
8152-0100 - KMB - Water	31,713	135,713	26,671	111,196	38,996
8152-0200 - KMB - Sewer	10,378	50,378	378	60,000	-
8641-0100 - Midland Water	15,205	15,205	15,200	15,250	15,000
8642-0100 - Bilyeu Ridge Water	15,132	25,132	15,129	25,130	15,000
8643-0100 - Moore Bend Water	13,274	13,274	13,267	13,250	13,250
8644-0100 - Riverfork Water	16,257	16,257	16,250	16,250	16,250
8645-0100 - Taney Water	546,115	346,115	46,088	46,200	46,200
8646-0100 - Valley Wood Water	13,120	13,120	13,117	13,120	13,120
8646-0200 - Valley Wood Sewer	10,109	10,109	10,106	10,110	10,110
8647-0100 - Franklin County Water	60,368	30,368	30,359	30,375	30,375
8648-0200 - Savers Farm Sewer	10,000	15,000	10,000	10,000	5,000
8649-0100 - Empire Water	579,000	658,000	496,000	571,000	496,000
8650-0100 - Lakeland Heights Water	18,000	18,000	43,000	18,000	18,000
8651-0200 - R.D. Sewer	10,000	25,000	10,000	10,000	25,000
8652-0100 - Oakbrier Water	16,000	16,000	16,000	16,000	16,000
8653-0100 - Whispering Hills Water	15,000	15,000	15,000	15,000	15,000
8656-0100 - Bolivar Water	1,439,800	2,364,800	689,800	989,800	714,800
8656-0200 - Bolivar Sewer	1,215,000	1,190,000	215,000	640,000	190,000
	4,764,867	5,603,368	2,228,674	3,058,995	2,098,447

**PROMISSORY
NOTE**

[TBD], 202_

Liberty Utilities (Missouri Water) LLC., is a Missouri limited liability company (herein called the "**Company**", which term includes any successor or resulting Person), for value received, hereby promises to pay to Liberty Utilities Co., or registered assigns (the "**Holder**"), the principal sum of [TBD] and 00/100 United States Dollars (\$[TBD]) on [TBD], and to pay interest thereon from the date hereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on [TBD] and [TBD] in each year, commencing on [TBD] ("**Interest Payment Date**"), at the rate of [TBD]% per annum, until the principal hereof is paid or made available for payment; and at the rate of the greater of (i) [TBD]%, plus 2.0% or (ii) 2% over the rate of interest publicly announced by JPMorgan Chase & Co. from time to time in New York, New York as its "base" or "prime" rate, payable semi-annually as aforesaid (or, at the option of the Holder, on demand) on any overdue principal and premium and on any installment of interest (to the extent payment of such interest is legally enforceable). Interest on this Note will be computed on the basis of a 360-day year comprised of twelve 30-day months. Upon the execution hereof, the Company shall reimburse the Holder a fee of \$[TBD] which is the Company's pro rata share of the total fees associated with the source of the funds for this Note.

Payment of the principal of (and premium, if any) and any such interest on this Note will be made at the office or agency of the Company in the United States of America, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts or subject to any laws or regulations applicable thereto; and *provided, however*, that payment of interest may be made by wire transfer of immediately available funds to an account maintained by the payee at a financial institution in the United States (so long as the Company has received proper transfer instructions in writing at least seven days prior to the applicable Interest Payment Date).

This Note is a general, unsecured, obligation of the Company.

The Company may prepay the whole or any part of the amount outstanding under this Note; *provided that* any such prepayment shall be at the Prepayment Price equal to 100% of the principal amount so prepaid, and the Make-Whole Amount determined for the Prepayment Date with respect to such principal amount plus accrued and unpaid interest, if any, to the Prepayment Date.

Notice of any prepayment by the Company will be given not less than two (2) days before any Prepayment Date to the Holder.

Unless the Company defaults in payment of the Prepayment Price, on and after any Prepayment Date for this Note, interest will cease to accrue on this Note or portion hereof called for prepayment.

In the event of prepayment of this Note in part only, a new Note of like tenor for the unpaid portion hereof will be issued in the name of the Holder upon the cancellation hereof.

