

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	I.R.S. Employer Identification No.
1-12579	OGE ENERGY CORP.	73-1481638
1-1097	OKLAHOMA GAS AND ELECTRIC COMPANY	73-0382390

321 North Harvey

P.O. Box 321

Oklahoma City, Oklahoma 73101-0321

405-553-3000

State or other jurisdiction of incorporation or organization: Oklahoma

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

Registrant	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
OGE Energy Corp.	Common Stock	OGE	New York Stock Exchange
Oklahoma Gas and Electric Company	None	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

OGE Energy Corp. Yes No Oklahoma Gas and Electric Company Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

OGE Energy Corp. Yes No Oklahoma Gas and Electric Company Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

OGE Energy Corp.	Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Oklahoma Gas and Electric Company	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

OGE Energy Corp. Yes No Oklahoma Gas and Electric Company Yes No

At June 30, 2022, there were 200,202,672 shares of OGE Energy Corp.'s common stock, par value \$0.01 per share, outstanding.

At June 30, 2022, there were 40,378,745 of Oklahoma Gas and Electric Company's common stock, par value \$2.50 per share, outstanding, all of which were held by OGE Energy Corp. There were no other shares of capital stock of the registrants outstanding at such date.

Oklahoma Gas and Electric Company meets the conditions set forth in General Instruction H(1)(a) and (b) of Form 10-Q and is therefore filing this form with the reduced disclosure format permitted by General Instruction H(2).

FORM 10-Q

FOR THE QUARTER ENDED JUNE 30, 2022

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GLOSSARY OF TERMS

The following is a glossary of frequently used abbreviations that are found throughout this Form 10-Q.

Abbreviation	Definition
2021 Form 10-K	Annual Report on Form 10-K for the year ended December 31, 2021
APSC	Arkansas Public Service Commission
ASC	Financial Accounting Standards Board Accounting Standards Codification
ASU	Accounting Standards Update from the Financial Accounting Standards Board
CO ₂	Carbon dioxide
COVID-19	Novel Coronavirus disease
Dry Scrubber	Dry flue gas desulfurization unit with spray dryer absorber
Enable	Enable Midstream Partners, LP, partnership formed to own and operate the midstream businesses of OGE Energy and CenterPoint Energy, Inc. (prior to December 2, 2021)
Energy Transfer	Energy Transfer LP, a Delaware limited partnership, collectively with its subsidiaries
EPA	U.S. Environmental Protection Agency
Federal Clean Water Act	Federal Water Pollution Control Act of 1972, as amended
FERC	Federal Energy Regulatory Commission
GAAP	Accounting principles generally accepted in the U.S.
IRP	Integrated Resource Plan
ISO	Independent system operator
MWh	Megawatt-hour
NGLs	Natural gas liquids, which are the hydrocarbon liquids contained within the natural gas stream
NO _{PR}	Notice of proposed rulemaking
NO _x	Nitrogen oxide
OCC	Oklahoma Corporation Commission
ODEQ	Oklahoma Department of Environmental Quality
ODFA	Oklahoma Development Finance Authority
OG&E	Oklahoma Gas and Electric Company, wholly-owned subsidiary of OGE Energy OGE Energy Corp., collectively with its subsidiaries, holding company and parent company of
OGE Energy	OG&E
OGE Holdings	Enable (prior to December 2, 2021)
Pension Plan	Qualified defined benefit retirement plan
Regional Haze	The EPA's Regional Haze Rule
Registrants	OGE Energy and OG&E
Restoration of Retirement Income Plan	Supplemental retirement plan to the Pension Plan
RTO	Regional transmission organization
SIP	State Implementation Plan
SO ₂	Sulfur dioxide
SPP	Southwest Power Pool
System sales	Sales to OG&E's customers
U.S.	United States of America
USFWS	United States Fish and Wildlife Service
Winter Storm Uri	Unprecedented, prolonged extreme cold weather event in February 2021

FILING FORMAT

This combined Form 10-Q is separately filed by OGE Energy and OG&E. Information in this combined Form 10-Q relating to each individual Registrant is filed by such Registrant on its own behalf. OG&E makes no representation regarding information relating to any other companies affiliated with OGE Energy. Neither OGE Energy, nor any of OGE Energy's subsidiaries, other than OG&E, has any obligation in respect of OG&E's debt securities, and holders of such debt securities should not consider the financial resources or results of operations of OGE Energy nor any of OGE Energy's subsidiaries, other than OG&E (in relevant circumstances), in making a decision with respect to OG&E's debt securities. Similarly, none of OG&E nor any other subsidiary of OGE Energy has any obligation with respect to debt securities of OGE Energy. This combined Form 10-Q should be read in its entirety. No one section of this combined Form 10-Q deals with all aspects of the subject matter of this combined Form 10-Q.

FORWARD-LOOKING STATEMENTS

Except for the historical statements contained herein, the matters discussed within this Form 10-Q, including those matters discussed within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words "anticipate," "believe," "estimate," "expect," "intend," "objective," "plan," "possible," "potential," "project," "target" and similar expressions. Actual results may vary materially from those expressed in forward-looking statements. In addition to the specific risk factors discussed within "Item 1A. Risk Factors" in the Registrants' [2021 Form 10-K](#) and within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" herein, factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to:

- general economic conditions, including the availability of credit, access to existing lines of credit, access to the commercial paper markets, actions of rating agencies and inflation rates, and their impact on capital expenditures;
- the ability of OGE Energy and its subsidiaries to access the capital markets and obtain financing on favorable terms, as well as inflation rates and monetary fluctuations;
- the ability to obtain timely and sufficient rate relief to allow for recovery, including through securitization, of items such as capital expenditures, fuel and purchased power costs, operating costs, transmission costs and deferred expenditures;
- prices and availability of electricity, coal and natural gas;
- competitive factors, including the extent and timing of the entry of additional competition in the markets served by the Registrants;
- the impact on demand for services resulting from cost-competitive advances in technology, such as distributed electricity generation and customer energy efficiency programs;
- technological developments, changing markets and other factors that result in competitive disadvantages and create the potential for impairment of existing assets;
- factors affecting utility operations such as unusual weather conditions; catastrophic weather-related damage; unscheduled generation outages, unusual maintenance or repairs; unanticipated changes to fossil fuel, natural gas or coal supply costs or availability due to higher demand, shortages, transportation problems or other developments; environmental incidents; or electric transmission or gas pipeline system constraints;
- availability and prices of raw materials and equipment for current and future construction projects;
- the effect of retroactive pricing of transactions in the SPP markets or adjustments in market pricing mechanisms by the SPP;
- federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Registrants' markets;
- environmental laws, safety laws or other regulations that may impact the cost of operations, restrict or change the way the Registrants' facilities are operated or result in stranded assets;
- changes in accounting standards, rules or guidelines;
- the discontinuance of accounting principles for certain types of rate-regulated activities;
- the cost of protecting assets against, or damage due to, terrorism or cyberattacks, including losing control of our assets and potential ransoms, and other catastrophic events;
- creditworthiness of suppliers, customers and other contractual parties, including large, new customers from emerging industries such as cryptocurrency;
- social attitudes regarding the utility, natural gas and power industries;

- identification of suitable investment opportunities to enhance shareholder returns and achieve long-term financial objectives through business acquisitions and divestitures;
- increased pension and healthcare costs;
- the impact of extraordinary external events, such as the current pandemic health event resulting from COVID-19, and their collateral consequences, including extended disruption of economic activity in the Registrants' markets with an unclear path to national and global economic recovery;
- potential employee engagement issues and/or increased rates of employee turnover if federal or state authorities impose COVID-19-related vaccine or testing mandates;
- national and global events that could adversely affect and/or exacerbate macroeconomic conditions, including inflationary pressures, rising interest rates, supply chain disruptions, economic recessions and uncertainty surrounding continued hostilities or sustained military campaigns;
- costs and other effects of legal and administrative proceedings, settlements, investigations, claims and matters, including, but not limited to, those described in this Form 10-Q;
- business conditions in the energy and natural gas midstream industries, including specifically for Energy Transfer that may affect the fair value of OGE Energy's investment in Energy Transfer's equity securities and the level of distributions OGE Energy receives from Energy Transfer;
- difficulty in making accurate assumptions and projections regarding future distributions associated with OGE Energy's investment in Energy Transfer's equity securities, as OGE Energy does not control Energy Transfer; and
- other risk factors listed in the reports filed by the Registrants with the Securities and Exchange Commission, including those listed within "Item 1A. Risk Factors" in the Registrants' [2021 Form 10-K](#).

The Registrants undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

<i>(In millions, except per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
OPERATING REVENUES				
Revenues from contracts with customers	\$ 791.0	\$ 564.5	\$ 1,369.1	\$ 2,185.5
Other revenues	12.7	12.9	23.9	22.5
Operating revenues	803.7	577.4	1,393.0	2,208.0
FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE	393.3	200.0	649.0	1,546.8
OPERATING EXPENSES				
Other operation and maintenance	118.1	119.2	233.1	228.5
Depreciation and amortization	111.6	102.9	219.0	201.6
Taxes other than income	24.1	25.8	52.2	53.0
Operating expenses	253.8	247.9	504.3	483.1
OPERATING INCOME	156.6	129.5	239.7	178.1
OTHER INCOME (EXPENSE)				
Gain (loss) on equity securities (Note 1)	(39.6)	—	242.7	—
Equity in earnings of unconsolidated affiliates	—	33.5	—	86.7
Allowance for equity funds used during construction	0.9	1.6	2.2	2.9
Other net periodic benefit expense	(2.7)	(1.3)	(12.1)	(2.7)
Other income	21.9	6.3	44.5	9.3
Other expense	(8.4)	(6.7)	(13.6)	(8.7)
Net other income	(27.9)	33.4	263.7	87.5
INTEREST EXPENSE				
Interest on long-term debt	39.5	37.8	78.9	76.2
Allowance for borrowed funds used during construction	(0.9)	(0.7)	(2.1)	(1.5)
Interest on short-term debt and other interest charges	3.8	2.8	5.7	4.6
Interest expense	42.4	39.9	82.5	79.3
INCOME BEFORE TAXES	86.3	123.0	420.9	186.3
INCOME TAX EXPENSE	13.2	10.1	68.3	20.7
NET INCOME	\$ 73.1	\$ 112.9	\$ 352.6	\$ 165.6
BASIC AVERAGE COMMON SHARES OUTSTANDING	200.2	200.2	200.2	200.1
DILUTED AVERAGE COMMON SHARES OUTSTANDING	200.7	200.4	200.6	200.2
BASIC EARNINGS PER AVERAGE COMMON SHARE	\$ 0.37	\$ 0.56	\$ 1.76	\$ 0.83
DILUTED EARNINGS PER AVERAGE COMMON SHARE	\$ 0.36	\$ 0.56	\$ 1.76	\$ 0.83

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net income	\$ 73.1	\$ 112.9	\$ 352.6	\$ 165.6
Other comprehensive income (loss), net of tax:				
Pension Plan and Restoration of Retirement Income Plan:				
Amortization of prior service cost, net of tax of \$0.0, \$0.0, \$0.0 and \$0.0, respectively	—	—	0.1	—
Amortization of deferred net loss, net of tax of \$0.2, \$0.2, \$0.3 and \$0.4, respectively	0.2	0.2	0.5	0.8
Settlement cost, net of tax of \$0.2, \$0.6, \$2.4 and \$1.6, respectively	0.7	0.6	8.1	3.7
Postretirement benefit plans:				
Amortization of prior service credit, net of tax of \$0.0, (\$0.1), \$0.0 and (\$0.2), respectively	—	(0.4)	—	(0.7)
Amortization of deferred net gain, net of tax of \$0.0, \$0.0, \$0.0 and \$0.0, respectively	—	0.1	—	0.1
Other comprehensive gain from unconsolidated affiliates, net of tax of \$0.0, \$0.1, \$0.0 and \$0.1, respectively	—	0.2	—	0.3
Other comprehensive income, net of tax	0.9	0.7	8.7	4.2
Comprehensive income	\$ 74.0	\$ 113.6	\$ 361.3	\$ 169.8

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(In millions)</i>	Six Months Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 352.6	\$ 165.6
Adjustments to reconcile net income to net cash provided from (used in) operating activities:		
Depreciation and amortization	219.0	201.6
Deferred income taxes and other tax credits, net	(33.5)	15.5
(Gain) loss on investment in equity securities	(242.7)	—
Equity in earnings of unconsolidated affiliates	—	(86.7)
Distributions from unconsolidated affiliates	—	36.7
Allowance for equity funds used during construction	(2.2)	(2.9)
Stock-based compensation expense	4.6	4.8
Regulatory assets	(46.5)	(879.5)
Regulatory liabilities	(43.2)	(34.4)
Other assets	19.4	(5.8)
Other liabilities	(11.1)	(43.3)
Change in certain current assets and liabilities:		
Accounts receivable and accrued unbilled revenues, net	(101.5)	(41.9)
Income taxes receivable	0.1	4.0
Fuel, materials and supplies inventories	(53.0)	(10.4)
Fuel recoveries	(119.8)	(24.3)
Other current assets	(42.2)	(5.6)
Accounts payable	19.5	(71.1)
Other current liabilities	88.6	9.9
Net cash provided from (used in) operating activities	8.1	(767.8)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(450.8)	(353.5)
Proceeds from sales of equity securities	627.4	—
Other	(2.9)	(3.3)
Net cash provided from (used in) investing activities	173.7	(356.8)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	49.8	999.6
Increase (decrease) in short-term debt	(61.5)	289.5
Dividends paid on common stock	(164.4)	(162.2)
Cash paid for employee equity-based compensation and expense of common stock	(0.8)	(3.4)
Net cash (used in) provided from financing activities	(176.9)	1,123.5
NET CHANGE IN CASH AND CASH EQUIVALENTS	4.9	(1.1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	—	1.1
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 4.9	\$ —

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(In millions)</i>	June 30, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4.9	\$ —
Accounts receivable, less reserve of \$2.2 and \$2.4, respectively	249.9	162.3
Accrued unbilled revenues	97.2	65.0
Income taxes receivable	2.5	2.6
Fuel inventories	80.6	40.6
Materials and supplies, at average cost	130.9	117.9
Fuel clause under recoveries	271.7	151.9
Other	866.0	73.3
Total current assets	1,703.7	613.6
OTHER PROPERTY AND INVESTMENTS		
Equity securities investment in Energy Transfer	382.0	785.1
Other	105.1	120.0
Total other property and investments	487.1	905.1
PROPERTY, PLANT AND EQUIPMENT		
In service	14,285.6	13,899.8
Construction work in progress	270.4	252.0
Total property, plant and equipment	14,556.0	14,151.8
Less: accumulated depreciation	4,438.0	4,318.9
Net property, plant and equipment	10,118.0	9,832.9
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	505.1	1,230.8
Other	24.1	24.0
Total deferred charges and other assets	529.2	1,254.8
TOTAL ASSETS	\$ 12,838.0	\$ 12,606.4

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS (Continued)
(Unaudited)

<i>(In millions)</i>	June 30, 2022	December 31, 2021
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term debt	\$ 425.4	\$ 486.9
Accounts payable	297.1	274.0
Dividends payable	82.1	82.1
Customer deposits	81.8	81.1
Accrued taxes	110.4	52.9
Accrued interest	40.9	40.8
Accrued compensation	37.9	37.7
Long-term debt due within one year	999.8	—
Other	50.0	34.1
Total current liabilities	2,125.4	1,089.6
LONG-TERM DEBT	3,547.6	4,496.4
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	146.8	159.8
Deferred income taxes	1,328.6	1,333.3
Deferred investment tax credits	13.8	12.8
Regulatory liabilities	1,205.3	1,231.1
Other	213.6	227.1
Total deferred credits and other liabilities	2,908.1	2,964.1
Total liabilities	8,581.1	8,550.1
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
STOCKHOLDERS' EQUITY		
Common stockholders' equity	1,129.5	1,125.8
Retained earnings	3,143.6	2,955.4
Accumulated other comprehensive loss, net of tax	(16.1)	(24.8)
Treasury stock, at cost	(0.1)	(0.1)
Total stockholders' equity	4,256.9	4,056.3
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 12,838.0	\$ 12,606.4

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OGE ENERGY CORP.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

<i>(In millions)</i>	Common Stock		Treasury Stock		Premium on Common Stock	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
	Shares	Value	Shares	Value				
Balance at December 31, 2021	200.1	\$ 2.0	—	\$ (0.1)	\$ 1,123.8	\$ 2,955.4	\$ (24.8)	\$ 4,056.3
Net income	—	—	—	—	—	279.5	—	279.5
Other comprehensive income, net of tax	—	—	—	—	—	—	7.8	7.8
Dividends declared on common stock (\$0.4100 per share)	—	—	—	—	—	(82.3)	—	(82.3)
Stock-based compensation	—	—	—	—	1.4	—	—	1.4
Balance at March 31, 2022	200.1	\$ 2.0	—	\$ (0.1)	\$ 1,125.2	\$ 3,152.6	\$ (17.0)	\$ 4,262.7
Net income	—	—	—	—	—	73.1	—	73.1
Other comprehensive income, net of tax	—	—	—	—	—	—	0.9	0.9
Dividends declared on common stock (\$0.4100 per share)	—	—	—	—	—	(82.1)	—	(82.1)
Stock-based compensation	0.1	—	—	—	2.3	—	—	2.3
Balance at June 30, 2022	200.2	\$ 2.0	—	\$ (0.1)	\$ 1,127.5	\$ 3,143.6	\$ (16.1)	\$ 4,256.9
Balance at December 31, 2020	200.1	\$ 2.0	0.1	\$ (5.3)	\$ 1,122.6	\$ 2,544.6	\$ (32.1)	\$ 3,631.8
Net income	—	—	—	—	—	52.7	—	52.7
Other comprehensive income, net of tax	—	—	—	—	—	—	3.5	3.5
Dividends declared on common stock (\$0.4025 per share)	—	—	—	—	—	(81.7)	—	(81.7)
Stock-based compensation	—	—	(0.1)	5.2	(6.0)	—	—	(0.8)
Balance at March 31, 2021	200.1	\$ 2.0	—	\$ (0.1)	\$ 1,116.6	\$ 2,515.6	\$ (28.6)	\$ 3,605.5
Net income	—	—	—	—	—	112.9	—	112.9
Other comprehensive income, net of tax	—	—	—	—	—	—	0.7	0.7
Dividends declared on common stock (\$0.4025 per share)	—	—	—	—	—	(80.6)	—	(80.6)
Stock-based compensation	—	—	—	—	2.3	—	—	2.3
Balance at June 30, 2021	200.1	\$ 2.0	—	\$ (0.1)	\$ 1,118.9	\$ 2,547.9	\$ (27.9)	\$ 3,640.8

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OKLAHOMA GAS AND ELECTRIC COMPANY
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)

<i>(In millions)</i>	Three Months Ended June		Six Months Ended June	
	2022	2021	2022	2021
OPERATING REVENUES				
Revenues from contracts with customers	\$ 791.0	\$ 564.5	\$ 1,369.1	\$ 2,185.5
Other revenues	12.7	12.9	23.9	22.5
Operating revenues	803.7	577.4	1,393.0	2,208.0
FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE	393.3	200.0	649.0	1,546.8
OPERATING EXPENSES				
Other operation and maintenance	118.3	118.3	233.8	228.6
Depreciation and amortization	111.6	102.9	219.0	201.6
Taxes other than income	23.3	25.0	50.1	50.7
Operating expenses	253.2	246.2	502.9	480.9
OPERATING INCOME	157.2	131.2	241.1	180.3
OTHER INCOME (EXPENSE)				
Allowance for equity funds used during construction	0.9	1.6	2.2	2.9
Other net periodic benefit expense	(1.8)	(1.2)	(3.2)	(2.1)
Other income	1.0	1.1	2.2	2.8
Other expense	(0.4)	(0.3)	(0.8)	(0.7)
Net other income	(0.3)	1.2	0.4	2.9
INTEREST EXPENSE				
Interest on long-term debt	38.6	37.4	77.1	75.8
Allowance for borrowed funds used during construction	(0.9)	(0.7)	(2.1)	(1.5)
Interest on short-term debt and other interest charges	2.1	1.2	3.0	2.0
Interest expense	39.8	37.9	78.0	76.3
INCOME BEFORE TAXES	117.1	94.5	163.5	106.9
INCOME TAX EXPENSE	16.4	9.4	23.8	10.6
NET INCOME	\$ 100.7	\$ 85.1	\$ 139.7	\$ 96.3
Other comprehensive income, net of tax	—	—	—	—
COMPREHENSIVE INCOME	\$ 100.7	\$ 85.1	\$ 139.7	\$ 96.3

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OKLAHOMA GAS AND ELECTRIC COMPANY
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(In millions)</i>	Six Months Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 139.7	\$ 96.3
Adjustments to reconcile net income to net cash provided from (used in) operating activities:		
Depreciation and amortization	219.0	201.6
Deferred income taxes and other tax credits, net	182.2	10.3
Allowance for equity funds used during construction	(2.2)	(2.9)
Stock-based compensation expense	1.5	1.0
Regulatory assets	(46.5)	(879.5)
Regulatory liabilities	(43.2)	(34.4)
Other assets	1.3	(1.4)
Other liabilities	(1.1)	(38.3)
Change in certain current assets and liabilities:		
Accounts receivable and accrued unbilled revenues, net	(101.7)	(43.9)
Fuel, materials and supplies inventories	(53.0)	(10.4)
Fuel recoveries	(119.8)	(24.3)
Other current assets	(39.8)	(1.3)
Accounts payable	35.1	(66.4)
Income taxes payable - parent	(155.9)	2.6
Other current liabilities	16.6	8.2
Net cash provided from (used in) operating activities	32.2	(782.8)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(450.8)	(353.5)
Net cash used in investing activities	(450.8)	(353.5)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term debt	90.9	—
Changes in advances with parent	332.6	106.5
Capital contribution from OGE Energy	—	530.0
Proceeds from long-term debt	—	499.8
Net cash provided from financing activities	423.5	1,136.3
NET CHANGE IN CASH AND CASH EQUIVALENTS	4.9	—
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	—	—
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 4.9	\$ —

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OKLAHOMA GAS AND ELECTRIC COMPANY
CONDENSED BALANCE SHEETS
(Unaudited)

<i>(In millions)</i>	June 30, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4.9	\$ —
Accounts receivable, less reserve of \$2.2 and \$2.4, respectively	231.5	162.0
Accrued unbilled revenues	97.2	65.0
Fuel inventories	80.6	40.6
Materials and supplies, at average cost	130.9	117.9
Fuel clause under recoveries	271.7	151.9
Other	858.0	67.7
Total current assets	1,674.8	605.1
OTHER PROPERTY AND INVESTMENTS	3.8	3.9
PROPERTY, PLANT AND EQUIPMENT		
In service	14,279.5	13,893.7
Construction work in progress	270.4	252.0
Total property, plant and equipment	14,549.9	14,145.7
Less: accumulated depreciation	4,438.0	4,318.9
Net property, plant and equipment	10,111.9	9,826.8
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	505.1	1,230.8
Other	21.6	21.4
Total deferred charges and other assets	526.7	1,252.2
TOTAL ASSETS	\$ 12,317.2	\$ 11,688.0

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OKLAHOMA GAS AND ELECTRIC COMPANY
CONDENSED BALANCE SHEETS (Continued)
(Unaudited)

<i>(In millions)</i>	June 30, 2022	December 31, 2021
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Short-term debt	\$ 90.9	\$ —
Accounts payable	279.3	240.6
Advances from parent	263.8	101.3
Customer deposits	81.8	81.1
Accrued taxes	48.6	50.8
Accrued interest	40.5	40.4
Accrued compensation	29.7	27.8
Long-term debt due within one year	499.9	—
Other	49.9	33.8
Total current liabilities	1,384.4	575.8
LONG-TERM DEBT	3,497.8	3,996.5
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	70.4	75.1
Deferred income taxes	1,208.7	1,000.4
Deferred investment tax credits	13.8	12.8
Regulatory liabilities	1,205.3	1,231.1
Other	192.8	193.5
Total deferred credits and other liabilities	2,691.0	2,512.9
Total liabilities	7,573.2	7,085.2
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
STOCKHOLDER'S EQUITY		
Common stockholder's equity	1,573.2	1,571.7
Retained earnings	3,170.8	3,031.1
Total stockholder's equity	4,744.0	4,602.8
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 12,317.2	\$ 11,688.0

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

OKLAHOMA GAS AND ELECTRIC COMPANY
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
(Unaudited)

<i>(In millions)</i>	Shares Outstanding	Common Stock	Premium on Common Stock	Retained Earnings	Total
Balance at December 31, 2021	40.4	\$ 100.9	\$ 1,470.8	\$ 3,031.1	\$ 4,602.8
Net income	—	—	—	39.0	39.0
Stock-based compensation	—	—	0.8	—	0.8
Balance at March 31, 2022	40.4	\$ 100.9	\$ 1,471.6	\$ 3,070.1	\$ 4,642.6
Net income	—	—	—	100.7	100.7
Stock-based compensation	—	—	0.7	—	0.7
Balance at June 30, 2022	40.4	\$ 100.9	\$ 1,472.3	\$ 3,170.8	\$ 4,744.0
Balance at December 31, 2020	40.4	\$ 100.9	\$ 938.6	\$ 2,936.1	\$ 3,975.6
Net income	—	—	—	11.2	11.2
Capital contribution from OGE Energy	—	—	530.0	—	530.0
Stock-based compensation	—	—	0.5	—	0.5
Balance at March 31, 2021	40.4	\$ 100.9	\$ 1,469.1	\$ 2,947.3	\$ 4,517.3
Net income	—	—	—	85.1	85.1
Dividends declared on common stock	—	—	—	(45.0)	(45.0)
Stock-based compensation	—	—	0.6	—	0.6
Balance at June 30, 2021	40.4	\$ 100.9	\$ 1,469.7	\$ 2,987.4	\$ 4,558.0

The accompanying Combined Notes to Condensed Financial Statements are an integral part hereof.

COMBINED NOTES TO THE CONDENSED FINANCIAL STATEMENTS
(Unaudited)

Index of Combined Notes to Condensed Financial Statements

The Combined Notes to the Condensed Financial Statements are a combined presentation for OGE Energy and OG&E. The following table indicates the Registrant(s) to which each Note applies.

	OGE Energy	OG&E
Note 1. Summary of Significant Accounting Policies	X	X
Note 2. Accounting Pronouncements	X	X
Note 3. Revenue Recognition	X	X
Note 4. Related Party Transactions	X	X
Note 5. Fair Value Measurements	X	X
Note 6. Stock-Based Compensation	X	X
Note 7. Income Taxes	X	X
Note 8. Common Equity	X	
Note 9. Long-Term Debt	X	X
Note 10. Short-Term Debt and Credit Facilities	X	X
Note 11. Retirement Plans and Postretirement Benefit Plans	X	X
Note 12. Report of Business Segments	X	
Note 13. Commitments and Contingencies	X	X
Note 14. Rate Matters and Regulation	X	X

1. Summary of Significant Accounting Policies

Organization

OGE Energy is a holding company with investments in energy and energy services providers offering physical delivery and related services for electricity in Oklahoma and western Arkansas and natural gas, crude oil and NGLs across the U.S. OGE Energy conducts these activities through two business segments: (i) electric utility and (ii) natural gas midstream operations. The accounts of OGE Energy and its wholly-owned subsidiaries, including OG&E, are included in OGE Energy's condensed consolidated financial statements. All intercompany transactions and balances are eliminated in such consolidation. On December 2, 2021, Energy Transfer and Enable closed their merger transaction. For periods prior to the closing date, OGE Energy accounted for its investment in Enable as an equity method investment and reported it within OGE Energy's natural gas midstream operations segment.

Electric Utility Operations. OGE Energy's electric utility operations are conducted through OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas. OG&E's rates are subject to regulation by the OCC, the APSC and the FERC. OG&E was incorporated in 1902 under the laws of the Oklahoma Territory and is a wholly-owned subsidiary of OGE Energy. OG&E is the largest electric utility in Oklahoma, and its franchised service territory includes Fort Smith, Arkansas and the surrounding communities. OG&E sold its retail natural gas business in 1928 and is no longer engaged in the natural gas distribution business.

Natural Gas Midstream Operations. As indicated above, on December 2, 2021, Enable and Energy Transfer closed their merger transaction. As a result of the merger, OGE Energy exchanged its common units of Enable for limited partner units of Energy Transfer. Subsequent to the merger, OGE Energy's natural gas midstream operations segment includes OGE Energy's investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. The investment in Energy Transfer's equity securities is held through wholly-owned subsidiaries and ultimately OGE Holdings. At June 30, 2022, OGE Energy owned 38,279,580 of Energy Transfer's limited partner units, which represented less than a two percent ownership based on the latest publicly available information filed by Energy Transfer. OGE Energy does not own general partner units in or have board representation at Energy Transfer. As such, OGE Energy accounts for its investment in Energy Transfer as an investment in equity securities, as further discussed below. OGE Energy intends to exit the midstream segment in a prudent manner.

Basis of Presentation

The condensed financial statements included herein have been prepared by the Registrants, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations; however, the Registrants believe that the disclosures are adequate to prevent the information presented from being misleading.

In the opinion of management, all adjustments necessary to fairly present the financial position of the Registrants at June 30, 2022 and December 31, 2021, the results of the Registrants' operations for the three and six months ended June 30, 2022 and 2021 and the Registrants' cash flows for the six months ended June 30, 2022 and 2021 have been included and are of a normal, recurring nature except as otherwise disclosed. Management also has evaluated the impact of events occurring after June 30, 2022 up to the date of issuance of these condensed financial statements, and these statements contain all necessary adjustments and disclosures resulting from that evaluation.

Due to seasonal fluctuations and other factors, the Registrants' operating results for the three and six months ended June 30, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022 or for any future period. The condensed financial statements and notes thereto should be read in conjunction with the audited financial statements and notes thereto included in the Registrants' [2021 Form 10-K](#).

Accounting Records

The accounting records of OG&E are maintained in accordance with the Uniform System of Accounts prescribed by the FERC and adopted by the OCC and the APSC. Additionally, OG&E, as a regulated utility, is subject to accounting principles for certain types of rate-regulated activities, which provide that certain incurred costs that would otherwise be charged to expense can be deferred as regulatory assets, based on the expected recovery from customers in future rates. Likewise, certain actual or anticipated credits that would otherwise reduce expense can be deferred as regulatory liabilities, based on the expected flowback to customers in future rates. Management's expected recovery of deferred costs and flowback of deferred credits generally results from specific decisions by regulators granting such ratemaking treatment.

OG&E records certain incurred costs and obligations as regulatory assets or liabilities if, based on regulatory orders or other available evidence, it is probable that the costs or obligations will be included in amounts allowable for recovery or refund in future rates.

The following table presents a summary of OG&E's regulatory assets and liabilities.

<i>(In millions)</i>	June 30, 2022	December 31, 2021
REGULATORY ASSETS		
Current:		
Oklahoma Winter Storm Uri costs (A)	\$ 750.5	\$ —
Fuel clause under recoveries	271.7	151.9
SPP cost tracker under recovery (A)	8.1	9.3
Oklahoma Energy Efficiency Rider under recoveries (A)	—	11.7
Other (A)	10.7	9.7
Total current regulatory assets	\$ 1,041.0	\$ 182.6
Non-current:		
Oklahoma Winter Storm Uri costs	\$ —	\$ 747.9
Oklahoma deferred storm expenses	210.5	172.8
Benefit obligations regulatory asset	101.0	109.2
Arkansas Winter Storm Uri costs	83.9	88.9
Pension tracker	45.7	42.9
Sooner Dry Scrubbers	18.5	18.9
Arkansas deferred pension expenses	12.1	12.1
Unamortized loss on reacquired debt	8.5	8.9
COVID-19 impacts	8.3	8.2
Frontier Plant deferred expenses	6.0	6.7
Smart Grid	0.4	3.9
Other	10.2	10.4
Total non-current regulatory assets	\$ 505.1	\$ 1,230.8
REGULATORY LIABILITIES		
Current:		
Other (B)	\$ 4.6	\$ 2.5
Total current regulatory liabilities	\$ 4.6	\$ 2.5
Non-current:		
Income taxes refundable to customers, net	\$ 918.5	\$ 930.7
Accrued removal obligations, net	283.7	296.8
Other	3.1	3.6
Total non-current regulatory liabilities	\$ 1,205.3	\$ 1,231.1

(A) Included in Other Current Assets in the condensed balance sheets. The Oklahoma Winter Storm Uri regulatory asset was reclassified as current at June 30, 2022, in anticipation of the securitization process being completed in July 2022 and OG&E receiving funds from the ODFA.

(B) Included in Other Current Liabilities in the condensed balance sheets.

Management continuously monitors the future recoverability of regulatory assets. When in management's judgment future recovery becomes impaired, the amount of the regulatory asset is adjusted, as appropriate. If OG&E were required to discontinue the application of accounting principles for certain types of rate-regulated activities for some or all of its operations, it could result in writing off the related regulatory assets or liabilities, which could have significant financial effects.

Allowance for Uncollectible Accounts Receivable

Customer balances are generally written off if not collected within six months after the final billing date. The allowance for uncollectible accounts receivable for OG&E is generally calculated by multiplying the last six months of electric revenue by the provision rate, which is based on a 12-month historical average of actual balances written off and is adjusted for current conditions and supportable forecasts as necessary. To the extent the historical collection rates, when incorporating

forecasted conditions, are not representative of future collections, there could be an effect on the amount of uncollectible expense recognized, such as in response to COVID-19 impacts. Also, a portion of the uncollectible provision related to fuel within the Oklahoma jurisdiction is being recovered through the fuel adjustment clause. The allowance for uncollectible accounts receivable is a reduction to Accounts Receivable in the condensed balance sheets and is included in Other Operation and Maintenance Expense in the condensed statements of income.

New business customers are required to provide a security deposit in the form of cash, bond or irrevocable letter of credit that is refunded when the account is closed. New residential customers whose outside credit scores indicate an elevated risk are required to provide a security deposit that is refunded based on customer protection rules defined by the OCC and the APSC. The payment behavior of all existing customers is continuously monitored, and, if the payment behavior indicates sufficient risk within the meaning of the applicable utility regulation, customers will be required to provide a security deposit.

Investment in Equity Securities of Energy Transfer

OGE Energy accounts for its investment in Energy Transfer's equity securities as an equity investment with a readily determinable fair value under ASC 321, "Investments – Equity Securities." OGE Energy presents the Energy Transfer equity securities at fair value in its balance sheet. OGE Energy presents realized and unrealized gains and losses of the equity securities, as well as dividend income from the investment, within the Other Income (Expense) section in its statement of income, as appropriate. For the three and six months ended June 30, 2022, OGE Energy recognized a pre-tax unrealized loss of \$46.3 million and a pre-tax unrealized gain of \$67.0 million, respectively, related to its investment in Energy Transfer's equity securities, as detailed below. As previously disclosed, OGE Energy intends to become a pure play electric utility by exiting its investment in Energy Transfer's equity securities, and unit sales commenced in April 2022. Through the end of July 2022, OGE Energy has sold 73.3 million Energy Transfer limited partner units, resulting in pre-tax net proceeds of \$812.6 million and a remaining ownership percentage of less than one percent based on the latest publicly available information filed by Energy Transfer.

<i>(In millions)</i>	Three Months Ended June 30, 2022	Six Months Ended June 30, 2022
Gain (loss) on equity securities	\$ (39.6)	\$ 242.7
Net gain recognized on equity securities sold	6.7	175.7
Unrealized gain (loss) on equity securities held	\$ (46.3)	\$ 67.0

Distributions received from Energy Transfer were \$13.3 million and \$30.0 million during the three and six months ended June 30, 2022, respectively, which are presented within Other Income in OGE Energy's 2022 condensed consolidated income statement. On July 26, 2022, Energy Transfer announced a 15 percent increase in its quarterly cash distribution, resulting in a distribution of \$0.23 per unit on its outstanding common units that will be paid on August 19, 2022 to unitholders of record as of the close of business on August 8, 2022.

Investment in Unconsolidated Affiliates (Enable)

For more information concerning OGE Energy's former equity method investment in Enable, including the merger transaction with Energy Transfer and OGE Energy's previous accounting for its investment in Enable, see Notes 1 and 5 within "Item 8. Financial Statements and Supplementary Data" in OGE Energy's [2021 Form 10-K](#). Prior to December 2, 2021, OGE Energy's investment in Enable was considered to be a variable interest entity; however, OGE Energy was not considered the primary beneficiary of Enable. Under the equity method of accounting, the investment was adjusted each period for contributions made, distributions received and OGE Energy's share of the investee's comprehensive income as adjusted for basis differences. In this Form 10-Q, Enable activity is included for the relevant portion of OGE Energy's 2021 information presented through December 2, 2021.

OGE Energy considered distributions received from Enable which did not exceed cumulative equity in earnings subsequent to the date of investment to be a return on investment and were classified as operating activities in the statements of cash flows. OGE Energy considered distributions received from Enable in excess of cumulative equity in earnings subsequent to the date of investment to be a return of investment and are classified as investing activities in the statements of cash flows. Distributions received from Enable were \$18.4 million and \$36.7 million during the three and six months ended June 30, 2021, respectively.

The following table presents a reconciliation of OGE Energy's equity in earnings of unconsolidated affiliates for the three and six months ended June 30, 2021.

<i>(In millions)</i>	Three Months Ended		Six Months Ended	
Enable net income	\$	79.0	\$	234.0
OGE Energy's percent ownership at period end		25.5 %		25.5 %
OGE Energy's portion of Enable net income	\$	20.0	\$	59.5
Amortization of basis difference and dilution recognition (A)		13.5		27.2
Equity in earnings of unconsolidated affiliates	\$	33.5	\$	86.7

(A) Includes loss on dilution, net of proportional basis difference recognition.

Accumulated Other Comprehensive Income (Loss)

The following tables present changes in the components of accumulated other comprehensive income (loss) attributable to OGE Energy during the six months ended June 30, 2022 and 2021. All amounts below are presented net of tax.

<i>(In millions)</i>	Pension Plan and Restoration of Retirement Income Plan		Postretirement Benefit Plans		Total	
Balance at December 31, 2021	\$	(26.1)	\$	1.3	\$	(24.8)
Other comprehensive income (loss) before reclassifications		—		—		—
Amounts reclassified from accumulated other comprehensive income		0.6		—		0.6
Settlement cost		8.1		—		8.1
Balance at June 30, 2022	\$	(17.4)	\$	1.3	\$	(16.1)

<i>(In millions)</i>	Pension Plan and Restoration of Retirement Income Plan		Postretirement Benefit Plans		Other Comprehensive Gain (Loss) from Unconsolidated Affiliates		Total	
Balance at December 31, 2020	\$	(34.1)	\$	3.3	\$	(1.3)	\$	(32.1)
Other comprehensive income before reclassifications		—		—		0.3		0.3
Amounts reclassified from accumulated other comprehensive income (loss)		0.8		(0.6)		—		0.2
Settlement cost		3.7		—		—		3.7
Balance at June 30, 2021	\$	(29.6)	\$	2.7	\$	(1.0)	\$	(27.9)

The following table presents significant amounts reclassified out of accumulated other comprehensive income (loss) attributable to OGE Energy by the respective line items in net income during the three and six months ended June 30, 2022 and 2021.

Details about Accumulated Other Comprehensive Income (Loss) Components	Amount Reclassified from Accumulated Other Comprehensive Income (Loss)				Affected Line Item in OGE Energy's Statements of Income
	Three Months Ended		Six Months Ended		
	June 30,		June 30,		
(In millions)	2022	2021	2022	2021	
Amortization of Pension Plan and Restoration of Retirement Income Plan items:					
Actuarial losses	\$ (0.4)	\$ (0.4)	\$ (0.8)		(1.2) (A)
Prior service cost	—	—	(0.1)		— (A)
Settlement cost	(0.9)	(1.2)	(10.5)		(5.3) (A)
	(1.3)	(1.6)	(11.4)		(6.5) Income Before Taxes
	(0.4)	(0.8)	(2.7)		(2.0) Income Tax Expense
	\$ (0.9)	\$ (0.8)	\$ (8.7)		(4.5) Net Income
Amortization of postretirement benefit plans items:					
Prior service credit	\$ —	\$ 0.5	\$ —		0.9 (A)
Actuarial losses	—	(0.1)	—		(0.1) (A)
	—	0.4	—		0.8 Income Before Taxes
	—	0.1	—		0.2 Income Tax Expense
	\$ —	\$ 0.3	\$ —		0.6 Net Income
Total reclassifications for the period, net of tax	\$ (0.9)	\$ (0.5)	\$ (8.7)		(3.9) Net Income

(A) These accumulated other comprehensive income (loss) components are included in the computation of net periodic benefit cost (see Note 11 for additional information).

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation.

2. Accounting Pronouncements

In November 2021, the Financial Accounting Standards Board issued ASU 2021-10, "Government Assistance (Topic 832) Disclosures by Business Entities about Government Assistance." This standard requires additional annual disclosures when a business receives government assistance and uses a grant or contribution accounting model by analogy to other accounting guidance such as the grant model under International Accounting Standards 20, "Accounting for Government Grants and Disclosures of Government Assistance" and GAAP ASC 958-605, "Not-for-Profit Entities - Revenue Recognition." The standard was effective January 1, 2022, and prospective or retrospective adoption is allowed. The Registrants are currently assessing the impact, if any, of this standard on their annual financial statements and disclosures.

The Registrants believe that other recently adopted and recently issued accounting standards that are not yet effective do not appear to have a material impact on the Registrants' financial position, results of operations or cash flows upon adoption.

3. Revenue Recognition

The following table presents OG&E's revenues from contracts with customers disaggregated by customer classification. OG&E's operating revenues disaggregated by customer classification can be found in "OG&E (Electric Utility) Results of Operations" within "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations."

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Residential	\$ 289.3	\$ 178.5	\$ 516.1	\$ 746.7
Commercial	193.4	108.3	321.5	415.8
Industrial	81.4	37.5	138.8	184.2
Oilfield	79.0	28.7	132.2	189.5
Public authorities and street light	71.1	37.0	119.1	160.1
System sales revenues	714.2	390.0	1,227.7	1,696.3
Provision for tax refund	(2.1)	—	(2.7)	—
Integrated market	43.0	128.3	65.8	430.4
Transmission	32.9	36.7	68.7	73.0
Other	3.0	9.5	9.6	(14.2)
Revenues from contracts with customers (A)	\$ 791.0	\$ 564.5	\$ 1,369.1	\$ 2,185.5

(A) In February 2021, Winter Storm Uri resulted in record winter peak demand for electricity and extremely high natural gas and purchased power prices in OG&E's service territory. Operating revenues for the six months ended June 30, 2021 significantly increased due to increased fuel, purchased power and direct transmission expenses, which are generally recoverable from customers, as a result of Winter Storm Uri. For further discussion, see Note 14 and "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation."

4. Related Party Transactions

OGE Energy charges operating costs to OG&E, and prior to December 2, 2021, charged operating costs to Enable, based on several factors. Operating costs directly related to OG&E and/or Enable are assigned as such. Operating costs incurred for the benefit of OG&E are allocated either as overhead based primarily on labor costs or using the "Distrigas" method, which is a three-factor formula that uses an equal weighting of payroll, net operating revenues and gross property, plant and equipment.

OGE Energy and OG&E

OGE Energy charged operating costs to OG&E of \$33.2 million and \$33.4 million during the three months ended June 30, 2022 and 2021, respectively, and \$66.1 million and \$69.1 million during the six months ended June 30, 2022 and 2021, respectively.

OGE Energy and Enable

Prior to December 2, 2021, OGE Energy and Enable were parties to several agreements whereby OGE Energy provided specified support services to Enable, such as certain information technology, payroll and benefits administration. Under these agreements, OGE Energy charged operating costs to Enable of \$0.1 million and \$0.2 million during the three and six months ended June 30, 2021, respectively. OGE Energy had accounts receivable from Enable for amounts billed for support services of \$0.3 million as of December 31, 2021, which is included in Accounts Receivable in OGE Energy's 2021 consolidated balance sheet.

OG&E and Enable

Enable provided gas transportation services to OG&E pursuant to agreements that granted Enable the responsibility of delivering natural gas to OG&E's generating facilities and performing an imbalance service. With this imbalance service, in accordance with the cash-out provision of the contract, OG&E compensated Enable when Enable's deliveries exceeded OG&E's pipeline nominations. Enable compensated OG&E when OG&E's pipeline nominations exceeded Enable's deliveries. Upon the

closing of the merger between Enable and Energy Transfer, these contracts were assumed by Energy Transfer. The following table presents summarized related party transactions between OG&E and Enable during the three and six months ended June 30, 2021.