It is expressly provided that, in the event that principal and interest payments are not made to the Holder when due, the Holder shall have the right to demand, and the Company shall have the obligation to immediately pay to the Holder, the unpaid balance of any principal and unpaid accrued interest outstanding under this Note, together with the Make-Whole Amount determined for the date fixed for such demand payments. Instead of demanding payment, the Holder may, in its sole discretion, require that the Company provide collateral in the form of cash, letters of credit, or other collateral which may be acceptable to the Holder in its sole discretion, acting commercially reasonably.

The Holder may also demand that this Note be prepaid by the Company in the event of a change of control, or sale of the substantive assets, of the Company.

Failure of the Holder to exercise a right under this Note does not constitute a waiver of such right under this Note.

The Company hereby waives demand, presentment for payment, notice of nonpayment and protest, and consents that the maturity hereof may be extended without notice and that the Holder hereof shall have the right, without notice, to deal in any way, at any time, with the Company or to grant to the Company any indulgence or forbearance whatsoever without in any way effecting the personal liability of the Company.

Waiver by the Holder of any rights under this Note does not constitute a waiver of any other, or subsequent, rights arising under this Note.

Notwithstanding anything herein to the contrary, no provision of this Note shall require the payment or permit the collection of interest in excess of the maximum rate permitted by applicable law. If any excess of interest in such respect is herein provided for, or shall be adjudicated to be so provided, in this Note or otherwise in connection with this transaction, the provisions of this paragraph shall govern and prevail, and neither the Company nor the sureties, guarantors, successors or assigns of the Company shall be obligated to pay the excess amount of such interest, or any other excess sum paid for the use, forbearance or detention of sums loaned pursuant hereto. If for any reason interest in excess of the maximum rate of interest permitted by applicable law shall be deemed charged, required or permitted or otherwise should arise, any such excess shall be applied as a payment and reduction of the principal indebtedness evidenced by this Note. If the principal amount hereof has been paid in full, any remaining excess shall forthwith be paid to the Company.

No service charge shall be made for any exchange of this Note, but the Company may

require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

No recourse under or upon any obligation, covenant or agreement contained in this Note, or for any claim based hereon or otherwise in respect hereof, or because of the creation of any indebtedness represented hereby, shall be had against any incorporator, shareholder, member, officer, manager or director, as such, past, present or future, of the Company or of any successor thereof, either directly or through the Company or any successor thereof, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment, penalty or otherwise; it being expressly understood that all such liability is hereby expressly waived and released by the acceptance hereof and as a condition of, and as part of the consideration for, the issuance of this Note.

Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Note, and in the case of any such loss, theft or destruction, upon delivery of an indemnity reasonably satisfactory to the Company or, in case of any such mutilation, upon surrender and cancellation of this Note, the Company will issue a new Note of like tenor in lieu of this Note.

Wherever possible, each provision of this Note shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note.

The Company agrees to pay all costs and expenses, if any, including counsel fees and expenses in connection with the enforcement, whether through negotiations, legal proceedings or otherwise, of this Note.

DEFINITIONS:

"Business Day" means with respect to any place of payment or other location each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that place of payment or other location are authorized or obligated by law, executive order or regulation to close.

"Discounted Value" means, with respect to the Prepaid Principal of this Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Prepaid Principal from their respective scheduled due dates to the Prepayment Date with respect to such Prepaid Principal, in accordance with accepted financial practice and at a discount factor (applied on a semi-annual basis) equal to the Reinvestment Yield with respect to such Prepaid Principal.

"Make-Whole Amount" means, with respect to this Note, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect

to the Prepaid Principal of such Note over the amount of such Prepaid Principal, provided that the Make-Whole Amount may in no event be less than zero.

"Person" means an individual, corporation, limited liability company, partnership, limited partnership, joint venture, association, trust, other entity, unincorporated organization, or government or any agency or political subdivision thereof.

"Prepayment Date" with respect to the Prepaid Principal of this Note means the date fixed by the Company for prepayment or by the Holder pursuant to a demand for payment.

"Prepayment Price" means the price at which this Note is to be prepaid.

"Prepaid Principal" means, with respect to this Note, the principal of such Note that is to be prepaid, whether voluntarily by the Company or subject to demand by the Holder.