<i>(In millions)</i>	Three Months Ended		Six Months Ended	
Operating revenues:				
Electricity to power electric compression assets	\$	3.3	\$	5.9
Fuel, purchased power and direct transmission expense:				
Natural gas transportation services	\$	9.3	\$	14.0
Natural gas purchases (sales)	\$	(8.4)	\$	(20.6)

5. Fair Value Measurements

The classification of the Registrants' fair value measurements requires judgment regarding the degree to which market data is observable or corroborated by observable market data. GAAP establishes a fair value hierarchy that prioritizes the inputs used to measure fair value based on observable and unobservable data. The hierarchy categorizes the inputs into three levels, with the highest priority given to quoted prices in active markets for identical unrestricted assets or liabilities (Level 1) and the lowest priority given to unobservable inputs (Level 3). Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The three levels defined in the fair value hierarchy are as follows:

Level 1 inputs are quoted prices in active markets for identical unrestricted assets or liabilities that are accessible at the measurement date.

Level 2 inputs are inputs other than quoted prices in active markets included within Level 1 that are either directly or indirectly observable at the reporting date for the asset or liability for substantially the full term of the asset or liability. Level 2 inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3 inputs are prices or valuation techniques for the asset or liability that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity). Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

OG&E had no financial instruments measured at fair value on a recurring basis at June 30, 2022 and December 31, 2021. The following table presents OGE Energy's financial instrument measured at fair value on a recurring basis and the carrying amount and fair value of the Registrants' financial instruments at June 30, 2022 and December 31, 2021, as well as the classification level within the fair value hierarchy.

<i>(In millions)</i>	June 30, 2022		December 31, 2021		Classification
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	
Financial instrument measured at fair value on a recurring basis:					
OGE Energy investment in Energy Transfer's equity securities (A)	\$ 382.0	\$ 382.0	\$ 785.1	\$ 785.1	Level 1
Financial instruments for which fair value is only disclosed:					
Long-term Debt (including Long-term Debt due within one year):					
OGE Energy Senior Notes	\$ 499.9	\$ 487.3	\$ 499.9	\$ 497.8	Level 2
OGE Energy Term Loan	\$ 49.8	\$ 50.0	\$ —	\$ —	Level 2
OG&E Senior Notes	\$ 3,853.0	\$ 3,720.9	\$ 3,851.8	\$ 4,460.2	Level 2
OG&E Industrial Authority Bonds	\$ 135.4	\$ 135.4	\$ 135.4	\$ 135.4	Level 2
OG&E Tinker Debt	\$ 9.3	\$ 7.8	\$ 9.3	\$ 10.0	Level 3

(A) As of June 30, 2022, OGE Energy has sold 57.1 million of the 95.4 million Energy Transfer limited partner units it received as a result of the merger transaction between Enable and Energy Transfer in December 2021.

6. Stock-Based Compensation

The following table presents the Registrants' pre-tax compensation expense and related income tax benefit for the three and six months ended June 30, 2022 and 2021 related to performance units and restricted stock units for the Registrants' employees.

<i>(In millions)</i>	OGE Energy				OG&E			
	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
Performance units - total shareholder return	\$ 1.8	\$ 1.9	\$ 3.6	\$ 3.9	\$ 0.5	\$ 0.5	\$ 1.1	\$ 0.9
Restricted stock units	0.5	0.4	1.0	0.9	0.2	0.1	0.4	0.1
Total compensation expense	\$ 2.3	\$ 2.3	\$ 4.6	\$ 4.8	\$ 0.7	\$ 0.6	\$ 1.5	\$ 1.0
Income tax benefit	\$ 0.6	\$ 0.6	\$ 1.2	\$ 1.2	\$ 0.2	\$ 0.2	\$ 0.4	\$ 0.3

During the six months ended June 30, 2022, OGE Energy issued 27,278 shares of new common stock pursuant to OGE Energy's Stock Incentive Plan and issued an immaterial amount of treasury stock to satisfy payouts of restricted stock unit grants to the Registrants' employees.

7. Income Taxes

OGE Energy files consolidated income tax returns in the U.S. federal jurisdiction and various state jurisdictions. OG&E is a part of the consolidated income tax return of OGE Energy. With few exceptions, the Registrants are no longer subject to U.S. federal tax or state and local examinations by tax authorities for years prior to 2018. Income taxes are generally allocated to each company in the affiliated group, including OG&E, based on its stand-alone taxable income or loss. Federal investment tax credits previously claimed on electric utility property have been deferred and will be amortized to income over the life of the related property. Additionally, OG&E earned federal tax credits associated with production from its wind facilities through January 2022. Oklahoma production and investment state tax credits are also earned on investments in electric and solar generating facilities which further reduce OG&E's effective tax rate.

8. Common Equity

Automatic Dividend Reinvestment and Stock Purchase Plan

OGE Energy issued no shares of common stock under its Automatic Dividend Reinvestment and Stock Purchase Plan during the three and six months ended June 30, 2022.

Earnings Per Share

Basic earnings per share is calculated by dividing net income attributable to OGE Energy by the weighted-average number of OGE Energy's common shares outstanding during the period. In the calculation of diluted earnings per share, weighted-average shares outstanding are increased for additional shares that would be outstanding if potentially dilutive securities were converted to common stock. Potentially dilutive securities for OGE Energy consist of performance units and restricted stock units.

The following table presents the calculation of basic and diluted earnings per share for OGE Energy.

<i>(In millions, except per share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net income	\$ 73.1	\$ 112.9	\$ 352.6	\$ 165.6
Average common shares outstanding:				
Basic average common shares outstanding	200.2	200.2	200.2	200.1
Effect of dilutive securities:				
Contingently issuable shares (performance and restricted stock units)	0.5	0.2	0.4	0.1
Diluted average common shares outstanding	200.7	200.4	200.6	200.2
Basic earnings per average common share	\$ 0.37	\$ 0.56	\$ 1.76	\$ 0.83
Diluted earnings per average common share	\$ 0.36	\$ 0.56	\$ 1.76	\$ 0.83
Anti-dilutive shares excluded from earnings per share calculation	—	—	—	—

9. Long-Term Debt

At June 30, 2022, the Registrants were in compliance with all of their debt agreements.

In May 2022, OGE Energy entered into a \$100.0 million floating rate unsecured three-year credit agreement, of which \$50.0 million is considered a revolving loan and \$50.0 million is considered a term loan, and borrowed the full \$50.0 million term loan, in order to preserve general financial flexibility within the company. Advances under this agreement were used to refinance existing indebtedness and for working capital and general corporate purposes of OGE Energy. The credit agreement, under certain circumstances, may be increased to a maximum commitment limit of \$135.0 million and contains substantially the same covenants as OGE Energy's existing \$550.0 million revolving credit agreement. The credit agreement is scheduled to terminate on May 24, 2025. At June 30, 2022, the weighted-average interest rate for the amount drawn on the term loan under this credit agreement was 2.17 percent during the quarter.

OG&E Industrial Authority Bonds

OG&E has tax-exempt pollution control bonds with optional redemption provisions that allow the holders to request repayment of the bonds on any business day. The following table presents information about these bonds, which can be tendered at the option of the holder during the next 12 months.

Series	Date Due	Amount
		<i>(In millions)</i>
0.11% - 1.10%	Garfield Industrial Authority, January 1, 2025	\$ 47.0
0.11% - 1.05%	Muskogee Industrial Authority, January 1, 2025	32.4
0.11% - 1.10%	Muskogee Industrial Authority, June 1, 2027	56.0
Total (redeemable during next 12 months)		\$ 135.4

All of these bonds are subject to an optional tender at the request of the holders, at 100 percent of the principal amount, together with accrued and unpaid interest to the date of purchase. The bond holders, on any business day, can request repayment of the bond by delivering an irrevocable notice to the tender agent stating the principal amount of the bond, payment instructions for the purchase price and the business day the bond is to be purchased. The repayment option may only be exercised by the holder of a bond for the principal amount. When a tender notice has been received by the trustee, a third-party remarketing agent for the bonds will attempt to remarket any bonds tendered for purchase. This process occurs once per week. Since the original issuance of these series of bonds in 1995 and 1997, the remarketing agent has successfully remarketed all tendered bonds. If the remarketing agent is unable to remarket any such bonds, OG&E is obligated to repurchase such unremarketed bonds. As OG&E has both the intent and ability to refinance the bonds on a long-term basis and such ability is supported by an ability to consummate the refinancing, the bonds are classified as Long-Term Debt in the condensed balance sheets. OG&E believes that it has sufficient liquidity to meet these obligations.

10. Short-Term Debt and Credit Facilities

The Registrants borrow on a short-term basis, as necessary, by the issuance of commercial paper and by borrowings under their revolving credit agreements. OGE Energy also borrows under term credit agreements maturing in one year or less, as necessary. OGE Energy had \$425.4 million and \$486.9 million of short-term debt at June 30, 2022 and December 31, 2021, respectively. OG&E had \$263.8 million and \$101.3 million in advances from OGE Energy at June 30, 2022 and December 31, 2021, respectively.

The following table presents information regarding the Registrants' revolving credit agreements at June 30, 2022.

Entity	Aggregate Commitment	Amount Outstanding (A)	Weighted-Average Interest Rate	Expiration
	<i>(In millions)</i>			
OGE Energy (B)	\$ 550.0	\$ 334.5	2.06 % (F)	December 17, 2026
OGE Energy (C)	50.0	—	— % (F)	May 24, 2025
OG&E (D)(E)	550.0	91.3	2.06 % (F)	December 17, 2026
Total	\$ 1,150.0	\$ 425.8	2.06 %	

- (A) Includes direct borrowings under the revolving credit agreements, commercial paper borrowings and letters of credit at June 30, 2022.
- (B) This bank facility is available to back up OGE Energy's commercial paper borrowings and to provide revolving credit borrowings. This bank facility can also be used as a letter of credit facility.
- (C) See Note 9 for further information about this revolving credit agreement.
- (D) This bank facility is available to back up OG&E's commercial paper borrowings and to provide revolving credit borrowings. This bank facility can also be used as a letter of credit facility.
- (E) OG&E has an intercompany borrowing agreement with OGE Energy whereby OG&E has access to up to \$450.0 million of OGE Energy's revolving credit amount. This agreement has a termination date of December 17, 2026. At June 30, 2022, there were \$409.0 million in intercompany borrowings under this agreement.
- (F) Represents the weighted-average interest rate for the outstanding borrowings under the revolving credit agreements, commercial paper borrowings and letters of credit.

The Registrants' ability to access the commercial paper market could be adversely impacted by a credit ratings downgrade or major market disruptions. Pricing grids associated with the Registrants' credit facilities could cause annual fees and borrowing rates to increase if an adverse rating impact occurs. The impact of any future downgrade could include an increase in the costs of the Registrants' short-term borrowings, but a reduction in the Registrants' credit ratings would not result in any defaults or accelerations. Any future downgrade could also lead to higher long-term borrowing costs and, if below investment grade, would require the Registrants to post collateral or letters of credit.

OG&E must obtain regulatory approval from the FERC in order to borrow on a short-term basis. OG&E has the necessary regulatory approvals to incur up to \$800.0 million in short-term borrowings at any one time for a two-year period beginning January 1, 2021 and ending December 31, 2022.

11. Retirement Plans and Postretirement Benefit Plans

In accordance with ASC Topic 715, "Compensation - Retirement Benefits," a one-time settlement charge is required to be recorded by an organization when lump sum payments or other settlements that relieve the organization from the responsibility for the pension benefit obligation during the plan year exceed the service cost and interest cost components of the organization's net periodic pension cost. During the six months ended June 30, 2022, the Registrants experienced an increase in both the number of employees electing to retire and the amount of lump sum payments paid to such employees upon retirement, which resulted in the Registrants recording pension plan settlement charges as presented in the Pension Plan net periodic benefit cost tables below. The pension settlement charges did not require a cash outlay by the Registrants and did not increase total pension expense over time, as the charge was an acceleration of costs that otherwise would be recognized as pension expense in future periods.

Net Periodic Benefit Cost

The following tables present the net periodic benefit cost components, before consideration of capitalized amounts, of OGE Energy's Pension Plan, Restoration of Retirement Income Plan and postretirement benefit plans that are included in the

condensed financial statements. Service cost is presented within Other Operation and Maintenance Expense, and the remaining net periodic benefit cost components as listed in the following tables are presented within Other Net Periodic Benefit Expense in the statements of income. OG&E recovers specific amounts of pension and postretirement medical costs in rates approved in its Oklahoma rate reviews. In accordance with approved orders, OG&E defers the difference between actual pension and postretirement medical expenses and the amount approved in its last Oklahoma rate review as a regulatory asset or regulatory liability. These amounts have been recorded in the Pension tracker in the regulatory assets and liabilities table in Note 1 and within Other Net Periodic Benefit Expense in the statements of income.

OGE Energy (In millions)	Pension Plan				Restoration of Retirement Income Plan			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30,		June 30,		June 30,		June 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
Service cost	\$ 1.7	\$ 2.6	\$ 3.9	\$ 5.6	\$ 0.2	\$ 0.2	\$ 0.5	\$ 0.3
Interest cost	4.3	3.4	7.7	6.9	0.1	0.1	0.1	0.1
Expected return on plan assets	(6.2)	(8.7)	(13.0)	(17.1)	—	—	—	—
Amortization of net loss	2.3	1.9	4.2	4.7	0.1	—	0.1	0.1
Amortization of unrecognized prior service cost (A)	—	—	—	—	—	—	0.1	—
Settlement cost	2.8	5.3	16.0	31.7	0.2	0.4	0.2	0.4
Total net periodic benefit cost	4.9	4.5	18.8	31.8	0.6	0.7	1.0	0.9
Less: Amount paid by unconsolidated affiliates	—	(0.2)	—	(0.1)	—	—	—	—
Net periodic benefit cost	\$ 4.9	\$ 4.7	\$ 18.8	\$ 31.9	\$ 0.6	\$ 0.7	\$ 1.0	\$ 0.9

(A) Unamortized prior service cost is amortized on a straight-line basis over the average remaining service period to the first eligibility age of participants who are expected to receive a benefit and are active at the date of the plan amendment.

OG&E (In millions)	Pension Plan				Restoration of Retirement Income Plan			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30,		June 30,		June 30,		June 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
Service cost	\$ 1.4	\$ 1.7	\$ 3.1	\$ 3.8	\$ —	\$ —	\$ —	\$ —
Interest cost	3.3	2.5	5.9	5.0	—	—	—	—
Expected return on plan assets	(4.7)	(6.2)	(10.0)	(12.3)	—	—	—	—
Amortization of net loss	1.9	1.5	3.5	3.5	—	0.1	—	0.1
Settlement cost	2.1	4.4	5.7	26.6	—	0.3	—	0.3
Total net periodic benefit cost	4.0	3.9	8.2	26.6	—	0.4	—	0.4
Plus: Amount allocated from OGE Energy	0.4	0.7	2.2	4.6	0.3	0.3	0.7	0.5
Net periodic benefit cost	\$ 4.4	\$ 4.6	\$ 10.4	\$ 31.2	\$ 0.3	\$ 0.7	\$ 0.7	\$ 0.9

In addition to the net periodic benefit cost amounts recognized, as presented in the tables above, for the Pension and Restoration of Retirement Income Plans for the three and six months ended June 30, 2022 and 2021, the Registrants recognized the following:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Increase of regulatory asset related to pension expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A)	\$ 0.4	\$ 0.9	\$ 2.3	\$ 21.6
Deferral of pension expense related to pension settlement charges:				
Oklahoma jurisdiction (A)	\$ 2.0	\$ 5.2	\$ 6.7	\$ 28.9
Arkansas jurisdiction (A)	\$ 0.2	\$ 0.5	\$ 0.6	\$ 2.7

(A) Included in the pension regulatory asset or liability in each jurisdiction, as indicated in the regulatory assets and liabilities table in Note 1.

<i>(In millions)</i>	OGE Energy				OG&E			
	Postretirement Benefit Plans				Postretirement Benefit Plans			
	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021	2022	2021	2022	2021
Service cost	\$ —	\$ —	\$ 0.1	\$ 0.1	\$ 0.1	\$ —	\$ 0.1	\$ 0.1
Interest cost	0.9	0.9	1.8	1.7	0.6	0.7	1.3	1.3
Expected return on plan assets	(0.5)	(0.5)	(0.9)	(1.0)	(0.4)	(0.5)	(0.8)	(0.9)
Amortization of net loss	0.2	0.7	0.7	1.4	0.3	0.7	0.8	1.4
Amortization of unrecognized prior service cost (A)	(0.9)	(1.7)	(1.9)	(3.4)	(0.9)	(1.2)	(1.8)	(2.5)
Total net periodic benefit cost	(0.3)	(0.6)	(0.2)	(1.2)	(0.3)	(0.3)	(0.4)	(0.6)
Less: Amount paid by unconsolidated affiliates (B)	—	(0.2)	—	(0.3)	—	(0.1)	—	(0.2)
Plus: Amount allocated from OGE Energy (B)								
Net periodic benefit cost	\$ (0.3)	\$ (0.4)	\$ (0.2)	\$ (0.9)	\$ (0.3)	\$ (0.4)	\$ (0.4)	\$ (0.8)

(A) Unamortized prior service cost is amortized on a straight-line basis over the average remaining service period to the first eligibility age of participants who are expected to receive a benefit and are active at the date of the plan amendment.

(B) "Amount paid by unconsolidated affiliates" is only applicable to OGE Energy. "Amount allocated from OGE Energy" is only applicable to OG&E.

In addition to the net periodic benefit income amounts recognized, as presented in the table above, for the postretirement benefit plans for the three and six months ended June 30, 2022 and 2021, the Registrants recognized the following:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Increase (decrease) of regulatory liability related to postretirement expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A)	\$ 0.1	\$ 0.1	\$ (0.2)	\$ 0.2

(A) Included in the Pension tracker, as presented in the regulatory assets and liabilities table in Note 1.

	OGE Energy				OG&E			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30,		June 30,		June 30,		June 30,	
(In millions)	2022	2021	2022	2021	2022	2021	2022	2021
Capitalized portion of net periodic pension benefit cost	\$ 0.7	\$ 0.8	\$ 1.5	\$ 1.6	\$ 0.5	\$ 0.7	\$ 1.2	\$ 1.4
Capitalized portion of net periodic postretirement benefit cost	\$ —	\$ —	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

12. Report of Business Segments

OGE Energy reports its operations in two business segments: (i) the electric utility segment, which is engaged in the generation, transmission, distribution and sale of electric energy and (ii) natural gas midstream operations segment. Prior to the Enable and Energy Transfer merger closing on December 2, 2021, OGE Energy's natural gas midstream operations segment included its equity method investment in Enable. Subsequent to December 2, 2021, OGE Energy's natural gas midstream operations segment includes its investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. Other operations primarily includes the operations of the holding company. Intersegment revenues are recorded at prices comparable to those of unaffiliated customers and are affected by regulatory considerations. The following tables present the results of OGE Energy's business segments for the three and six months ended June 30, 2022 and 2021.

Three Months Ended June 30, 2022	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
(In millions)					
Operating revenues	\$ 803.7	\$ —	\$ —	\$ —	\$ 803.7
Fuel, purchased power and direct transmission expense	393.3	—	—	—	393.3
Other operation and maintenance	118.3	0.5	(0.7)	—	118.1
Depreciation and amortization	111.6	—	—	—	111.6
Taxes other than income	23.3	0.1	0.7	—	24.1
Operating income (loss)	157.2	(0.6)	—	—	156.6
Loss on equity securities	—	(39.6)	—	—	(39.6)
Other income (expense)	(0.3)	12.4	—	(0.4)	11.7
Interest expense	39.8	—	3.0	(0.4)	42.4
Income tax expense (benefit)	16.4	(8.9)	5.7	—	13.2
Net income (loss)	\$ 100.7	\$ (18.9)	\$ (8.7)	\$ —	\$ 73.1
Total assets	\$ 12,317.2	\$ 401.7	\$ 751.9	\$ (632.8)	\$ 12,838.0

Three Months Ended June 30, 2021	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
<i>(In millions)</i>					
Operating revenues	\$ 577.4	\$ —	\$ —	\$ —	577.4
Fuel, purchased power and direct transmission expense	200.0	—	—	—	200.0
Other operation and maintenance	118.3	1.6	(0.7)	—	119.2
Depreciation and amortization	102.9	—	—	—	102.9
Taxes other than income	25.0	0.1	0.7	—	25.8
Operating income (loss)	131.2	(1.7)	—	—	129.5
Equity in earnings of unconsolidated affiliates	—	33.5	—	—	33.5
Other income (expense)	1.2	(0.2)	(0.5)	(0.6)	(0.1)
Interest expense	37.9	—	2.6	(0.6)	39.9
Income tax expense (benefit)	9.4	(0.6)	1.3	—	10.1
Net income (loss)	\$ 85.1	\$ 32.2	\$ (4.4)	\$ —	112.9
Investment in unconsolidated affiliates	\$ —	\$ 425.4	\$ —	\$ —	425.4
Total assets	\$ 11,459.3	\$ 427.8	\$ 127.4	\$ (115.0)	11,899.5

Six Months Ended June 30, 2022	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
<i>(In millions)</i>					
Operating revenues	\$ 1,393.0	\$ —	\$ —	\$ —	1,393.0
Fuel, purchased power and direct transmission expense	649.0	—	—	—	649.0
Other operation and maintenance	233.8	1.2	(1.9)	—	233.1
Depreciation and amortization	219.0	—	—	—	219.0
Taxes other than income	50.1	0.1	2.0	—	52.2
Operating income (loss)	241.1	(1.3)	(0.1)	—	239.7
Gain on equity securities	—	242.7	—	—	242.7
Other income	0.4	21.1	—	(0.5)	21.0
Interest expense	78.0	—	5.0	(0.5)	82.5
Income tax expense (benefit)	23.8	51.3	(6.8)	—	68.3
Net income	\$ 139.7	\$ 211.2	\$ 1.7	\$ —	352.6
Total assets	\$ 12,317.2	\$ 401.7	\$ 751.9	\$ (632.8)	12,838.0

Six Months Ended June 30, 2021	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
<i>(In millions)</i>					
Operating revenues	\$ 2,208.0	\$ —	\$ —	\$ —	\$ 2,208.0
Fuel, purchased power and direct transmission expense	1,546.8	—	—	—	1,546.8
Other operation and maintenance	228.6	2.0	(2.1)	—	228.5
Depreciation and amortization	201.6	—	—	—	201.6
Taxes other than income	50.7	0.2	2.1	—	53.0
Operating income (loss)	180.3	(2.2)	—	—	178.1
Equity in earnings of unconsolidated affiliates	—	86.7	—	—	86.7
Other income (expense)	2.9	(0.7)	(0.6)	(0.8)	0.8
Interest expense	76.3	—	3.8	(0.8)	79.3
Income tax expense (benefit)	10.6	13.7	(3.6)	—	20.7
Net income (loss)	\$ 96.3	\$ 70.1	\$ (0.8)	\$ —	\$ 165.6
Investment in unconsolidated affiliates	\$ —	\$ 425.4	\$ —	\$ —	\$ 425.4
Total assets	\$ 11,459.3	\$ 427.8	\$ 127.4	\$ (115.0)	\$ 11,899.5

13. Commitments and Contingencies

Except as set forth below, in Note 14 and under "Environmental Laws and Regulations" in Item 2 of Part I and in Item 1 of Part II of this Form 10-Q, the circumstances set forth in Notes 15 and 16 to the financial statements included in the Registrants' [2021 Form 10-K](#) appropriately represent, in all material respects, the current status of the Registrants' material commitments and contingent liabilities.

Environmental Laws and Regulations

The activities of the Registrants are subject to numerous stringent and complex federal, state and local laws and regulations governing environmental protection. These laws and regulations can change, restrict or otherwise impact the Registrants' business activities in many ways, including the handling or disposal of waste material, planning for future construction activities to avoid or mitigate harm to threatened or endangered species and requiring the installation and operation of emissions or pollution control equipment. Failure to comply with these laws and regulations could result in the assessment of administrative, civil and criminal penalties, the imposition of remedial requirements and the issuance of orders enjoining future operations. Management believes that all of the Registrants' operations are in substantial compliance with current federal, state and local environmental standards.

Environmental regulation can increase the cost of planning, design, initial installation and operation of OG&E's facilities. Management continues to evaluate its compliance with existing and proposed environmental legislation and regulations and implement appropriate environmental programs in a competitive market.

Other

In the normal course of business, the Registrants are confronted with issues or events that may result in a contingent liability. These generally relate to lawsuits or claims made by third parties, including governmental agencies. When appropriate, management consults with legal counsel and other experts to assess the claim. If, in management's opinion, the Registrants have incurred a probable loss as set forth by GAAP, an estimate is made of the loss, and the appropriate accounting entries are reflected in the condensed financial statements. At the present time, based on currently available information, the Registrants believe that any reasonably possible losses in excess of accrued amounts arising out of pending or threatened lawsuits or claims would not be quantitatively material to their condensed financial statements and would not have a material adverse effect on their financial position, results of operations or cash flows.

14. Rate Matters and Regulation

Except as set forth below, the circumstances set forth in Note 16 to the financial statements included in the Registrants' [2021 Form 10-K](#) appropriately represent, in all material respects, the current status of the Registrants' regulatory matters.

Completed Regulatory Matters

APSC Proceedings

Arkansas 2021 Formula Rate Plan Filing

In October 2021, OG&E filed its fourth evaluation report under its Formula Rate Plan, and on February 1, 2022, OG&E, the APSC General Staff and the Office of the Arkansas Attorney General filed a non-unanimous joint settlement agreement, which included an annual electric revenue increase of \$4.2 million. The only non-signatory to the settlement agreement agreed not to oppose the settlement. On March 4, 2022, the APSC issued a final order approving the non-unanimous settlement agreement, and new rates became effective April 1, 2022.

OCC Proceedings

Winter Storm Uri

In December 2021, the OCC approved a settlement agreement in a final financing order authorizing the issuance of securitization bonds in an amount up to \$760.0 million, which included estimated finance costs and was subject to change for carrying costs, any updates from the SPP settlement process and actual securitization issuance costs. On December 22, 2021, the ODFA requested the Oklahoma Supreme Court to certify the proposed securitization bonds. On May 3, 2022, the Oklahoma Supreme Court issued a decision approving the securitization bonds, and on July 20, 2022, the ODFA issued the securitization bonds consistent with the OCC's order.

In connection with the securitization transaction, the ODFA and OG&E entered into an agreement on July 20, 2022 whereby the ODFA purchased, and OG&E sold, the securitization property that was created pursuant to legislation enacted by the State of Oklahoma in April 2021 and the financing order received from the OCC in December 2021. Such securitization property includes the right to assess, impose, adjust, collect and receive funds, in the form of the winter event securitization charge, from OG&E's existing and future Oklahoma customers in amounts intended to be sufficient to pay the principal and interest and financing charges on the securitization bonds. On July 20, 2022, OG&E received proceeds of approximately \$750 million for the sale of the securitization property, which represented the amount of the securitization bonds sold less the issuance costs. OG&E used these proceeds to fund the Oklahoma Winter Storm Uri regulatory asset by recovering the authorized extreme, extraordinary fuel and purchased power costs incurred during Winter Storm Uri, as well as carrying costs. Beginning August 1, 2022, OG&E acts as a servicer for collecting the funds from Oklahoma customers that are then submitted to the ODFA to repay the securitization bonds over 28 years.

Pending Regulatory Matters

Various proceedings pending before state or federal regulatory agencies are described below. Unless stated otherwise, the Registrants cannot predict when the regulatory agency will act or what action the regulatory agency will take. The Registrants' financial results are dependent in part on timely and constructive decisions by the regulatory agencies that set OG&E's rates.

FERC Proceedings

Order for Sponsored Transmission Upgrades within SPP

Under the SPP Open Access Transmission Tariff, costs of participant-funded, or "sponsored," transmission upgrades may be recovered from other SPP customers whose transmission service depends on capacity enabled by the upgrade. The SPP Open Access Transmission Tariff required the SPP to charge for these upgrades beginning in 2008, but the SPP had not been charging its customers for these upgrades due to information system limitations. However, the SPP had informed participants in the market that these charges would be forthcoming. In July 2016, the FERC granted the SPP's request to recover the charges not billed since 2008. The SPP subsequently billed OG&E for these charges and credited OG&E related to transmission upgrades that OG&E had sponsored, which resulted in OG&E being a net receiver of sponsored upgrade credits. The majority

of these net credits were refunded to customers through OG&E's various rate riders that include SPP activity with the remaining amounts retained by OG&E.

Several companies that were net payers of Z2 charges sought rehearing of the FERC's July 2016 order; however, in November 2017, the FERC denied the rehearing requests. In January 2018, one of the impacted companies appealed the FERC's decision to the U.S. Court of Appeals for the District of Columbia Circuit. In July 2018, that court granted a motion requested by the FERC that the case be remanded back to the FERC for further examination and proceedings. In February 2019, the FERC reversed its July 2016 order and November 2017 rehearing denial, ruled that the SPP violated its tariff to charge for the 2008 through 2015 period in 2016, held that the SPP tariff provision that prohibited those charges could not be waived and ordered the SPP to develop a plan to refund the payments but not to implement the refunds until further ordered to do so. In response, in April 2019, OG&E filed a request for rehearing with the FERC, and in May 2019, OG&E filed a FERC 206 complaint against the SPP, alleging that the SPP's forced unwinding of the revenue credit payments to OG&E would violate the provisions of the Sponsored Upgrade Agreement and of the applicable tariff. OG&E's filing requested that the FERC rule that the SPP is not entitled to seek refunds or in any other way seek to unwind the revenue credit payments it had paid to OG&E pursuant to the Sponsored Upgrade Agreement. The SPP's response to OG&E's filing agreed that OG&E should be entitled to keep its Z2 payments and argued that the SPP should not be held responsible for those payments if refunds are ordered. Further, the SPP has requested the FERC to negotiate a global settlement with all impacted parties, including other project sponsors who, like OG&E, have also filed complaints at FERC contending that the payments they have received cannot properly be unwound.

In February 2020, the FERC denied OG&E's request for rehearing of its February 2019 order, denying the waiver and ruling that the SPP must seek refunds from project sponsors for Z2 payments for the 2008 through 2015 period and pay them back to transmission owners. The FERC also denied the SPP's request for a stay and for institution of settlement procedures. The FERC stated it would not institute settlement procedures unless parties on both sides of the matter requested them. The FERC did not rule on OG&E's complaint or the complaints of other project sponsors, or consider the SPP's refund plan. The FERC thus has not set any date for payment of refunds. In March 2020, OG&E petitioned the U.S. Court of Appeals for the District of Columbia Circuit for review of the FERC's order denying the waiver and requiring refunds. The court issued a decision on August 27, 2021, denying review and holding that the SPP was prohibited by the filed rate doctrine from imposing Z2 charges during the 2008 through 2015 historical period. The court further held that the FERC reasonably exercised its remedial authority to order the SPP to refund the retroactive upgrade charge. The court did not direct a time frame or procedures for the SPP to implement refunds. OG&E and the SPP filed a petition for rehearing of the court's decision, which was denied in October 2021. The court returned the matter to the FERC for action in accordance with its opinion in November 2021.

If the FERC proceeds to order refunds in full, OG&E estimates it would be required to refund \$13.0 million, which is net of amounts paid to other utilities for upgrades and would be subject to interest at the FERC-approved rate. The SPP has stated in filings it made with the FERC while the appeal was pending that there are considerable complexities in implementing the refunds that will have to be resolved before they can be paid. Payment of refunds would shift recovery of these upgrade credits to future periods. The SPP filed an update on January 4, 2022 confirming that administering refunds would be complex and could take years unless the SPP is allowed to make certain simplifying assumptions. It also urged that all pending complaint proceedings, including four complaints against the SPP, be resolved before the refund process is ordered to begin. OG&E and other parties filed responses to the SPP report, and the matter remains pending at the FERC. Of the \$13.0 million, the Registrants would be impacted by \$5.0 million in expense that initially benefited the Registrants in 2016, and OG&E customers would incur a net impact of \$8.0 million in expense through rider mechanisms or the FERC formula rate. As of June 30, 2022, the Registrants have reserved \$13.0 million plus estimated interest for a potential refund.

In January 2020, the FERC acted on an SPP proposal to eliminate Attachment Z2 revenue crediting and replace it with a different rate mechanism that would provide project sponsors, such as OG&E, the same level of recovery, and rejected the proposal to the extent it would limit recovery to the amount of the upgrade sponsor's directly assigned upgrade costs with interest. The SPP resubmitted a proposal in April 2020 without this limited recovery, and with the alternative rate mechanism, and the FERC approved it in June 2020, effective July 1, 2020. No party sought rehearing of the order, and it is now final. This order would only prospectively impact OG&E and its recovery of any future upgrade costs that it may incur as a project sponsor subsequent to July 2020. All of the existing projects that are eligible to receive revenue credits under Attachment Z2, which includes the \$13.0 million at issue in OG&E's appeal as discussed above, will continue to do so.

Incentive Adders for Transmission Rates

The FERC issued a NOPR in March 2020, and issued a supplemental NOPR in April 2021, proposing to update its transmission incentives policy. Among other things, the NOPR proposes (i) the current 50-basis point return on equity adder for

RTO/ISO participation would be applicable only to transmitting utilities that join an RTO/ISO, and this incentive would only apply for the first three years in which the utility is an RTO/ISO member and (ii) transmitting utilities that have been members of an RTO/ISO for three years or more, such as OG&E, would be required to make a compliance filing to remove the existing return on equity adder from their rates. Currently, there is no specific deadline for the FERC to take further action, and it is unknown whether the FERC will address the RTO participation adder individually or as part of a larger order on transmission incentives.

APSC Proceedings

Winter Storm Uri

In February 2021, Winter Storm Uri resulted in record winter peak demand for electricity and extremely high natural gas and purchased power prices in OG&E's service territory. On April 1, 2021, OG&E filed with the APSC a Motion for Authority to Establish Special Regulatory Treatment within the Energy Cost Recovery Rider to Defer Extraordinary Fuel Costs Incurred Due to Winter Storm Uri. More specifically, OG&E's motion sought approval to defer, amortize and recover the extraordinary fuel costs over a ten-year period with a carrying charge of OG&E's pre-tax rate of return of 6.60 percent, through a special factor within OG&E's Energy Cost Recovery Rider beginning with the first billing cycle of May 2021. On April 13, 2021, the APSC issued an order allowing OG&E interim recovery at an interest rate equal to the customer deposit interest rate, which is currently 0.8 percent, over a period of ten years beginning with the first billing cycle of May 2021. Recovery is subject to a true-up after the APSC determines the appropriate allocation, length of recovery and carrying charge. On May 4, 2021, OG&E filed testimony further supporting its 10-year amortization period and a carrying charge of OG&E's pre-tax rate of return of 6.60 percent.

In April 2021, Arkansas enacted legislation to amend its storm recovery securitization statute to allow for both electric and gas utilities to recover through securitization extraordinary natural gas, fuel and purchased power costs caused by storms. The amended statute authorizes the APSC to issue a financing order for the issuance of securitization bonds upon a finding it is reasonably expected to lower overall costs or mitigate rate impacts as compared with traditional utility financing. Upon the initiation of a securitization application, the APSC has 135 days to issue an order. The requesting utility has two years from the date of the financing order to issue the securitization bonds. The amended statute allows carrying costs at a utility's weighted average cost of capital from the date of when the costs were incurred until the date when bonds are ultimately issued.

In May 2021, the APSC approved OG&E's motion for suspension of procedural schedule to investigate and evaluate the potential securitization recovery of the Arkansas jurisdictional portion of the Winter Storm Uri costs. On July 5, 2022, OG&E filed a motion to request recovery of the regulatory asset balance over 10 years using a weighted average cost of capital instead of through securitization. On July 15, 2022, the APSC Staff filed a response to OG&E's motion stating the Staff does not oppose OG&E's request for recovery using a weighted average cost of capital, as long as no other party to the case opposes. Subsequently, other intervenors have filed their opposition to OG&E using a weighted average cost of capital for recovery. On August 1, 2022, the APSC issued a procedural order to set a schedule for additional testimony, and a hearing on the merits is expected to be held on December 2, 2022. As of June 30, 2022, OG&E has deferred \$83.9 million to a regulatory asset, as indicated in Note 1.

Arkansas 2021 Formula Rate Plan Filing - Extension

In October 2021, OG&E filed a request to extend its Formula Rate Plan Rider for an additional five years. On April 1, 2022, the APSC issued an order granting OG&E an extension of the Formula Rate Plan Rider under the terms and conditions to be detailed in a subsequent order to be issued no later than May 18, 2022. On May 18, 2022, the APSC issued such order granting a five-year extension of the Formula Rate Plan Rider with certain terms and conditions, including continuation of OG&E's current return on equity of 9.5 percent and a change to OG&E's current debt-to-equity ratio of 50/50 percent to 55/45 percent. On June 17, 2022, OG&E filed a request for rehearing seeking reconsideration by the APSC of their decision to alter the Formula Rate Plan Rider's capital structure, and on July 15, 2022, the APSC issued an order to reconsider their decision. OG&E and the other intervening parties submitted initial rehearing testimony and briefs on July 29, 2022, and reply rehearing testimony and/or briefs are due on August 12, 2022. Certain intervenors indicated that the Formula Rate Plan Rider extension should include the change to OG&E's debt-to-equity ratio to 55/45 percent in order for the extension to be granted.

OCC Proceedings

Oklahoma Retail Electric Supplier Certified Territory Act Causes

Several rural electric cooperative electricity suppliers have filed complaints with the OCC alleging that OG&E has violated the Oklahoma Retail Electric Supplier Certified Territory Act. OG&E believes it is lawfully serving customers specifically exempted from this act and has presented evidence and testimony to the OCC supporting its position. There have been five complaint cases initiated at the OCC, and the OCC has issued decisions on each of them. The OCC ruled in favor of the electric cooperatives in three of those cases and ruled in favor of OG&E in two of those cases. All five of those cases have been appealed to the Oklahoma Supreme Court, where they have been made companion cases but will be individually briefed and have individual final decisions.

If the Oklahoma Supreme Court ultimately were to find that some or all of the customers being served are not exempted from the Oklahoma Retail Electric Supplier Certified Territory Act, OG&E would have to evaluate the recoverability of some plant investments made to serve these customers. The total amount of OG&E's plant investments made to serve the customers in all five cases is approximately \$28.0 million, of which \$11.7 million applies to the three cases where the OCC ruled in favor of the electric cooperatives. In addition to the evaluation of the recoverability of the investments, OG&E may also be required to reimburse certified territory suppliers for an amount of lost revenue. The amount of such lost revenue would depend on how the OCC calculates the revenue requirement but could range from approximately \$35.6 million to \$48.3 million for all five cases, of which \$3.5 million to \$5.9 million would apply to the three cases where the OCC ruled in favor of the electric cooperatives.

2021 Oklahoma General Rate Review

In December 2021, OG&E filed a general rate review in Oklahoma seeking a rate increase of \$163.5 million and a 10.2 percent return on equity based on a common equity percentage of 53.37 percent. The rate review was based on a September 30, 2021 test year and includes a request for recovery of \$1.2 billion of capital investment since the last general rate review.

On June 30, 2022, OG&E entered into a Joint Stipulation and Settlement Agreement with the Public Utility Division Staff, the Oklahoma Attorney General, the OG&E Shareholders Association, Oklahoma Industrial Energy Consumers and other intervenors. Non-signatory parties agreed not to contest this agreement. Key terms of the agreement include, among others:

- A base rate revenue increase of \$30.0 million;
- OG&E would issue a refund, over a 12-month period, for the tax expense savings arising from the reduction in the Oklahoma state corporate income tax rate from 6 percent to 4 percent for the period from January 1, 2022 through June 30, 2022, as well as amortize over five years the excess accumulated deferred income tax balance resulting from this corporate tax rate change;
- There would be no change in OG&E's current return on equity, and OG&E's requested capital structure based on a common equity percentage of 53.37 percent would be approved;
- OG&E would utilize depreciation rates based on the recommendations of the Oklahoma Attorney General with the exception of transmission and general plant accounts, which would be based on the depreciation rates recommended by the Oklahoma Industrial Energy Consumers;
- OG&E's Grid Enhancement Plan projects recorded as of March 31, 2022 would be considered prudent and be included in base rates;
- OG&E's Grid Enhancement Plan interim recovery would continue and updated terms include: (i) cost recovery through a rider mechanism will be limited to projects placed in service in 2022, 2023 and 2024, capped at a revenue requirement of \$6.0 million for each annual investment plan and include communication, automation and technology systems projects, as well as certain weather hardening projects; and (ii) the rider mechanism will terminate by the issuance of a final order in OG&E's first general rate review following completion of projects included in the 2024 annual investment plan or no later than July 1, 2025;
- OG&E would amend several of its rider tariffs to incorporate the agreements of the stipulating parties; and
- Regulatory accounting treatments approved include, among other things, the establishment of a regulatory asset to defer operation and maintenance costs associated with OG&E's SAP S/4 HANA enterprise resource planning system project for consideration in future rate proceedings with the carrying cost accruing at OG&E's short-term cost of debt, the amortization of COVID-19 regulatory asset balance over five years and the amortization of over/under-recovery balance of the pension tracker over 15 years, which is a change from the previous five-year recovery period.

On July 21, 2022, the Administrative Law Judge issued a report that recommended the OCC approve the agreement, and an order is expected from the OCC in the third quarter of 2022. OG&E has the right to implement interim rates subject to refund beginning July 1, 2022 (180 days after the filing of its application on December 30, 2021). On July 1, 2022, OG&E implemented an annual interim rate increase of \$30.0 million, subject to refund for amounts in excess of the rates approved by the OCC.

2021 Oklahoma Fuel Prudence

On July 1, 2022, the Public Utility Division Staff filed their application initiating the review of the 2021 fuel adjustment clause and prudence review. OG&E plans to file its Minimum Filing Requirements and Supporting Testimony on August 30, 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following combined discussion is separately filed by OGE Energy and OG&E. However, OG&E does not make any representations as to information related solely to OGE Energy or the subsidiaries of OGE Energy other than itself.

Introduction

OGE Energy is a holding company with investments in energy and energy services providers offering physical delivery and related services for electricity in Oklahoma and western Arkansas and natural gas, crude oil and NGLs across the U.S. OGE Energy conducts these activities through two business segments: (i) electric utility and (ii) natural gas midstream operations. The accounts of OGE Energy and its wholly-owned subsidiaries, including OG&E, are included in OGE Energy's condensed consolidated financial statements. All intercompany transactions and balances are eliminated in such consolidation. On December 2, 2021, Energy Transfer and Enable closed their merger transaction. For periods prior to the closing date, OGE Energy accounted for its investment in Enable as an equity method investment and reported it within OGE Energy's natural gas midstream operations segment.

Electric Utility Operations. OGE Energy's electric utility operations are conducted through OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas. OG&E's rates are subject to regulation by the OCC, the APSC and the FERC. OG&E was incorporated in 1902 under the laws of the Oklahoma Territory and is a wholly-owned subsidiary of OGE Energy. OG&E is the largest electric utility in Oklahoma, and its franchised service territory includes Fort Smith, Arkansas and the surrounding communities. OG&E sold its retail natural gas business in 1928 and is no longer engaged in the natural gas distribution business.

Natural Gas Midstream Operations. OGE Energy's natural gas midstream operations segment includes OGE Energy's investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. The investment in Energy Transfer's equity securities is held through wholly-owned subsidiaries and ultimately OGE Holdings. At June 30, 2022, OGE Energy owned 38,279,580 of Energy Transfer's limited partner units, which represented less than a two percent ownership based on the latest publicly available information filed by Energy Transfer. OGE Energy does not own general partner units in or have board representation at Energy Transfer. As such, OGE Energy accounts for its investment in Energy Transfer as an investment in equity securities. OGE Energy intends to exit the midstream segment in a prudent manner. As disclosed in OGE Energy's [2021 Form 10-K](#), Energy Transfer is subject to risks including the reliance on the drilling and production decisions of others and the volatility of natural gas, NGLs and crude oil prices. The effects of COVID-19 or other global macroeconomic pressures, including negative impacts on demand and commodity prices and rising inflation, could exacerbate these risks, as experienced currently and within the last two years. If any of those risks were to occur or reoccur, OGE Energy's business, financial condition, results of operations or cash flows could be materially adversely affected.