"Reinvestment Yield", with respect to the Prepaid Principal of this Note over the yield to maturity implied by (i) the yields reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on the run U.S. Treasury securities having a maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date, or (ii) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable (including by way of interpolation), the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Prepayment Date with respect to such Prepaid Principal, in Federal Reserve Statistical Release H.15 (or any comparable successor publication) for U.S. Treasury securities having a constant maturity equal to the Remaining Average Life of such Prepaid Principal as of such Prepayment Date.

In the case of each determination under clause (i) or clause (ii), as the case may be, of the preceding paragraph, such implied yield will be determined, if necessary, by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between (1) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and greater than such Remaining Average Life and (2) the applicable actively traded on the run U.S. Treasury security with the maturity closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of this applicable Note.

"Remaining Average Life" means, with respect to any Prepaid Principal, the number of years obtained by dividing (i) such Prepaid Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Prepaid Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months, that will elapse between the Prepayment Date with respect to such Prepaid Principal and the scheduled due date of such Remaining

Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Prepaid Principal of this Note, all payments of such Prepaid Principal and interest thereon that would be due after the Prepayment Date with respect to such Prepaid Principal if no payment of such Prepaid Principal were made prior to its scheduled due date, provided that if such Prepayment Date is not a date on which interest payments are due to be made under the terms of this Note, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Prepayment Date and required to be paid on such Prepayment Date.

GENERAL PROVISIONS:

This Note may only be changed, waived, modified or otherwise amended by a writing executed by both the Company and the Holder.

This Note shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of law except Section 5-1401 of the New York General Obligations Law.

This Note shall be binding upon the Company and its successors, and shall inure to the benefit of the Holder and its successors and permitted assigns. The Company may not assign its obligations under this Note without the Holder's prior written consent and any attempt shall be null and void.

Confidential in its Entirety

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Liberty Utilities (Missouri Water) LLC d/b/a Liberty
Statement of Operations
For the period ended December 2022

(Amounts - USD)

	Liberty Utilities (Missouri Water) LLC As of 12/31/2022	Adjustments - \$30 million debt issuance/\$35 million common equity	Pro Forma Financials Post New Debt/Equity
Revenue			
Regulated water revenue	6,391,726		6,391,726
Regulated wastewater revenue	3,021,937		3,021,937
Expenses			
Operating expenses	6,316,055		6,316,055
Administrative expenses	461,485		461,485
Depreciation and amortization expenses	2,003,426		2,003,426
Operating income from continuing operations	632,696	-	632,696
Interest expenses	812,067	1,343,936 (1)	2,156,003
Earnings from continuing operations before taxes	(179,371)	(1,343,936)	(1,523,307)
Other Income	6,406		6,406
Other Income Deductions	(64,706)		(64,706)
Income tax expense			
Current income tax expense	-	(403,180) (2)	(403,180)
Deferred income tax expense	158,817		158,817
	(87,705)	403,180	315,475
Earnings from continuing operations	(267,075)	(940,756)	(1,207,831)
Earnings from discontinued operations	-		-
Net earnings	(267,075)	(940,756)	(1,207,831)
Minority interest	-		-
Net earnings attributable to shareholders	(267,075)	(940,756)	(1,207,831)
Series a and d preferred shares dividend	-		-
Net earnings attributable to common shareholders	(267,075)	(940,756)	(1,207,831)

NOTES

(1) Assumes \$30.0 million at 6.75% is \$2,025,000 in Interest Expense, plus Placement Fee of 80 basis points (based on 10 years) on \$30.0 million amortized over 20 years is \$12,000 in Interest Expense, less eliminated short-term debt interest of \$693,064.

(2) Assumes tax rate of 30%.

Liberty Utilities (Missouri Water) LLC d/b/a Liberty
Balance Sheet
As of December 31, 2022

(Amounts in USD)