Overview

Strategy

OGE Energy's purpose is to energize life, providing life-sustaining and life-enhancing products and services that enrich its communities and encourage growth and a higher quality of life. OGE Energy's purpose comes with a balanced approach to multifaceted stewardship: keeping its employees (internally referred to as "members") safe, reducing its environmental impact, strengthening its diverse communities and ensuring its effective corporate governance. OGE Energy's business model is centered around growth and sustainability for members, communities and customers and the owners of OGE Energy, its shareholders. OGE Energy's vision for a more sustainable future includes protecting the environment through innovative solutions, serving the needs of customers by adopting cleaner energy, minimizing OGE Energy's reliance on freshwater resources and preserving the biodiversity of OGE Energy's region to reduce its environmental footprint.

OGE Energy is focused on creating long-term shareholder value by targeting the consistent growth of earnings per share of five to seven percent at the electric utility, supported by strong load growth enabled by low customer rates and a strategy of investing in lower risk infrastructure projects that improve the economic vitality of the communities it serves in Oklahoma and Arkansas. OGE Energy plans to fully exit its natural gas midstream operations segment by prudently selling its Energy Transfer units. OGE Energy will continue to utilize cash distributions from its natural gas midstream operations segment and reinvest the proceeds from the sale of Energy Transfer units to help fund its business. In the next five years, OGE Energy expects to continue to grow the dividend, ultimately targeting a dividend payout ratio of 65 to 70 percent. Over the next several years, OGE Energy expects earnings per share growth to exceed the dividend growth rate to help achieve this target. OGE Energy's financial objectives also include maintaining investment grade credit ratings and providing a strong and reliable dividend for shareholders.

OGE Energy's long-term sustainability is predicated on providing exceptional customer experiences, investing in grid improvements and increasingly cleaner generation resources, environmental stewardship, strong governance practices and caring for and supporting its members and communities.

Recent Developments

Winter Storm Uri - Oklahoma Securitization

In December 2021, the OCC approved a settlement agreement in a final financing order authorizing the issuance of securitization bonds in an amount up to \$760.0 million, which included estimated finance costs and was subject to change for carrying costs, any updates from the SPP settlement process and actual securitization issuance costs. On December 22, 2021, the ODFA requested the Oklahoma Supreme Court to certify the proposed securitization bonds. On May 3, 2022, the Oklahoma Supreme Court issued a decision approving the securitization bonds, and on July 20, 2022, the ODFA issued the securitization bonds consistent with the OCC's order.

In connection with the securitization transaction, the ODFA and OG&E entered into an agreement on July 20, 2022 whereby the ODFA purchased, and OG&E sold, the securitization property that was created pursuant to legislation enacted by the State of Oklahoma in April 2021 and the financing order received from the OCC in December 2021. Such securitization property includes the right to assess, impose, adjust, collect and receive funds, in the form of the winter event securitization charge, from OG&E's existing and future Oklahoma customers in amounts intended to be sufficient to pay the principal and interest and financing charges on the securitization bonds. On July 20, 2022, OG&E received proceeds of approximately \$750 million for the sale of the securitization property, which represented the amount of the securitization bonds sold less the issuance costs. OG&E used these proceeds to fund the Oklahoma Winter Storm Uri regulatory asset by recovering the authorized extreme, extraordinary fuel and purchased power costs incurred during Winter Storm Uri, as well as carrying costs. Beginning August 1, 2022, OG&E acts as a servicer for collecting the funds from Oklahoma customers that are then submitted to the ODFA to repay the securitization bonds over 28 years.

2021 Oklahoma General Rate Review

On June 30, 2022, OG&E entered into a Joint Stipulation and Settlement Agreement with the Public Utility Division Staff, the Oklahoma Attorney General, the OG&E Shareholders Association, Oklahoma Industrial Energy Consumers and other intervenors. Non-signatory parties agreed not to contest this agreement. The agreement, which is subject to approval by the OCC, provides, among other things, for a base rate revenue increase of \$30.0 million. Additional key terms of the agreement are discussed in Note 14 within "Item 1. Financial Statements." On July 1, 2022, OG&E implemented an annual interim rate increase of \$30.0 million, subject to refund for amounts in excess of the rates approved by the OCC.

Global Macroeconomic Pressures

Geopolitical events, including the ongoing global COVID-19 pandemic, and related governmental and business responses, continue to have an impact on the Registrants' operations, supply chains and end-user customers. The Registrants have experienced raw material inflation, logistical challenges and certain component shortages. Supply chain disruption, including the Anti-Dumping and Countervailing Duty review by the U.S. Department of Commerce, may result in delays in construction activities and equipment deliveries related to OGE Energy's capital projects. The timing and extent of the financial impact from these events are still uncertain, and the Registrants cannot predict the magnitude of the impact to the results of their business and results of operations.

OG&E's Regulatory Matters

Completed regulatory matters affecting current period results are discussed in Note 14 within "Item 1. Financial Statements."

Summary of OGE Energy Operating Results

Three Months Ended June 30, 2022 as compared to the Three Months Ended June 30, 2021

OGE Energy's net income was \$73.1 million, or \$0.36 per diluted share, during the three months ended June 30, 2022 as compared to \$112.9 million, or \$0.56 per diluted share, during the same period in 2021. The decrease in net income of \$39.8, or \$0.20 per diluted share, is further discussed below.

- An increase in net income at OG&E of \$15.6 million, or \$0.08 per diluted share of OGE Energy's common stock, was primarily due to higher operating revenues driven by more favorable weather and revenues from the recovery of capital investments (excluding impacts of recoverable fuel, purchased power and direct transmission expense not impacting earnings), partially offset by higher depreciation and amortization expense due to additional assets being placed into service and higher income tax expense.
- A decrease in net income at OGE Holdings of \$51.1 million, or \$0.25 per diluted share of OGE Energy's common stock, was primarily due to a \$39.6 million pre-tax loss on OGE Energy's investment in Energy Transfer's equity securities coupled with the elimination of OGE Energy's equity in earnings of Enable in 2022, which was driven by the merger of Enable and Energy Transfer closing in December 2021, partially offset by distributions received from Energy Transfer of \$13.3 million and an increase in tax benefit.
- An increase in net loss from other operations (holding company) of \$4.3 million, or \$0.03 per diluted share of OGE Energy's common stock, was primarily due to the partial reversal of an interim period consolidating tax benefit recorded in the first quarter of 2022 related to mark-to-market activity and the gain on sale of Energy Transfer limited partner units. The effect of the consolidating tax adjustment is expected to reverse over the remainder of the year.

Six Months Ended June 30, 2022 as compared to the Six Months Ended June 30, 2021

OGE Energy's net income was \$352.6 million, or \$1.76 per diluted share, during the six months ended June 30, 2022 as compared to \$165.6 million, or \$0.83 per diluted share, during the same period in 2021. The increase in net income of \$187.0 million, or \$0.93 per diluted share, is further discussed below.

- An increase in net income at OG&E of \$43.4 million, or \$0.22 per diluted share of OGE Energy's common stock, was primarily due to higher operating revenues driven by more favorable weather, the loss from the Guaranteed Flat Bill program in 2021 during Winter Storm Uri and revenues from the recovery of capital investments (excluding impacts of recoverable fuel, purchased power and direct transmission expense not impacting earnings), partially offset by higher depreciation and amortization expense due to additional assets being placed into service, higher income tax expense and higher other operation and maintenance expense.
- An increase in net income at OGE Holdings of \$141.1 million, or \$0.70 per diluted share of OGE Energy's common stock, was primarily due to a \$242.7 million pre-tax gain on OGE Energy's investment in Energy Transfer's equity securities and distributions received from Energy Transfer of \$30.0 million, partially offset by the elimination of OGE Energy's equity in earnings of Enable in 2022, which was driven by the merger of Enable and Energy Transfer closing in December 2021, and higher income tax expense.
- An increase in net income of other operations (holding company) of \$2.5 million, or \$0.01 per diluted share of OGE Energy's common stock, was primarily due to a current year interim period consolidating tax adjustment related to mark-to-market activity and the gain on sale of Energy Transfer limited partner units, partially offset by an increase in net interest expense due to the long-term debt issuance in May 2021. The effect of the consolidating tax adjustment is expected to reverse over the remainder of the year.

2022 Outlook

OG&E's 2022 earnings guidance is unchanged and is between approximately \$375 million to \$395 million, or \$1.87 to \$1.97 per average diluted share. Due to warmer than expected weather in the first half of 2022, OG&E's earnings are expected to be in the top half of its 2022 earnings guidance range. As indicated in its [2021 Form 10-K](#), OGE Energy did not issue guidance for its natural gas midstream operations segment and therefore did not issue 2022 consolidated earnings guidance. See OGE Energy's [2021 Form 10-K](#) for other key factors and assumptions underlying its 2022 earnings guidance.

Results of Operations

The following discussion and analysis presents factors that affected the Registrants' results of operations for the three and six months ended June 30, 2022 as compared to the same periods in 2021 and the Registrants' financial position at June 30,

2022. Due to seasonal fluctuations and other factors, the Registrants' operating results for the three and six months ended June 30, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022 or for any future period. The following information should be read in conjunction with the condensed financial statements and notes thereto. Known trends and contingencies of a material nature are discussed to the extent considered relevant.

OGE Energy <i>(In millions, except per share data)</i>	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Net income	\$ 73.1	\$ 112.9	\$ 352.6	\$ 165.6
Basic average common shares outstanding	200.2	200.2	200.2	200.1
Diluted average common shares outstanding	200.7	200.4	200.6	200.2
Basic earnings per average common share	\$ 0.37	\$ 0.56	\$ 1.76	\$ 0.83
Diluted earnings per average common share	\$ 0.36	\$ 0.56	\$ 1.76	\$ 0.83
Dividends declared per common share	\$ 0.41000	\$ 0.40250	\$ 0.82000	\$ 0.80500

Results by Business Segment

<i>(In millions)</i>	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Net income (loss):				
OG&E (Electric Utility)	\$ 100.7	\$ 85.1	\$ 139.7	\$ 96.3
OGE Holdings (Natural Gas Midstream Operations)	(18.9)	32.2	211.2	70.1
Other operations (A)	(8.7)	(4.4)	1.7	(0.8)
OGE Energy net income	\$ 73.1	\$ 112.9	\$ 352.6	\$ 165.6

(A) Other operations primarily includes the operations of the holding company and consolidating eliminations. For the three and six months ended June 30, 2022, other operations includes a \$6.1 million tax expense and a \$5.8 million tax benefit, respectively, due to a consolidating tax adjustment, primarily related to mark-to-market activity and the gain on sale of Energy Transfer limited partner units, that is expected to eliminate over the remainder of the year.

The following discussion of results of operations by business segment includes intercompany transactions that are eliminated in OGE Energy's condensed consolidated financial statements.

OG&E (Electric Utility)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
(Dollars in millions)	2022	2021	2022	2021
Operating revenues	\$ 803.7	\$ 577.4	\$ 1,393.0	\$ 2,208.0
Fuel, purchased power and direct transmission expense	393.3	200.0	649.0	1,546.8
Other operation and maintenance	118.3	118.3	233.8	228.6
Depreciation and amortization	111.6	102.9	219.0	201.6
Taxes other than income	23.3	25.0	50.1	50.7
Operating income	157.2	131.2	241.1	180.3
Allowance for equity funds used during construction	0.9	1.6	2.2	2.9
Other net periodic benefit expense	1.8	1.2	3.2	2.1
Other income	1.0	1.1	2.2	2.8
Other expense	0.4	0.3	0.8	0.7
Interest expense	39.8	37.9	78.0	76.3
Income tax expense	16.4	9.4	23.8	10.6
Net income	\$ 100.7	\$ 85.1	\$ 139.7	\$ 96.3
Operating revenues by classification:				
Residential	\$ 294.6	\$ 184.2	\$ 526.3	\$ 757.5
Commercial	197.7	112.2	329.2	421.9
Industrial	82.5	38.7	141.2	186.4
Oilfield	79.5	29.6	132.9	190.9
Public authorities and street light	72.6	38.2	122.0	162.1
System sales revenues	726.9	402.9	1,251.6	1,718.8
Provision for tax refund	(2.1)	—	(2.7)	—
Integrated market	43.0	128.3	65.8	430.4
Transmission	32.9	36.7	68.7	73.0
Other	3.0	9.5	9.6	(14.2)
Total operating revenues	\$ 803.7	\$ 577.4	\$ 1,393.0	\$ 2,208.0
MWh sales by classification (In millions)				
Residential	2.3	2.0	4.8	4.5
Commercial	1.9	1.7	3.5	3.2
Industrial	1.2	1.0	2.2	2.0
Oilfield	1.2	1.0	2.2	2.0
Public authorities and street light	0.7	0.8	1.4	1.4
System sales	7.3	6.5	14.1	13.1
Integrated market	0.2	0.4	0.5	0.7
Total sales	7.5	6.9	14.6	13.8
Number of customers	884,397	874,713	884,397	874,713
Weighted-average cost of energy per kilowatt-hour (In cents)				
Natural gas (A)	7.613	2.919	6.928	20.973
Coal	3.302	1.897	2.968	1.835
Total fuel (A)	5.821	2.346	5.008	11.634
Total fuel and purchased power (A)	4.995	2.722	4.237	10.547
Degree days (B)				
Heating - Actual	210	291	2,220	2,357
Heating - Normal	249	220	2,136	2,020
Cooling - Actual	736	460	739	466
Cooling - Normal	553	569	563	582

(A) Decreased during the six months ended June 30, 2022 primarily due to both elevated pricing from Winter Storm Uri and higher market prices related to increased natural gas prices in 2021.

(B) Degree days are calculated as follows: The high and low degrees of a particular day are added together and then averaged. If the calculated average is above 65 degrees, then the difference between the calculated average and 65 is expressed as cooling degree days, with each degree of difference equaling one cooling degree day. If the calculated average is below 65 degrees, then the difference between the calculated average and 65 is expressed as heating degree days, with each degree of difference equaling one heating degree.

day. The daily calculations are then totaled for the particular reporting period. The calculation of heating and cooling degree normal days is based on a 30-year average and updated every ten years, which most recently occurred in mid-2021.

OG&E's net income increased \$15.6 million, or 18.3 percent, and \$43.4 million, or 45.1 percent, during the three and six months ended June 30, 2022, respectively, as compared to the same periods in 2021. The following section discusses the primary drivers for the increases in net income during the three and six months ended June 30, 2022, as compared to the same periods in 2021.

Operating revenues increased \$226.3 million, or 39.2 percent, and decreased \$815.0 million, or 36.9 percent, during the three and six months ended June 30, 2022, respectively, primarily driven by the below factors.

<i>(In millions)</i>	\$ Change	
	Three Months Ended	Six Months Ended
Fuel, purchased power and direct transmission expense (A)	\$ 193.3	\$ (897.8)
Quantity impacts (includes weather) (B)	19.1	21.2
Price variance (C)	17.5	33.1
Non-residential demand and related revenues	2.9	2.4
New customer growth	2.7	4.6
Industrial and oilfield sales	1.4	2.8
Other	1.0	2.4
Guaranteed Flat Bill Program (D)	(7.6)	21.3
Wholesale transmission revenue	(4.0)	(5.0)
Change in operating revenues	\$ 226.3	\$ (815.0)

(A) These expenses are generally recoverable from customers through regulatory mechanisms and are offset in Fuel, Purchased Power and Direct Transmission Expense in the statements of income, as further described below. The primary drivers of the changes in fuel, purchased power and direct transmission expense during the periods are further detailed in the table below.

(B) Increased primarily due to a 60.0 percent and 58.6 percent increase in cooling degree days during the three and six months ended June 30, 2022, respectively.

(C) Increased primarily due to increased recovery through rider mechanisms, such as the Storm Cost Recovery Rider and the Oklahoma Production Tax Credit Rider.

(D) Decreased during the three months ended June 30, 2022 due to higher fuel losses and increased during the six months ended June 30, 2022 primarily due to the loss from the Guaranteed Flat Bill program in 2021 related to Winter Storm Uri. The Guaranteed Flat Bill program allows qualifying customers the opportunity to purchase their electricity needs at a set monthly price for an entire year which can result in variances when actual fuel and purchased power prices differ from what is included in Guaranteed Flat Bill Program rates.

Fuel, purchased power and direct transmission expense for OG&E consists of fuel used in electric generation, purchased power and transmission related charges. As described above, the actual cost of fuel used in electric generation and certain purchased power costs are generally recoverable from OG&E's customers through fuel adjustment clauses. The fuel adjustment clauses are subject to periodic review by the OCC and the APSC. OG&E's fuel, purchased power and direct transmission expense increased \$193.3 million, or 96.7 percent, and decreased \$897.8 million, or 58.0 percent, during the three and six months ended June 30, 2022, respectively, primarily driven by the below factors.

(In millions)	\$ Change		% Change	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Fuel expense (A)	\$ 76.8	\$ (528.3)	93.2 %	(65.5)%
Purchased power costs:				
Purchases from SPP (B)	112.1	(371.1)	*	(55.5)%
Wind	4.8	4.6	32.5 %	16.2 %
Other	0.6	(2.8)	35.1 %	(54.6)%
Transmission expense	(1.0)	(0.2)	(4.6)%	(0.6)%
Change in fuel, purchased power and direct transmission expense \$	193.3	\$ (897.8)		

*Change is greater than 100 percent.

(A) Increased during the three months ended June 30, 2022 primarily due to higher fuel prices and decreased during the six months ended June 30, 2022 primarily due to inflated fuel costs in 2021 during Winter Storm Uri.

(B) Increased during the three months ended June 30, 2022 primarily due to higher market prices and an increase of 37.8 percent in MWhs purchased and decreased during the six months ended June 30, 2022 primarily due to higher market prices in 2021 during Winter Storm Uri.

Other operation and maintenance expense was flat for the three months ended June 30, 2022 and increased \$5.2 million, or 2.3 percent, during the six months ended June 30, 2022, primarily driven by the below factors.

(In millions)	\$ Change		% Change	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Payroll and benefits	\$ 4.9	\$ 8.8	7.9 %	7.1 %
Materials and supplies	2.4	1.8	41.8 %	14.8 %
Fleet transportation	1.0	1.9	50.6 %	55.6 %
Vegetation management	0.2	2.2	2.6 %	12.7 %
Capitalized labor	(5.9)	(10.0)	19.8 %	16.2 %
Other	(2.6)	0.5	(3.7)%	0.4 %
Change in other operation and maintenance expense	\$ —	\$ 5.2		

Depreciation and amortization expense increased \$8.7 million, or 8.5 percent, and \$17.4 million, or 8.6 percent, during the three and six months ended June 30, 2022, respectively, primarily due to additional assets being placed into service and increased amortization of the regulatory asset related to storms.

Income tax expense increased \$7.0 million, or 74.5 percent, and \$13.2 million during the three and six months ended June 30, 2022, respectively, reflecting additional income taxes primarily related to higher pre-tax income and decreased federal production tax credit generation.

OGE Holdings (Natural Gas Midstream Operations)

On December 2, 2021, Energy Transfer completed its previously announced acquisition of Enable. Prior to the Energy Transfer and Enable merger closing, OGE Energy's natural gas midstream operations segment included its equity method investment in Enable, and subsequent to December 2, 2021, this segment includes OGE Energy's investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. Therefore, results of operations for the natural gas midstream operations segment are not comparable for the three and six months ended June 30, 2022 compared to the three and six months ended June 30, 2021. See "Investment in Equity Securities of Energy Transfer" in Note 1 within "Item 1. Financial Statements" for further discussion of the net proceeds from sales of Energy Transfer's equity

securities, unrealized gain/loss on Energy Transfer's equity securities and dividend income recognized by OGE Energy for the three and six months ended June 30, 2022. See Enable's [Form 10-Q for the quarterly period ended June 30, 2021](#) for further discussion of the primary drivers for Enable's operating results for the three and six months ended June 30, 2021.

OGE Holdings' income tax benefit increased \$8.3 million during the three months ended June 30, 2022, as compared to the same period in 2021, primarily due to lower pre-tax income and the sale of Energy Transfer limited partner units, partially offset by state deferred tax adjustments related to OGE Energy's midstream investment in Energy Transfer subsequent to the merger. OGE Holdings' income tax expense increased \$37.6 million during the six months ended June 30, 2022, as compared to the same period in 2021, primarily due to higher pre-tax income and state deferred tax adjustments related to OGE Energy's midstream investment in Energy Transfer subsequent to the merger, partially offset by the sale of Energy Transfer limited partner units.

Liquidity and Capital Resources

Cash Flows

OGE Energy

(dollars in millions)	Six Months Ended		
	June 30,	2022 vs. 2021	
	2022	2021	\$ Change % Change
Net cash provided from (used in) operating activities (A)	\$ 8.1	(763.8)	775.9 *
Net cash provided from (used in) investing activities (B)	\$ 173.7	(356.8)	530.5 *
Net cash (used in) provided from financing activities (C)	\$ (176.9)	1,129.5	(1,300.4) *

* Change is greater than 100 percent.

(A) Changed primarily due to a decrease in vendor payments, including payments for fuel and purchased power costs related to Winter Storm Uri in 2021.

(B) Changed primarily due to proceeds from the sale of Energy Transfer's limited partner units, partially offset by increased investment in power delivery projects at OG&E.

(C) Changed primarily due to decreased proceeds from long-term debt reflective of the debt issuance in May 2021 and decreased short-term debt, which was used to provide additional liquidity for the fuel and purchased power costs incurred by OG&E related to Winter Storm Uri in 2021.

Working Capital

Working capital is defined as the difference in current assets and current liabilities. OGE Energy's working capital requirements are driven generally by changes in accounts receivable, accounts payable, commodity prices, credit extended to and the timing of collections from OG&E's customers, the level and timing of spending for maintenance and expansion activity, inventory levels and fuel recoveries. The following discussion addresses changes in OGE Energy's working capital balances at June 30, 2022 compared to December 31, 2021.

Accounts Receivable and Accrued Unbilled Revenues increased \$119.8 million, or 52.7 percent, primarily due to an increase in billings to OG&E's retail customers reflecting higher seasonal usage in June 2022 as compared to December 2021 in addition to an increase in receivables tied to the sale of Energy Transfer's limited partner units.

Fuel Inventories increased \$40.0 million, or 98.5 percent, primarily due to higher prices and volumes of coal and gas purchases.

Materials and Supplies, at Average Cost increased \$13.0 million, or 11.0 percent, primarily due to increased plant materials and supplies inventory and consignment inventory which is partly a result of the ongoing supply chain and inflation impacts of the current economic environment.

Fuel Clause Under Recoveries increased \$119.8 million, or 78.9 percent, primarily due to lower recoveries from OG&E retail customers as compared to the actual cost of fuel and purchased power.

Other Current Assets increased \$792.7 million, primarily due to the classification of the Oklahoma Winter Storm Uri regulatory asset as current, in anticipation of the securitization process being completed in July 2022 and OG&E receiving funds from the ODFA, and an increase in SPP deposits, partially offset by a decrease in under recovered riders.

Short-term Debt decreased \$61.5 million, or 12.6 percent, primarily due to general operating needs. OGE Energy borrows on a short-term basis, as necessary, by the issuance of commercial paper and borrowings under its revolving credit agreements and term credit agreements.

Accrued Taxes increased \$57.5 million, primarily due to increased tax accruals resulting from the gain on sale of Energy Transfer limited partner units during the second quarter of 2022.

Long-Term Debt Due Within One Year increased \$999.8 million, primarily due to the reclassification of long-term debt that will mature in May 2023.

Other Current Liabilities increased \$15.9 million, or 46.6 percent, primarily due to changes in amounts of taxes due and an increase in SPP reserves related to true-ups.

Future Material Cash Requirements

OGE Energy's primary, material cash requirements are related to acquiring or constructing new facilities and replacing or expanding existing facilities at OG&E. Other working capital requirements are expected to be primarily related to maturing debt, operating lease obligations, fuel clause under and over recoveries and other general corporate purposes. Further, working capital requirements can be seasonal. OGE Energy generally meets its cash needs through a combination of cash generated from operations, short-term borrowings (through a combination of bank borrowings and commercial paper) and permanent financings.

Capital Expenditures

OGE Energy's estimates of capital expenditures for the years 2022 through 2026 are discussed in detail within "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' [2021 Form 10-K](#), and OGE Energy's estimates have not changed significantly at this time. The capital investments are customer-focused and targeted to maintain and improve the safety and reliability of OG&E's distribution and transmission grid and generation fleet, enhance the ability of OG&E's system to perform during extreme weather events and to serve OG&E's growing customer base. Additional capital expenditures beyond those identified in the Registrants' [2021 Form 10-K](#), including additional incremental growth opportunities, will be evaluated based upon the requirements of OG&E's power supply, transmission and distribution operational teams and the resultant customer benefits. OGE Energy is evaluating infrastructure investments incremental to the amounts identified in the Registrants' [2021 Form 10-K](#) related to new generation capacity needs as outlined in OG&E's October 2021 IRP, as well as additional grid investments to address customer growth and grid resiliency. Supply chain disruption may increase the risk of delays in construction activities and equipment deliveries related to OGE Energy's capital projects.

Financing Activities and Future Sources of Financing

Management expects that cash generated from operations, proceeds from the issuance of long- and short-term debt, proceeds from the sales of common stock to the public through OGE Energy's Automatic Dividend Reinvestment and Stock Purchase Plan or other offerings will be adequate over the short-term and the long-term to meet anticipated cash needs and to fund future growth opportunities. In addition, distributions from Energy Transfer as well as proceeds from OGE Energy's sales of Energy Transfer limited partner units will be utilized to meet anticipated cash needs until OGE Energy exits its investment in Energy Transfer's equity securities. OGE Energy utilizes short-term borrowings (through a combination of bank borrowings and commercial paper) to satisfy temporary working capital needs and as an interim source of financing capital expenditures until permanent financing is arranged.

Short-Term Debt and Credit Facilities

OGE Energy borrows on a short-term basis, as necessary, by issuance of commercial paper and borrowings under its revolving credit agreements and term credit agreements maturing in one year or less.

OGE Energy has unsecured five-year revolving credit facilities totaling \$1.1 billion (\$550.0 million for OGE Energy and \$550.0 million for OG&E), which can also be used as letter of credit facilities. As further discussed below, in May 2022, OGE Energy entered into a \$100.0 million floating rate unsecured three-year credit agreement, of which \$50.0 million is

considered a revolving loan. The following table presents information about OGE Energy's revolving credit agreements at June 30, 2022.

<i>(Dollars in millions)</i>	June 30, 2022	
Balance of outstanding supporting letters of credit	\$	0.4
Weighted-average interest rate of outstanding supporting letters of credit		1.15 %
Net available liquidity under revolving credit agreements, commercial paper borrowings and letters of credit	\$	724.2
Balance of cash and cash equivalents	\$	4.9

The following table presents information about OGE Energy's total short-term debt activity for the three and six months ended June 30, 2022.

<i>(Dollars in millions)</i>	Three Months Ended June 30, 2022		Six Months Ended June 30, 2022	
Average balance of short-term debt	\$	630.1	\$	627.4
Weighted-average interest rate of average balance of short-term debt		1.21 %		0.87 %
Maximum month-end balance of short-term debt	\$	708.8	\$	731.5

OG&E has the necessary regulatory approvals to incur up to \$800.0 million in short-term borrowings at any one time for a two-year period beginning January 1, 2021 and ending December 31, 2022.

Long-Term Debt

In May 2022, OGE Energy entered into a \$100.0 million floating rate unsecured three-year credit agreement, of which \$50.0 million is considered a revolving loan and \$50.0 million is considered a term loan, and borrowed the full \$50.0 million term loan, in order to preserve general financial flexibility within the company. Advances under this agreement were used to refinance existing indebtedness and for working capital and general corporate purposes of OGE Energy. The credit agreement, under certain circumstances, may be increased to a maximum commitment limit of \$135.0 million and contains substantially the same covenants as OGE Energy's existing \$550.0 million revolving credit agreement. The credit agreement is scheduled to terminate on May 24, 2025. At June 30, 2022, the weighted-average interest rate for the amount drawn on the term loan under this credit agreement was 2.17 percent during the quarter.

OG&E expects to issue \$300.0 million to \$400.0 million in long-term debt in the second half of 2022 or in the first half of 2023 to fund its capital investments.

Securitization of Oklahoma Winter Storm Uri Extreme Purchase Costs

In December 2021, the OCC approved a settlement agreement in a final financing order authorizing the issuance of securitization bonds in an amount up to \$760.0 million, which included estimated finance costs and was subject to change for carrying costs, any updates from the SPP settlement process and actual securitization issuance costs. On December 22, 2021, the ODFA requested the Oklahoma Supreme Court to certify the proposed securitization bonds. On May 3, 2022, the Oklahoma Supreme Court issued a decision approving the securitization bonds, and on July 20, 2022, the ODFA issued the securitization bonds consistent with the OCC's order.

In connection with the securitization transaction, the ODFA and OG&E entered into an agreement on July 20, 2022 whereby the ODFA purchased, and OG&E sold, the securitization property that was created pursuant to legislation enacted by the State of Oklahoma in April 2021 and the financing order received from the OCC in December 2021. Such securitization property includes the right to assess, impose, adjust, collect and receive funds, in the form of the winter event securitization charge, from OG&E's existing and future Oklahoma customers in amounts intended to be sufficient to pay the principal and interest and financing charges on the securitization bonds. On July 20, 2022, OG&E received proceeds of approximately \$750 million for the sale of the securitization property, which represented the amount of the securitization bonds sold less the issuance costs. OG&E used these proceeds to fund the Oklahoma Winter Storm Uri regulatory asset by recovering the authorized extreme, extraordinary fuel and purchased power costs incurred during Winter Storm Uri, as well as carrying costs.

Security Ratings

Access to reasonably priced capital is dependent in part on credit and security ratings. Generally, lower ratings lead to higher financing costs. Pricing grids associated with OGE Energy's credit facilities could cause annual fees and borrowing rates to increase if an adverse rating impact occurs. The impact of any future downgrade could include an increase in the costs of OGE Energy's short-term borrowings, but a reduction in OGE Energy's credit ratings would not result in any defaults or accelerations. Any future downgrade could also lead to higher long-term borrowing costs and, if below investment grade, would require OGE Energy to post collateral or letters of credit.

On May 17, 2022, S&P's Global Ratings revised their ratings outlook on both OGE Energy and OG&E from negative to stable and affirmed all of their ratings on both entities.

A security rating is not a recommendation to buy, sell or hold securities. Such rating may be subject to revision or withdrawal at any time by the credit rating agency, and each rating should be evaluated independently of any other rating.

Distributions by Energy Transfer

During the three and six months ended June 30, 2022, Energy Transfer made distributions of \$13.3 million and \$30.0 million, respectively, to OGE Energy. On July 26, 2022, Energy Transfer announced a 15 percent increase in its quarterly cash distribution, resulting in a distribution of \$0.23 per unit on its outstanding common units that will be paid on August 19, 2022 to unitholders of record as of the close of business on August 8, 2022.

Sale of Energy Transfer's Equity Securities

As previously disclosed, OGE Energy intends to become a pure play electric utility by exiting its investment in Energy Transfer's equity securities, and unit sales commenced in April 2022. During the three months ended June 30, 2022, OGE Energy sold 57.1 million Energy Transfer limited partner units, resulting in pre-tax net proceeds of \$645.8 million. Through the end of July 2022, OGE Energy has sold 73.3 million Energy Transfer limited partner units, resulting in pre-tax net proceeds of \$812.6 million and a remaining ownership percentage of less than one percent based on the latest publicly available information filed by Energy Transfer.

Critical Accounting Policies and Estimates

The condensed financial statements and notes thereto contain information that is pertinent to Management's Discussion and Analysis. In preparing the condensed financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the condensed financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Changes to these assumptions and estimates could have a material effect on the condensed financial statements. The Registrants believe they have taken reasonable positions where assumptions and estimates are used in order to minimize the negative financial impact to the Registrants that could result if actual results vary from the assumptions and estimates.

In management's opinion, the areas where the most significant judgment is exercised for the Registrants include the determination of Pension Plan assumptions, income taxes, contingency reserves, asset retirement obligations, regulatory assets and liabilities, unbilled revenues and the allowance for uncollectible accounts receivable. The selection, application and disclosure of the critical accounting estimates have been discussed with the Audit Committee of OGE Energy's Board of Directors and are discussed in detail within "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' [2021 Form 10-K](#).

Commitments and Contingencies

In the normal course of business, the Registrants are confronted with issues or events that may result in a contingent liability. These generally relate to lawsuits or claims made by third parties, including governmental agencies. When appropriate, management consults with legal counsel and other experts to assess the claim. If, in management's opinion, the Registrants have incurred a probable loss as set forth by GAAP, an estimate is made of the loss, and the appropriate accounting entries are reflected in the condensed financial statements. At the present time, based on available information, the Registrants believe that any reasonably possible losses in excess of accrued amounts arising out of pending or threatened lawsuits or claims would not be quantitatively material to their condensed financial statements and would not have a material adverse effect on their financial position, results of operations or cash flows. See Notes 13 and 14 within "Item 1. Financial Statements" for further discussion of

the Registrants' commitments and contingencies.

Environmental Laws and Regulations

The activities of OG&E are subject to numerous stringent and complex federal, state and local laws and regulations governing environmental protection. These laws and regulations can change, restrict or otherwise impact OG&E's business activities in many ways, including the handling or disposal of waste material, planning for future construction activities to avoid or mitigate harm to threatened or endangered species and requiring the installation and operation of emissions or pollution control equipment. Failure to comply with these laws and regulations could result in the assessment of administrative, civil and criminal penalties, the imposition of remedial requirements and the issuance of orders enjoining future operations. Management believes that all of the Registrants' operations are in substantial compliance with current federal, state and local environmental standards.

President Biden's Administration has taken a number of actions that adopt policies and affect environmental regulations, including issuance of executive orders that instruct the EPA and other executive agencies to review certain rules that affect OG&E with a view to achieving nationwide reductions in greenhouse gas emissions. OG&E is monitoring these actions which are in various stages of being implemented. At this point in time, the impacts of these actions on the Registrants' results of operations, if any, cannot be determined with any certainty.

Environmental regulation can increase the cost of planning, design, initial installation and operation of OG&E's facilities. Management continues to evaluate its compliance with existing and proposed environmental legislation and regulations and implement appropriate environmental programs in a competitive market.

Air

OG&E's operations are subject to the Federal Clean Air Act of 1970, as amended, and comparable state laws and regulations. These laws and regulations regulate emissions of air pollutants from various industrial sources, including electric generating units and also impose various monitoring and reporting requirements. Such laws and regulations may require that OG&E obtain pre-approval for the construction or modification of certain projects or facilities expected to produce air emissions or result in the increase of existing air emissions, obtain and strictly comply with air permits containing various emissions and operational limitations or install emission control equipment. OG&E likely will be required to incur certain capital expenditures in the future for air pollution control equipment and technology in connection with obtaining and maintaining operating permits and approvals for air emissions.

OG&E is working cooperatively with federal and state environmental agencies to create emission limits for OG&E's operations that are consistent with legal requirements for protecting health and the environment while being cost effective for OG&E to implement. Although various court proceedings are pending that challenge the validity or stringency of rules issued by federal and state environmental agencies, OG&E is not currently a party to any of these proceedings. At this time, OG&E does not anticipate additional material capital expenditures for compliance with the existing rules.

The EPA revised the National Ambient Air Quality Standard for ozone in 2015. Although Oklahoma complies with the revised standard, the Federal Clean Air Act of 1970, as amended, requires states to submit to the EPA for approval a SIP to prohibit in-state sources from contributing significantly to nonattainment of the National Ambient Air Quality Standard in another state. In response to litigation, on April 6, 2022, the EPA published a proposed federal implementation plan under the Cross State Air Pollution Rule intended to reduce interstate NO_x emissions contributions. The federal implementation plan, which includes Oklahoma among 24 other states, proposes to limit the current emissions budgets over four years for certain generating units including ten of OG&E's units beginning in 2023. OG&E filed comments with the EPA on June 21, 2022 and is closely monitoring this issue; however, it is unknown at this time what, if any, potential material impacts will result from the EPA action.

In July 2020, the ODEQ notified OG&E that the Horseshoe Lake generating units would be included in Oklahoma's second Regional Haze implementation period evaluation of visibility impairment impacts to the Wichita Mountains. OG&E submitted an analysis of all potential control measures for NO_x on these units to the ODEQ. On April 7, 2022, the EPA announced its intent to make findings that certain states have failed to submit a SIP for the second planning period and intends to issue these findings by August 31, 2022. The ODEQ is developing a revised Regional Haze SIP identifying any cost-effective control measures for submittal to the EPA. To date, the ODEQ has not submitted its SIP to the EPA for review and approval. It is unknown at this time what the outcome, or any potential material impacts, if any, will be from the evaluations by OG&E, the ODEQ and the EPA.

OG&E continues to monitor these processes and their possible impact on its operations. Future rules could adopt additional reductions in the emissions budget for Oklahoma or the areas where OG&E's facilities are located. In particular, OG&E monitors possible changes in legal standards for emissions of greenhouse gases, including CO₂, sulfur hexafluoride and methane, including the Biden Administration's target of a 50 to 52 percent reduction in economy-wide net greenhouse gas emissions from 2005 levels by 2030 with full decarbonization of the electric power industry fully by 2035. If legislation or regulations are passed at the federal or state levels in the future requiring mandatory reductions of CO₂ and other greenhouse gases at OG&E's facilities, this could result in significant additional compliance costs that would affect OG&E's future financial position, results of operations and cash flows if such costs are not recovered through regulated rates.

OG&E has reduced carbon dioxide emissions by over 40 percent compared to 2005 levels, and during the same period, emissions of ozone-forming NO_x have been reduced by approximately 70 percent and emissions of SO₂ have been reduced by approximately 85 percent. OG&E expects to further reduce carbon dioxide emissions to 50 percent of 2005 levels by 2030. To comply with the EPA rules, OG&E converted two coal-fired generating units at the Muskogee Station to natural gas, among other measures. OG&E's deployment of Smart Grid technology helps to reduce the peak load demand. OG&E is also deploying more renewable energy sources that do not emit greenhouse gases.

In October 2021, OG&E issued its most recent IRP to the OCC and APSC that proposes to expand its renewable generation fleet, including the development of additional solar resources. OG&E has leveraged its geographic position to develop renewable energy resources and completed transmission investments to deliver the renewable energy. The SPP has authorized the construction of transmission lines capable of bringing renewable energy out of the wind resource areas in western Oklahoma, the Texas Panhandle and western Kansas to load centers by planning for more transmission to be built in the area. In addition to increasing overall system reliability, these new transmission resources should provide greater access to additional wind resources that are currently constrained due to existing transmission delivery limitations.

Endangered Species

Certain federal laws, including the Bald and Golden Eagle Protection Act, the Migratory Bird Treaty Act and the Endangered Species Act, provide special protection to certain designated species. These laws and any state equivalents provide for significant civil and criminal penalties for unpermitted activities that result in harm to or harassment of certain protected animals and plants, including damage to their habitats. If such species are located in an area in which OG&E conducts operations, or if additional species in those areas become subject to protection, OG&E's operations and development projects, particularly transmission, wind or pipeline projects, could be restricted or delayed, or OG&E could be required to implement expensive mitigation measures.

On June 1, 2021, the USFWS published a proposed rule to list two distinct population segments of the Lesser Prairie Chicken; the southern distinct population segment located in west Texas and eastern New Mexico is proposed as endangered status, and the northern distinct population located in northwest Texas, Oklahoma, Kansas and Colorado is proposed to be listed as threatened status with a 4(d) rule which would prohibit take of the chicken, such as destroying its habitat by building a transmission line or substation, without a permit or special authorization from the USFWS. The final rule for the listing decision is expected to occur in mid-2022.

On November 9, 2021, the USFWS published a proposed rule to list the Alligator Snapping Turtle as threatened under the Endangered Species Act, along with a 4(d) rule that would provide conservation of the species. The habitat located within the OG&E service territory is limited to eastern Oklahoma and western Arkansas; however, the USFWS is proposing to exempt incidental take by industry for operation and maintenance and other routine activities that are conducted by using best management practices that reduce incidental take and conserve the habitat. The final rule for the listing decision is expected to occur in November 2022.

On March 23, 2022, the USFWS published a proposed rule to reclassify the Northern Long-Eared Bat as endangered under the Endangered Species Act. The historical habitat located within OG&E service territory is limited to eastern Oklahoma and western Arkansas. The final rule for the listing decision is expected to occur by March 2023.

OG&E is closely monitoring each of these issues due to possible future impacts; however, it is unknown at this time what, if any, material impacts will result from the USFWS action.

Waste

OG&E's operations generate wastes that are subject to the Federal Resource Conservation and Recovery Act of 1976 as well as comparable state laws which impose detailed requirements for the handling, storage, treatment and disposal of waste.

Over 95 percent of the ash from OG&E's Muskogee and Sooner facilities was recovered and sold to the concrete and cement industries in the last three years, and in 2021, River Valley became OG&E's third power plant to enter an agreement to have its ash reused. Using ash in this way also helps cement manufacturers minimize their impact on the environment by avoiding the need to extract and process other natural resources. Based on estimates from the American Coal Ash Association, OG&E ash reuse helped avoid over three million tons of CO₂ emissions in the last 14 years.

OG&E has sought and will continue to seek pollution prevention opportunities and to evaluate the effectiveness of its waste reduction, reuse and recycling efforts. OG&E obtains refunds from the recycling of scrap metal, salvaged transformers and used transformer oil. Additional savings are expected to be gained through the reduction and/or avoidance of disposal costs and the reduction in material purchases due to the reuse of existing materials.

Water

OG&E's operations are subject to the Federal Clean Water Act and comparable state laws and regulations. These laws and regulations impose detailed requirements and strict controls regarding the discharge of pollutants into state and federal waters.

In 2015, the EPA issued a final rule addressing the effluent limitation guidelines for power plants under the Federal Clean Water Act. The final rule establishes technology- and performance-based standards that may apply to discharges of six waste streams including bottom ash transport water. Compliance with this rule will occur by 2023; however, on April 12, 2017, the EPA granted a Petition for Reconsideration of the 2015 Rule. On October 13, 2020, the EPA published a final rule to revise the technology-based effluent limitations for flue gas desulfurization waste water and bottom ash transport water. On August 3, 2021, the EPA published notice in the Federal Register that it will undertake a supplemental rulemaking to revise the effluent limitation guidelines rule after completing its review of the October 2020 rule. The existing effluent limitation guidelines will remain in effect while the EPA undertakes this new rulemaking. OG&E is evaluating what, if any, compliance actions are needed but is not able to quantify with any certainty what costs may be incurred. OG&E expects to be able to provide a reasonable estimate of any material costs associated with the rule's implementation following issuance of the permit requirements from the State of Oklahoma.

Since the purchase of the Redbud facility in 2008, OG&E's average use of treated municipal effluent for all of the needed cooling water at Redbud and McClain is approximately 2.5 billion gallons per year. This use of treated municipal effluent offsets the need for fresh water as cooling water, making fresh water available for other beneficial uses like drinking water, irrigation and recreation.

Site Remediation

The Comprehensive Environmental Response, Compensation and Liability Act of 1980 and comparable state laws impose liability, without regard to the legality of the original conduct, on certain classes of persons responsible for the release of hazardous substances into the environment. Because OG&E utilizes various products and generates wastes that are considered hazardous substances for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, OG&E could be subject to liability for the costs of cleaning up and restoring sites where those substances have been released to the environment. At this time, it is not anticipated that any associated liability will cause a significant impact to OG&E.

For further discussion regarding contingencies relating to environmental laws and regulations, see Note 13 within "Item 1. Financial Statements."

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes in the market risks affecting the Registrants from those discussed in the Registrants' [2021 Form 10-K](#).

Item 4. Controls and Procedures.

The Registrants maintain a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Registrants in reports that they file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms. In addition, the disclosure controls and procedures ensure that information required to be disclosed is accumulated and communicated to management, including the chief executive officer and chief financial officer, allowing timely decisions regarding required disclosure. As of the end of the period covered by this report, based on an evaluation carried out under the supervision and with the participation of the Registrants' management, including the chief executive officer and chief financial officer, of the effectiveness of the Registrants' disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15(d)-15(e) under the Securities Exchange Act of 1934), the chief executive officer and chief financial officer have concluded that the Registrants' disclosure controls and procedures are effective.

No change in the Registrants' internal control over financial reporting has occurred during the most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrants' internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934).