	Liberty Utilities (Missouri Water) LLC As of 12/31/2022	Adjustments - \$30 million debt issuance/\$35 million common equity	Pro Forma Financials Post New Debt/Equity
ASSETS			
Current Assets:			
Cash and cash equivalents	(396,071)	(940,756) (1)	(1,336,827)
Accounts receivable	865,771		865,771
Prepaid expenses	103,139		103,139
Other current assets	15,145		15,145
	587,984	(940,756)	(352,772)
Property, plant, and equipment	38,173,595	27,500,000 (2)	65,673,595
Intangible assets	543,642		543,642
Goodwill	8,086,965		8,086,965
Long term regulatory assets	4,258,835		4,258,835
Deferred income tax assets			0
	51,651,021		78,210,265
LIABILITIES AND EQUITY			
Current Liabilities:			
Accounts payable	41,823,341	(37,500,000) (3)	4,323,341
Accrued liabilities	168,177		168,177
Current portion of other long-term liabilities and deferred credits	45,470		45,470
Other current liabilities	88,748		88,748
	42,125,736	(37,500,000)	4,625,736
Long term debt	5,715,000	30,000,000 (4)	35,715,000
Long term portion of regulatory liabilities	151,340		151,340
Deferred income tax liabilities	289,425		289,425
Other long term liabilities	6,597		6,597
Contributions in Aid of Construction	695,654		695,654
	6,858,017		36,858,017
Equity:			
Common shares	3,511,183	35,000,000 (5)	38,511,183
Additional paid in capital			0
Retained earnings/deficit	(843,914)	(940,756)	(1,784,670)
Equity	2,667,269	34,059,244	36,726,513
	51,651,021		78,210,265
Balance sheet		0	

Notes

- (1) Net earnings after debt and equity issuance
- (2) Expected capital expenditures
- (3) Expected paydown of \$29.0 million of short-term debt and \$8.5 million of Accounts Payable
- (4) New long-term debt issuance
- (5) Expected new capital contributions of \$35.0 million
- (6) Pro forma earnings adjustment for new long-term debt issuance

**Liberty Utilities (Missouri Water) LLC d/b/a Liberty
Cashflow
As of December 2022**

	Liberty Utilities (Missouri Water) LLC As of 12/31/2022	Adjustments - \$30 million debt issuance/\$35 million common equity	Pro Forma Financials Post New Debt/Equity
Source of Funds (a)	Amount (b)	Proforma Adjustment (c)	Proforma (d)
Funds from Operations:			
Net Income	(267,075.29)	(940,756.00)	(1,207,831.29)
Principal Non-cash charges (credits) to Income:			
Depreciation and Depletion	2,003,426.05		2,003,426.05
Amortization of:			
Provision for Deferred or Future Income Taxes (Net)	158,817.00		158,817.00
Investment Tax Credit Adjustments	-		-
Other (Net)	22,071,039.62	(37,500,000.00)	(15,428,960.38)
	-		
Total Principal Non-cash Charges to Income	24,233,282.67	(37,500,000.00)	(13,266,717.33)
Total Funds from Operations	23,966,207.38	(38,440,756.00)	(14,474,548.62)
Funds from Outside Sources (New Money):			
Long-term Debt		30,000,000.00	30,000,000.00
Preferred Stock			
Common Stock	-	35,000,000.00	35,000,000.00
Net Increase in Short-term Debt			
Other (Net)	-		-
	-		
Total Funds from Outside Sources	-	65,000,000.00	65,000,000.00
Sale of Non-current Asset			
Other (Net):			
Total Other (Net)	-		-
Total Sources of Funds	23,966,207.38	26,559,244.00	50,525,451.38
Application of Funds			
(a)	Amount (b)		
Construction and Plant Expenditures (Include Land):			
Gross Additions to Utility Plant	38,654,147.76	27,500,000.00	66,154,147.76
Gross Additions to Common Utility Plant			
Gross Additions to Non-Utility Plant			
Other	(14,680,729.14)		(14,680,729.14)
Total Applications to Construction and Plant Expenditures	23,973,418.62	27,500,000.00	51,473,418.62
Dividends on Preferred Stock			
Dividends on Common Stock			
Funds for Retirement of Securities and Short-term Debt:			
Long-term Debt	-		-
Preferred Stock			
Redemption of Capital Stock			
Net Decrease in Short-term Debt	-		-
Other (Net)			
Total Funds for Retirement of Securities and Short-term Debt	-		-
Purchase of Other Non-current Assets			
Other (Net)			
Total Application of Funds	23,973,418.62	27,500,000.00	51,473,418.62
Net Change in Financial Position [Total Source of Funds LESS Total Application of Funds	(7,211.24)	(940,756.00)	(947,967.24)