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

Reference is made to Item 3 of Part I of the Registrants' [2021 Form 10-K](#) for a description of certain legal proceedings presently pending. Except as described in Note 14 within "Part I - Item 1. Financial Statements," there are no new significant cases to report against the Registrants, and there have been no material changes in the previously reported proceedings.

Item 1A. Risk Factors.

There have been no significant changes in the Registrants' risk factors from those discussed in the Registrants' [2021 Form 10-K](#), which are incorporated herein by reference.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 6. Exhibits.

Exhibit No.	Description	OGE Energy	OG&E
10.01+*	Securitization Property Purchase and Sale Agreement dated as of July 20, 2022 by and between the Oklahoma Development Finance Authority, as Issuer, and Oklahoma Gas and Electric Company, as Seller.	X	X
31.01+	Certifications Pursuant to Rule 13a-14(a)/15d-14(a) As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X	
31.02+	Certifications Pursuant to Rule 13a-14(a)/15d-14(a) As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.		X
32.01+	Certification Pursuant to 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X	
32.02+	Certification Pursuant to 18 U.S.C. Section 1350 As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.		X
99.01+	Credit Agreement dated as of May 24, 2022 by and among OGE Energy Corp., the Lenders and BOKF NA, dba Bank of Oklahoma as Sole Administrative Agent, Sole Syndication Agent, Lead Arranger and Sole Bookrunner.	X	
101.INS	Inline XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.	X	X
101.SCH	Inline XBRL Taxonomy Schema Document.	X	X
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document.	X	X
101.LAB	Inline XBRL Taxonomy Label Linkbase Document.	X	X
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document.	X	X
101.DEF	Inline XBRL Definition Linkbase Document.	X	X
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101).	X	X

+ Represents exhibits filed herewith.

* Corrected version of a previously filed exhibit.

SECURITIZATION PROPERTY PURCHASE AND SALE AGREEMENT

by and between

Oklahoma Development Finance Authority

Issuer

and

Oklahoma Gas and Electric Company,

Seller

Dated as of July 20, 2022

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EXHIBITS

Exhibit A Form of Bill of Sale

This SECURITIZATION PROPERTY PURCHASE AND SALE AGREEMENT (this “Agreement”), dated as of July 20, 2022, is between the Oklahoma Development Finance Authority, a public trust and instrumentality of the State of Oklahoma, as Issuer (the “Issuer”), and Oklahoma Gas and Electric Company (together with its successors in interest to the extent permitted hereunder, the “Seller”).

RECITALS

WHEREAS, the Issuer desires to purchase the Securitization Property created pursuant to the Securitization Law and the Financing Order;

WHEREAS, the Seller is willing to sell its rights and interests in and to the Securitization Property to the Issuer whereupon such rights and interests will become the Securitization Property;

WHEREAS, the Issuer, in order to finance the purchase of the Securitization Property, will issue the Securitization Bonds under the Indenture; and

WHEREAS, the Issuer, to secure its obligations under the Securitization Bonds and the Indenture, will pledge, among other things, all right, title and interest of the Issuer in and to the Securitization Property and this Agreement to the Indenture Trustee for the benefit of the Secured Parties.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.01. **Definitions.** Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to them in that certain Indenture (including Appendix A thereto) dated as of the date hereof between the Issuer and BOKE, NA, a national banking association, in its capacity as indenture trustee (the “Indenture Trustee”) and in its separate capacity as securities intermediary (the “Securities Intermediary”), as the same may be amended, restated, supplemented or otherwise modified from time to time.

(a) Whenever used in this Agreement, the following words and phrases shall have the following meanings:

“Bill of Sale” means a bill of sale substantially in the form of Exhibit A hereto delivered pursuant to Section 2.03(i).

“Losses” means (i) any and all amounts of principal and interest on the Securitization Bonds not paid when due or when scheduled to be paid in accordance with their terms and the amounts of any deposits by or to the Issuer required to have been made in accordance with the terms of the Basic Documents or the Financing Order which are not made when so required and (ii) any and all other liabilities, taxes, obligations, losses, claims, damages, payments, costs or expenses of any kind whatsoever.

“Securitization Property” means the “securitization property”, as defined in the Securitization Law (74 Okl.St. Ann. § 9072(11)), that is established pursuant to the Financing Order and that consists of all right, title and interest of OG&E: (i) in and to the WES Charges in the amounts authorized to be imposed and collected under the Financing Order, including the rights to obtain adjustments to WES Charges in accordance with the Securitization Law and the Financing Order, and (ii) all revenues and collections of or arising from the WES Charges.

SECTION 1.02. Other Definitional Provisions.

(a) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(b) The words “hereof,” “herein,” “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement; Section, Schedule and Exhibit references contained in this Agreement are references to Sections, Schedules and Exhibits in or to this Agreement unless otherwise specified; and the term “including” shall mean “including without limitation.”

(c) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms.

**ARTICLE II
CONVEYANCE OF SECURITIZATION PROPERTY**

SECTION 2.01. Sale of Securitization Property. (a) In consideration of the Issuer’s payment to the Seller of \$750,396,969.00, subject to the conditions specified in Section 2.03, the Seller does hereby irrevocably sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse or warranty, except as set forth herein, all right, title and interest of the Seller in and to the Securitization Property (such sale, transfer, assignment, setting over and conveyance of the Securitization Property includes, to the fullest extent permitted by the Securitization Law, the right to impose, collect and receive Securitization Charges and the assignment of all revenues, collections, claims, rights, payments, money or proceeds of or arising from the Securitization Charges related to the Securitization Property, as the same may be adjusted from time to time). Such sale, transfer, assignment, setting over and conveyance is hereby expressly stated to be a sale and, pursuant to the Securitization Law (74 Okl.St. Ann. § 9075(F)), shall be treated as an absolute transfer of all of the Seller’s right, title and interest in and to (as in a true sale), and not as a pledge or other financing of, the Securitization Property. The Seller and the Issuer agree that after giving effect to the sale, transfer, assignment, setting over and conveyance contemplated hereby the Seller has no right, title or interest in or to the Securitization Property to which a security interest could attach because (i) it has sold, transferred, assigned, set over and conveyed all right, title and interest in and to the Securitization Property to the Issuer, (ii) as provided in the Securitization Law (74 Okl.St. Ann. § 9075(F)), any sale, assignment or transfer of the Securitization Property to the Issuer that expressly states that a transfer is a sale or other absolute transfer signifies that the transaction is a true sale and is not a secured transaction and that title, legal and equitable, has passed to the Issuer, and (iii) as provided in the Securitization Law (74 Okl.St. Ann. § 9075(G)), appropriate notice has been filed and such transfer is perfected against all third parties, including subsequent judicial or other lien creditors. If such sale, transfer, assignment, setting over and conveyance is held by any court of competent jurisdiction not to be a true sale as provided in the Securitization Law (74 Okl.St. Ann. § 9075(F)), then such sale, transfer, assignment, setting over and conveyance shall be treated as a pledge of such Securitization Property and as the creation of a security interest (within the meaning of the Securitization Law and the UCC) in the Securitization Property and, without prejudice to its position that it has absolutely sold all of its rights in the Securitization Property to the Issuer, the Seller hereby grants a security interest in the Securitization Property to the Issuer (and to the Indenture Trustee for the benefit of the Secured Parties) to secure its obligations hereunder.

(b) Subject to Section 2.03, the Issuer does hereby purchase the Securitization Property from the Seller for the consideration set forth in Section 2.01(a).

SECTION 2.02. RESERVED.

SECTION 2.03. Conditions to Sale of Securitization Property. The obligation of the Issuer to purchase Securitization Property on the Closing Date shall be subject to the satisfaction of each of the following conditions:

(i) on or prior to the Closing Date, the Seller shall have delivered to the Issuer a duly executed Bill of Sale identifying the Securitization Property to be sold on the Closing Date;

(ii) on or prior to the Closing Date, the Seller shall have received the Financing Order creating the Securitization Property;

(iii) as of the Closing Date, the Seller is not insolvent and will not have been made insolvent by such sale and, to the knowledge of any Responsible Officer of the Seller, there is not any pending insolvency with respect to the Seller;

(iv) as of the Closing Date, the representations and warranties of the Seller set forth in this Agreement shall be true and correct with the same force and effect as if made on the Closing Date (except to the extent that they relate to an earlier date); on and as of the Closing Date, no breach of any covenant or agreement of the Seller contained in this Agreement has occurred and is continuing; and no Servicer Default shall have occurred and be continuing;

(v) as of the Closing Date, (A) the Issuer shall have sufficient funds available to pay the purchase price for the Securitization Property to be sold on such date and (B) all conditions to the issuance of the Securitization Bonds intended to provide such funds set forth in the Indenture shall have been satisfied or waived;

(vi) on or prior to the Closing Date, the Seller shall have taken all action required to transfer to the Issuer ownership of the Securitization Property to be sold on such date, free and clear of all Liens other than Liens created by the Issuer pursuant to the Basic Documents and to perfect such transfer, including, without limitation, filing any statements or filings pursuant to the Securitization Law and the Financing Order or the UCC; and the Issuer or the Servicer, on behalf of the Issuer, shall have taken all actions required for the Issuer to grant the Indenture Trustee a first priority perfected security interest in the Securitization Bond Collateral and maintain such security interest as of such date;

(vii) the Seller shall have delivered to the Rating Agencies and the Issuer any Opinions of Counsel required by the Rating Agencies to be delivered by the Seller;

(viii) reserved;

(ix) on and as of the Closing Date, each of the Servicing Agreement, this Agreement, the Indenture, the Financing Order, the Tariff and the Securitization Law shall be in full force and effect;

(x) the Securitization Bonds shall have received a rating or ratings required by the Financing Order; and

(xi) the Seller shall have delivered to the Indenture Trustee and the Issuer an Officer's Certificate confirming the satisfaction of each condition precedent specified in this Section 2.03.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLER

Subject to Section 3.09, the Seller makes the following representations and warranties, as of the Closing Date, and the Seller acknowledges that the Issuer has relied thereon in acquiring the Securitization

Property. For so long as any Securitization Bonds are Outstanding, the representations and warranties shall survive the sale and transfer of the Securitization Property to the Issuer and the pledge thereof to the Indenture Trustee pursuant to the Indenture. The Seller agrees that (i) the Issuer may assign the right to enforce the following representations and warranties to the Indenture Trustee and (ii) the representations and warranties inure to the benefit of the Issuer and the Indenture Trustee.

SECTION 3.01. Organization and Good Standing. The Seller is duly organized and validly existing and is in good standing under the laws of the state of its organization, with the requisite corporate or other power and authority to own its properties as such properties are owned on the Closing Date and to conduct its business as such business is conducted by it on the Closing Date, and has the requisite corporate or other power and authority to apply for and receive the Financing Order and own the Securitization Property under the Financing Order and to sell and transfer those rights and interests to the Issuer.

SECTION 3.02. Due Qualification. The Seller is duly qualified to do business and is in good standing, and has obtained all necessary licenses and approvals, in all jurisdictions in which the ownership or lease of property or the conduct of its business shall require such qualifications, licenses or approvals (except where the failure to so qualify or obtain such licenses and approvals would not have a material adverse effect on the Seller's business, operations, assets, revenues or properties).

SECTION 3.03. Power and Authority. The Seller has the requisite corporate or other power and authority to execute and deliver this Agreement and to carry out its terms; and the execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of the Seller under its organizational or governing documents and laws.

SECTION 3.04. Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Seller enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other laws relating to or affecting creditors' rights generally from time to time in effect and to general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing), regardless of whether considered in a proceeding in equity or at law.

SECTION 3.05. No Violation. The consummation by the Seller of the transactions contemplated by this Agreement and the fulfillment by the Seller of the terms hereof do not: (i) conflict in any material respect with or result in any breach in any material respect of any of the terms and provisions of, nor constitute (with or without notice or lapse of time) a default in any material respect under, the Seller's organizational documents, or any indenture, other agreement or other instrument to which the Seller is a party or by which it or any of its property is bound; (ii) result in the creation or imposition of any Lien in any material respect upon any of the Seller's properties pursuant to the terms of any such indenture, agreement or other instrument (other than any Lien that may be granted in the Issuer's favor or any Lien created in favor of the Indenture Trustee for the benefit of the Holders pursuant to the Securitization Law and the Financing Order or any Lien that may be granted under the Basic Documents); or (iii) violate in any material respect any existing law or any existing order, rule or regulation applicable to the Seller of any Governmental Authority having jurisdiction over the Seller or its properties.

SECTION 3.06. No Proceedings. There are no proceedings pending and, to the actual knowledge of a Responsible Officer of the Seller, there are no proceedings threatened and, to the actual knowledge of a Responsible Officer of the Seller, there are no investigations pending or threatened, before any Governmental Authority having jurisdiction over the Seller or its properties involving or relating to the Seller: (i) asserting the invalidity of the Securitization Law, the Financing Order, this Agreement, any of the other Basic Documents or the Securitization Bonds, (ii) seeking to prevent the issuance of the Securitization Bonds or the consummation of any of the transactions contemplated by this Agreement or any of the other Basic Documents, (iii) seeking any determination or ruling that could reasonably be expected to materially

and adversely affect the performance by the Seller of its obligations under, or the validity or enforceability of the Securitization Law, the Financing Order, this Agreement, any of the other Basic Documents or the Securitization Bonds or (iv) seeking to adversely affect the federal income tax or state income or franchise tax classification of the Securitization Bonds as debt.

SECTION 3.07. Approvals. Except for filings to be made under the Securitization Law, no approval, authorization, consent, order or other action of, or filing with, any Governmental Authority is required in connection with the execution and delivery by the Seller of this Agreement, the performance by the Seller of the transactions contemplated hereby or the fulfillment by the Seller of the terms hereof, except those that have been obtained or made and those that the Seller, is required to make in the future pursuant hereto.

SECTION 3.08. The Securitization Property.

(a) Information. Subject to subsection (f) below, as of the Closing Date, the information provided by the Seller to the Issuer set forth in the Official Statement, including Appendix A of the Official Statement, but not including (i) Appendices B, C, D-1, D-2, and E, (ii) the information under the headings “THE ISSUER” and “ABSENCE OF LITIGATION—The Issuer”, (iii) the information under the heading “Securities Depository” in Schedule 1, is true and correct in all material respects.

(b) Title. It is the Seller’s intention that the sale, transfer and assignment herein contemplated each constitute a sale and absolute transfer of the Securitization Property from the Seller to the Issuer and that the rights of the Issuer with respect to the Securitization Property shall not be part of the Seller’s estate in the event of the filing of a bankruptcy petition by or against the Seller under any bankruptcy law and not subject to setoff, counterclaim, surcharge or defense by the Seller or any other Person, creditor or otherwise, in any bankruptcy or debt collection proceeding of the Seller or any other Person. No portion of the Securitization Property has been sold, transferred, assigned or pledged or otherwise conveyed by the Seller to any Person other than the Issuer, and no security agreement, financing statement or equivalent security or lien instrument listing the Seller as debtor covering all or any part of the Securitization Property is on file or of record in any jurisdiction, except such as may have been filed, recorded or made in favor of the Issuer or the Indenture Trustee in connection with the Basic Documents. The Seller has not authorized the filing of and is not aware (after due inquiry by a Responsible Officer) of any financing statement against it that includes a description of collateral including the Securitization Property other than any financing statement filed, recorded or made in favor of the Issuer or the Indenture Trustee in connection with the Basic Documents. The Seller is not aware (after due inquiry by a Responsible Officer) of any judgment or tax lien filings against the Seller. At the Closing Date, immediately prior to the sale of the Securitization Property hereunder, the Seller is the original and the sole owner of the Securitization Property free and clear of all Liens and rights of any other Person, and, to the Seller’s knowledge no offsets, defenses or counterclaims exist or have been asserted with respect thereto.

(c) Transfer Filings. On the Closing Date, immediately upon the sale, transfer and assignment herein contemplated, the Securitization Property transferred on the Closing Date shall be validly sold, transferred and assigned to the Issuer, the Issuer shall own all such Securitization Property free and clear of all Liens (except for any Lien created in favor of the Indenture Trustee for the benefit of the Holders under the Securitization Law and the Financing Order or any Lien that may be granted under the Basic Documents) and all filings and action to be made or taken by the Seller (including, without limitation, filings with the Secretary of State of the State of Oklahoma under the Securitization Law) necessary in any jurisdiction to give the Issuer a perfected ownership interest (subject to any Lien created in favor of the Indenture Trustee for the benefit of the Holders pursuant to the Securitization Law and the Financing Order and any Lien that may be granted under the Basic Documents) in the Securitization Property have been made or taken.

(d) Financing Order, Issuance Advice Letter and Tariff; Other Approvals. On the Closing Date, under the laws of the State of Oklahoma and the United States in effect on the Closing Date, (i) the Financing Order pursuant to which the rights and interests of the Seller have been created, including the right to impose, collect and receive the Securitization Charges and, in and to the Securitization Property, is Final and non-appealable and is in full force and effect; (ii) as of the Closing Date, subject to any limitations set forth in the Securitization Law, the Securitization Bonds are entitled to the protection of the Securitization Law and, accordingly, the Financing Order and the Securitization Charges are not revocable by the Commission until the payment in full of the Securitization Bonds and all Ongoing Financing Costs; (iii) as of the Closing Date, the Tariff is in full force and effect and is not subject to modification by the Commission except as provided under the Securitization Law and the Financing Order; (iv) the process by which the Financing Order was adopted and approved comply with all applicable laws, rules and regulations; (v) the Issuance Advice Letter and the Tariff have been filed in accordance with the Financing Order creating the Securitization Property transferred on such date and a Responsible Officer of the Seller has provided the certification to the Commission required by the Issuance Advice Letter; and (vi) no other material approval, authorization, consent, order or other action of, or filing with any Governmental Authority is required on the part of the Seller in connection with the creation of the Securitization Property, except those that have been obtained or made.

(e) State Pledge. Under the Act, the State of Oklahoma has pledged that it will not limit or impair the rights and remedies of the owners of Bonds issued by the Authority until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the owners of the Bonds, are fully met and discharged. Under the laws of the State of Oklahoma and the United States, the State of Oklahoma would be required to pay just compensation to the Holders for any action of a legislative character including the repeal or amendment of the Securitization Law or the Act, or take any other action in contravention of the State Pledge, in either case which (A) permanently appropriates a substantial property interest of the Holders in the Securitization Property or denies all economically productive use of the Securitization Property; (B) destroys the Securitization Property, other than in response to emergency conditions; or (C) substantially reduces, alters or impairs the value of the Securitization Property so as to unduly interfere with the Holders' reasonable expectations arising from their investments in the Bonds. There is no assurance, however, that, even if a court were to award just compensation it would be sufficient to pay the full amount of principal and interest on the Securitization Bonds.

(f) Assumptions. On the Closing Date, based upon the information available to the Seller on such date, the assumptions used in calculating the Securitization Charges are reasonable and are made in good faith. Notwithstanding the foregoing, the Seller makes no representation or warranty, express or implied, that amounts actually collected arising from those Securitization Charges will in fact be sufficient to meet the payment obligations on the Securitization Bonds or that the assumptions used in calculating such Securitization Charges will in fact be realized.

(g) Creation of Securitization Property. Upon the effectiveness of the Financing Order, the Issuance Advice Letter and the Tariff with respect to the Securitization Property and the transfer of the Securitization Property pursuant to this Agreement: (i) the rights and interests of the Seller under the Financing Order to impose, collect and receive the Securitization Charges authorized in the Financing Order, become "securitization property" as defined in the Securitization Law (74 Okl.St. Ann. § 9072(11)); (ii) the Securitization Property constitutes a present property right; (iii) the Securitization Property includes (A) the right, title and interest of the Seller in the Securitization Charges, (B) the right to impose, collect and obtain periodic adjustments (with respect to adjustments, in the manner and with the effect provided in Section 4.01(b) of the Servicing Agreement) of such Securitization Charges, and (C) all revenues, collections, claims, payments, money or proceeds of or arising from the Securitization Charges; (iv) the owner of the Securitization Property is legally entitled to bill Securitization Charges and collect payments in respect of the Securitization Charges in the aggregate sufficient to pay the interest on and principal of the Securitization

Bonds in accordance with the Indenture, to pay the fees and expenses of servicing the Securitization Bonds, to replenish the DSRS to the Required Reserve Level until the Securitization Bonds are paid in full or until the last date permitted for the collection of payments in respect of the Securitization Charge under the Financing Order, whichever is earlier; and (v) the Securitization Property is not subject to any Lien (except for any Lien created pursuant to the Securitization Law, the Financing Order and the Basic Documents).

(h) Solvency. After giving effect to the sale of the Securitization Property hereunder, the Seller:

(i) is solvent and expects to remain solvent;

(ii) is adequately capitalized to conduct its business and affairs considering its size and the nature of its business and intended purpose;

(iii) is not engaged in nor does it expect to engage in a business for which its remaining property represents an unreasonably small capital;

(iv) reasonably believes that it will be able to pay its debts as they come due; and

(v) is able to pay its debts as they mature and does not intend to incur, or believes that it will not incur, indebtedness that it will not be able to repay at its maturity.

(i) No Court Order. There is no order by any court providing for the revocation, alteration, limitation or other impairment of the Securitization Law, the Financing Order, the Issuance Advice Letter, the Securitization Property or the Securitization Charges or any rights arising under any of them or that seeks to enjoin the performance of any obligations under the Financing Order.

(j) No Proceedings Concerning the Securitization Law. Except as disclosed in the Official Statement, there are no proceedings pending, and to the Seller's knowledge, (i) there are no proceedings threatened and (ii) there are no investigations pending or threatened, before any Governmental Authority having jurisdiction over the Issuer or the Seller or their respective properties challenging the Securitization Law or the Financing Order.

(k) Survival of Representations and Warranties. The representations and warranties set forth in this Section 3.08 shall survive the execution and delivery of this Agreement and may not be waived by any party hereto except pursuant to a written agreement executed in accordance with Article VI and as to which the Rating Agency Condition has been satisfied.

(l) Nature of Representations and Warranties. The representations and warranties set forth in this Section 3.08, insofar as they involve conclusions of law, are made not on the basis that the Seller purports to be a legal expert or to be rendering legal advice, but rather to reflect the parties' good faith understanding of the legal basis on which the parties are entering into this Agreement and the other Basic Documents and the basis on which the Holders are purchasing the Securitization Bonds, and to reflect the parties' agreement that, if such understanding turns out to be incorrect or inaccurate, the Seller will be obligated to indemnify the Issuer and its permitted assigns (to the extent required by and in accordance with Section 5.01 hereof), and that the Issuer and its permitted assigns will be entitled to enforce any rights and remedies under the Basic Documents, on account of such inaccuracy to the same extent as if the Seller had breached any other representations or warranties hereunder.

SECTION 3.09. Certain Tax Matters. The Seller will report the receipt of the proceeds of the sale of the Securitization Property the Seller receives from the Issuer for federal income tax and, if applicable, state income tax purposes; however, based on the Seller's tax basis in the Securitization Property, the Seller does not expect to recognize any taxable gain on the sale.

SECTION 3.10. Limitations on Representations and Warranties. Without prejudice to any of the other rights of the parties, the Seller is making the representations and warranties herein solely as of the date hereof and will not be in breach of any representation or warranty, as a result of a change in, repeal of, supplement to, or judicial invalidation of any applicable law by means of any legislative enactment, constitutional amendment, voter initiative, or otherwise. THE SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, THAT BILLED SECURITIZATION CHARGES WILL BE ACTUALLY COLLECTED FROM CUSTOMERS.

ARTICLE IV COVENANTS OF THE SELLER

SECTION 4.01. Existence. Subject to Section 5.02 hereof, so long as any of the Securitization Bonds are Outstanding, the Seller will take commercially reasonable steps to (a) keep in full force and effect its existence and remain in good standing under the laws of the jurisdiction of its organization, (b) obtain and preserve its qualification to do business, in each case to the extent that in each such jurisdiction such existence or qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Basic Documents to which the Seller is a party and each other instrument or agreement necessary or appropriate to the proper administration of this Agreement and the transactions contemplated hereby or to the extent necessary for the Seller to perform its obligations hereunder or thereunder and (c) continue to own and operate its distribution system in order and to the extent required to provide electric services to the Seller's Customers within the Service Area. Nothing in this Section 4.01 shall prohibit the Seller from selling, assigning or otherwise divesting any of its properties or assets; *provided* that in the event that the Seller sells, assigns or otherwise divests of all or any portion of its distribution system required to provide electric service to the Seller's Customers in the Service Area, then the entity acquiring such distribution facilities is either required by law or agrees by contract to continue operating the facilities to provide electric services to Seller's Customers in the Service Area.

SECTION 4.02. No Liens. Except for the conveyances hereunder or any Lien pursuant to the Securitization Law and the Financing Order in favor of the Indenture Trustee for the benefit of the Holders and any Lien that may be granted under the Basic Documents, the Seller will not sell, pledge, assign or transfer, or grant, create, incur, assume or suffer to exist any Lien on, any of the Securitization Property, or any interest therein, and the Seller shall defend the right, title and interest of the Issuer and the Indenture Trustee, on behalf of the Secured Parties, in, to and under the Securitization Property against all claims of third parties claiming through or under the Seller. The Seller will not at any time assert any Lien against, or with respect to, any of the Securitization Property.

SECTION 4.03. Delivery of Collections. In the event that the Seller receives any WEC Collections or other payments in respect of the Securitization Charges or the proceeds thereof other than in its capacity as the Servicer after the Closing Date, the Seller agrees to pay to the Servicer, on behalf of the Issuer, all payments received by it in respect thereof as soon as practicable after receipt thereof. Prior to such remittance to the Servicer by the Seller, the Seller agrees that such amounts are held by it in trust for the Issuer. If the Seller becomes a party to any future trade receivables purchase and sale arrangement or similar arrangement under which it sells all or any portion of its accounts receivables, the Seller and the other parties to such arrangement shall enter into an intercreditor agreement in connection therewith and the terms of the documentation evidencing such trade receivables purchase and sale arrangement or similar arrangement shall expressly exclude Securitization Charges from any receivables or other assets pledged or sold under such arrangement.

SECTION 4.04. Notice of Liens. The Seller shall notify the Issuer and the Indenture Trustee promptly after a Responsible Officer of Seller obtains actual knowledge of any Lien on any of the Securitization Property, other than the conveyances hereunder, any Lien under the Basic Documents or any

Lien pursuant to the Securitization Law and the Financing Order created in favor of the Indenture Trustee for the benefit of the Holders.

SECTION 4.05. Compliance with Law. The Seller hereby agrees to comply with its organizational or governing documents and all laws, treaties, rules, regulations and determinations of any Governmental Authority applicable to it, except to the extent that failure to so comply would not materially adversely affect the Issuer's or the Indenture Trustee's interests in the Securitization Property or under any of the other Basic Documents to which the Seller is party or the Seller's performance of its obligations hereunder or under any of the other Basic Documents to which it is party.

SECTION 4.06. Covenants Related to Securitization Bonds and Securitization Property.

(a) The Seller shall treat the Securitization Property as the Issuer's property for all purposes, and shall not treat the Securitization Bonds as debt of the Seller for any purposes.

(b) The Seller agrees that, upon the sale by the Seller of the Securitization Property to the Issuer pursuant to this Agreement, (i) to the fullest extent permitted by law, including applicable Commission Regulations and the Securitization Law, the Issuer shall have all of the rights originally held by the Seller with respect to the Securitization Property, including the right to exercise any and all rights and remedies to collect any amounts payable by any Customer in respect of the Securitization Property, notwithstanding any objection or direction to the contrary by the Seller (and the Seller agrees not to make any such objection or to take any such contrary action) and (ii) any payment by any Customer directly to the Issuer shall discharge such Customer's obligations, if any, to the Seller in respect of the Securitization Property to the extent of such payment, notwithstanding any objection or direction to the contrary by the Seller.

(c) So long as any of the Securitization Bonds are Outstanding, (i) in all proceedings relating directly or indirectly to the Securitization Property, the Seller shall affirmatively certify and confirm that it has sold all of its rights and interests in and to such property for all purposes, (ii) the Seller shall not make any statement or reference in respect of the Securitization Property that is inconsistent with the ownership interest of the Issuer, (iii) the Seller shall not take any action in respect of the Securitization Property except solely in its capacity as the Servicer thereof pursuant to the Servicing Agreement or as otherwise contemplated by the Basic Documents, (iv) the Seller shall not sell securitization property (as defined in the Securitization Law) under a separate financing order in connection with the issuance of additional ratepayer-backed bonds (as defined in the Securitization Law) unless the Rating Agency Condition shall have been satisfied, and (v) the Seller shall not take any action, file any tax return, or make any election inconsistent with the treatment of the Issuer as the owner of the Securitization Property for all purposes.

SECTION 4.07. Protection of Title. The Seller shall execute and file such filings, including, without limitation, filings with the Secretary of State of the State of Oklahoma pursuant to the Securitization Law, and cause to be executed and filed such filings, all in such manner and in such places as may be required by law to fully preserve, maintain, protect and perfect the ownership interest of the Issuer in the Securitization Property, including, without limitation, all filings required under the Securitization Law and the UCC relating to the transfer of the ownership of the rights and interest in the Securitization Property by the Seller to the Issuer. The Seller agrees to take such legal or administrative actions, including defending against or instituting and pursuing legal actions and appearing or testifying at hearings or similar proceedings, in each case, as may be reasonably necessary (i) to protect the Issuer and the Secured Parties from claims, state actions or other actions or proceedings of third parties which, if successfully pursued, would result in a breach of any representation set forth in Article III or any covenant set forth in Article IV and (ii) to block or overturn any attempts to cause a repeal of, modification of or supplement to the Securitization Law, the Financing Order, or the rights of Holders by legislative enactment or constitutional amendment that would be materially adverse to the Issuer or the Secured Parties or which would otherwise cause an impairment in any material

respect of the rights of the Issuer or the Secured Parties. The costs of any such actions or proceedings will be payable by the Seller.

SECTION 4.08. Nonpetition Covenants. Notwithstanding any prior termination of this Agreement or the Indenture, the Seller shall not, prior to the date which is one year and one day after the termination of the Indenture and payment in full of the Securitization Bonds or any other amounts owed under the Indenture, petition the process of any Government Authority for the purpose of commencing or sustaining an involuntary case against the Issuer under any federal or state bankruptcy, insolvency or similar law, appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or any substantial part of the property of the Issuer, or ordering the winding up or liquidation of the affairs of the Issuer.

SECTION 4.09. Taxes. So long as any of the Securitization Bonds are outstanding, the Seller shall, and shall cause each of its subsidiaries to, pay all state or local income tax, sales tax, franchise tax, gross receipts tax, or any other tax, governmental charge, or assessment imposed by the State of Oklahoma or any other governmental entity upon it or any of its properties or assets or with respect to any of its franchises, business, income or property, or on the Securitization Property, including without limitation any Securitization Charge collections, before any penalty accrues thereon if the failure to pay any such taxes, assessments and governmental charges would, after any applicable grace periods, notices or other similar requirements, result in a Lien on the Securitization Property; *provided* that no such tax need be paid if the Seller or one of its Affiliates is contesting the same in good faith by appropriate proceedings promptly instituted and diligently conducted and if the Seller or such Affiliate has established appropriate reserve as shall be required in conformity with generally accepted accounting principles and as necessary to ensure the timely payments of the Bonds.

SECTION 4.10. Issuance Advice Letter. The Seller hereby agrees not to withdraw the filing of the Issuance Advice Letter with the Commission.

SECTION 4.11. Tariff. The Seller hereby agrees to make all reasonable efforts to keep the Tariff related to the Securitization Property in full force and effect at all times.

SECTION 4.12. Notice of Breach to Rating Agencies, Etc. Promptly after a Responsible Officer of the Seller obtains actual knowledge thereof, in the event of a breach in any material respect of any of the Seller's representations, warranties or covenants contained herein, the Seller shall promptly notify the Issuer, the Indenture Trustee, the Commission and the Rating Agencies of such breach (with prior written notice to the Servicer). For the avoidance of doubt, any breach which would materially adversely affect scheduled payments on the Securitization Bonds will be deemed to be a breach in a material respect for purposes of this Section 4.12.

SECTION 4.13. Use of Proceeds. The Seller shall use the proceeds of the sale of the Securitization Property in accordance with the Financing Order and the Securitization Law.

SECTION 4.14. Further Assurances. Upon the request of the Issuer, the Seller shall execute and deliver such further instruments and do such further acts as may be reasonably necessary to carry out more effectually the provisions and purposes of this Agreement.

ARTICLE V THE SELLER

SECTION 5.01. Liability of Seller; Indemnities.

(a) The Seller shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Seller under this Agreement.

(b) The Seller shall indemnify the Issuer and the Indenture Trustee (for the benefit of the Secured Parties) and each of their respective officers, directors, employees, trustees, managers and agents for, and defend and hold harmless each such Person from and against, any and all taxes (other than taxes imposed on Bondholders as a result of their ownership of a Securitization Bond) that may at any time be imposed on or asserted against any such Person as a result of the sale of the Securitization Property to the Issuer, including any state or local income tax, sales tax, franchise tax, gross receipts tax, or any other tax, governmental charge or assessment imposed by the State of Oklahoma or any other governmental entity, but excluding any taxes imposed as a result of a failure of such Person to withhold or remit taxes with respect to payments on any Securitization Bond.

(c) The Seller shall indemnify the Issuer and the Indenture Trustee (for the benefit of the Secured Parties) and each of their respective officers, directors, employees, trustees, managers, and agents for, and defend and hold harmless each such Person from and against, any and all taxes (other than taxes imposed on Bondholders as a result of their ownership of a Securitization Bond) that may at any time be imposed on or asserted against any such Person as a result of the Issuer's ownership and assignment of the Securitization Property, the issuance and sale by the Issuer of the Securitization Bonds or the other transactions contemplated in the Basic Documents, including any franchise, sales, gross receipts, general corporation, tangible personal property, privilege or license taxes but excluding any taxes imposed as a result of a failure of such Person to withhold or remit taxes with respect to payments on any Securitization Bond.

(d) Reserved.

(e) Indemnification under Sections 5.01(b), 5.01(c), and 5.01(f) shall include reasonable and documented out-of-pocket fees and expenses of investigation and litigation (including reasonable attorney's fees and expenses), except as otherwise expressly provided in this Agreement.

(f) The Seller shall indemnify the Issuer and the Indenture Trustee (for itself and for the benefit of the Secured Parties) and any of their respective affiliates, officers, directors, employees and agents (each, an "Indemnified Person") for, and defend and hold harmless each such Person from and against, any and all Losses incurred by any of such Indemnified Persons as a result of the Seller's breach in any material respect of any of its representations and warranties or covenants contained in this Agreement, except to the extent of Losses either resulting from the willful misconduct, bad faith or negligence of such Indemnified Person or resulting from a breach of a representation or warranty made by such Indemnified Person in any Basic Document that gives rise to the Seller's breach.

(g) The Seller shall not be required to indemnify an Indemnified Person for any amount paid or payable by such Indemnified Person in the settlement of any action, proceeding or investigation without the prior written consent of the Seller which consent shall not be unreasonably withheld. Promptly after receipt by an Indemnified Person of notice of the commencement of any action, proceeding or investigation, such Indemnified Person shall, if a claim in respect thereof is to be made against the Seller under this Section 5.01, notify the Seller in writing of the commencement thereof. Failure by an Indemnified Person to so notify the Seller shall relieve the Seller from the obligation to indemnify and hold harmless such Indemnified Person under this Section 5.01 only to the extent that the Seller suffers actual prejudice as a result of such failure. With respect to any action, proceeding or investigation brought by a third party for which indemnification may be sought under this Section 5.01(g), the Seller shall be entitled to conduct and control, at its expense and with counsel of its choosing that is reasonably satisfactory to such Indemnified Person, the defense of any such action, proceeding or investigation (in which case the Seller shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the Indemnified Person except as set forth below); provided that the Indemnified Person shall have the right to participate in such action, proceeding or

investigation through counsel chosen by it and at its own expense. Notwithstanding the Seller's election to assume the defense of any action, proceeding or investigation, the Indemnified Person shall have the right to employ separate counsel (including local counsel), and the Seller shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the defendants in any such action include both the Indemnified Person and the Seller and the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or additional to those available to the Seller, (ii) the Seller shall not have employed counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person within a reasonable time after notice of the institution of such action, (iii) the Seller shall authorize the Indemnified Person in writing to employ separate counsel at the expense of the Seller or (iv) in the case of the Indenture Trustee, such action exposes the Indenture Trustee to a material risk of criminal liability or forfeiture. Notwithstanding the foregoing, the Seller shall not be obligated to pay for the fees, costs and expenses of more than one separate counsel for the Indemnified Persons other than one local counsel, if appropriate.

(h) The remedies provided in this Agreement are the sole and exclusive remedies against the Seller for breach of its representations and warranties in this Agreement.

(i) Indemnification under this Section 5.01 shall survive any repeal of, modification of, or supplement to, or judicial invalidation of, the Securitization Law or the Financing Order and shall survive the resignation or removal of the Indenture Trustee or the termination of this Agreement and will rank in priority with other general, unsecured obligations of the Seller. The Seller shall be liable in accordance herewith solely to the extent of the obligations specifically undertaken by the Seller hereunder. The Seller shall not indemnify any party under this Section 5.01 for any changes in law after the Closing Date, whether such changes in law are effected by means of any legislative enactment, constitutional amendment or any final and non-appealable judicial decision.

(j) Notwithstanding Section 5.01(b), 5.01(c) or 5.01(f) above, the Seller shall not be liable for any Losses resulting solely from a downgrade in the ratings on the Bonds or for any consequential damages, including any loss of market value of the Bonds resulting from any default or any downgrade of the ratings on the Bonds.

SECTION 5.02. Merger, Conversion or Consolidation of, or Assumption of the Obligations of, Seller. Any Person (a) into which the Seller may be merged, converted or consolidated and which is a Permitted Successor, (b) that may result from any reorganization, merger, conversion or consolidation to which the Seller shall be a party, or (c) that may acquire or succeed to (whether by merger, division, conversion, consolidation, reorganization, sale, transfer, lease, management contract or otherwise) 1) the properties and assets of the Seller substantially as a whole, 2) all or substantially all of the electric distribution business of the Seller which is required to provide electric service to the Seller's Customers in the Service Area, or 3) the distribution system business assets of the Seller in a portion of the Service Area, and which Person in any of the foregoing cases executes an agreement of assumption to perform all of the obligations of the Seller hereunder (including the Seller's obligations under Section 5.01 incurred at any time prior to or after the date of such assumption), shall be a successor to the Seller under this Agreement (a "Permitted Successor") without further act on the part of any of the parties to this Agreement; provided, however, that

(i) immediately after giving effect to such transaction, no representation, warranty or covenant made by the Seller pursuant to Article III or Article IV shall be breached in any material respect and to the extent the Seller is the Servicer, no Servicer Default, and no event which, after notice or lapse of time, or both, would become a Servicer Default shall have occurred and be continuing;

(ii) the Seller shall have delivered to the Issuer, the Indenture Trustee and each Rating Agency an Officer's Certificate and an Opinion of Counsel from Independent counsel stating that such consolidation, conversion, merger, division, reorganization, sale, transfer, lease, management contract

transaction, acquisition or other succession and such agreement of assumption comply with this Section 5.02 and that all conditions precedent, if any, provided for in this Agreement relating to such transaction have been complied with;

(iii) the Seller shall have delivered to the Issuer, the Indenture Trustee and each Rating Agency an Opinion of Counsel from Independent counsel of the Seller either (A) stating that, in the opinion of such counsel, all filings to be made by the Seller, including filings with the Commission pursuant to the Securitization Law, have been authorized, executed and filed that are necessary to fully preserve and protect the interests of the Issuer in all of the Securitization Property and reciting the details of such filings, or (B) stating that, in the opinion of such counsel, no such action shall be necessary to preserve and protect such interests,

(iv) the Seller shall have delivered to the Issuer, the Indenture Trustee, the Rating Agencies and the Commission an Opinion of Counsel from Independent tax counsel stating that, for federal income tax purposes, notwithstanding such consolidation, conversion, merger, division, reorganization, sale, transfer, lease, management contract transaction, acquisition or other succession and such agreement of assumption, the Issuer nor the Securitization Property will not be subject to tax for any purpose as a result of such transaction; and

(v) the Seller shall have given the Rating Agencies prior written notice of such transaction.

When the conditions set forth in this Section 5.02 have been satisfied, the preceding Seller shall automatically and without further notice (except as provided in clause (v) above) be released from all of its obligations hereunder.

SECTION 5.03. Limitation on Liability of Seller and Others. The Seller and any director, officer, employee or agent of the Seller may rely in good faith on the advice of counsel or on any document of any kind, prima facie properly executed and submitted by any Person, respecting any matters arising hereunder. Subject to Section 4.07, the Seller shall not be under any obligation to appear in, prosecute or defend any legal action that is not incidental to its obligations under this Agreement, and that in its opinion may involve it in any expense or liability.

ARTICLE VI MISCELLANEOUS PROVISIONS

SECTION 6.01. Amendment. This Agreement may be amended in writing by the Seller and the Issuer with ten Business Days' prior written notice given to the Rating Agencies and the Indenture Trustee; but, without the consent of any of the Holders, (i) to cure any ambiguity, to correct or supplement any provisions in this Agreement or for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions in this Agreement or of modifying in any manner the rights of the Holders; provided, however, that such action shall not, as evidenced by an Officer's Certificate delivered to the Issuer and the Indenture Trustee, adversely affect in any material respect the interests of any Holder or (ii) to conform the provisions hereof to the description of this Agreement in the Official Statement.

In addition, this Agreement may be amended in writing by the Seller and the Issuer with (i) the prior written consent of the Indenture Trustee, (ii) the satisfaction of the Rating Agency Condition, and (iii) if any amendment would adversely affect in any material respect the interest of any Holder of the Securitization Bonds, the consent of a majority of the Holders of each affected Tranche of Securitization Bonds. In determining whether a majority of Holders have consented, Securitization Bonds owned by the Issuer or any Affiliate of the Issuer shall be disregarded, except that, in determining whether the Indenture Trustee shall be protected in relying upon any such consent, the Indenture Trustee shall only be required to disregard any Securitization Bonds it actually knows to be so owned.

Promptly after the execution of any such amendment or consent, the Issuer shall furnish copies of such amendment or consent to each of the Rating Agencies.

It shall not be necessary for the consent of Holders pursuant to this Section to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

Prior to the execution of any amendment to this Agreement, the Issuer and the Indenture Trustee shall be entitled to receive and rely upon an Opinion of Counsel from external counsel of the Seller stating that the execution of such amendment is authorized or permitted by this Agreement and that all conditions precedent have been satisfied. The Issuer and the Indenture Trustee may, but shall not be obligated to, enter into any such amendment which affects the Indenture Trustee's own rights, duties or immunities under this Agreement or otherwise.

SECTION 6.02. Notices. All demands, notices and communications upon or to the Seller, the Issuer, the Indenture Trustee, the Commission or the Rating Agencies under this Agreement shall be sufficiently given for all purposes hereunder if in writing, and delivered personally, sent by documented delivery service or, to the extent receipt is confirmed telephonically, sent by telecopy or other form of electronic transmission:

(a) in the case of the Seller, to Oklahoma Gas and Electric Company, P.O. Box, 321 Attention: Treasurer, Email: walworcb@oge.com and General Counsel, Email: sultemwh@oge.com;

(b) in the case of the Issuer, to The Oklahoma Development Finance Authority, 9220 North Kelley Avenue, Oklahoma City, OK 73131, Attention: Michael Davis, Telephone: (405) 842-1145, Email: mdavis@okfinance.com;

(c) in the case of the Indenture Trustee, to the Corporate Trust Office;

(d) in the case of the Commission, to Oklahoma Corporation Commission, Attention: Geoffrey Rush, Telephone: (405) 522-3356, Email: geoffrey.rush@occ.ok.gov and Deputy General Counsel, Michael Velez, Telephone: (405) 522-5930, Email: Michael.velez@occ.ok.gov;

(e) in the case of Fitch, to Fitch Ratings, 300 West 57th Street, New York, NY 10019, Attention: ABS Surveillance, Telephone: (212) 908 0500, Facsimile: (212) 908 0355;

(f) in the case of Standard & Poor's, to Standard & Poor's Ratings Group, Inc., Structured Credit Surveillance, 55 Water Street, New York, New York 10041, Telephone: (212) 438-8991, Email: servicer_reports@spglobal.com (all such notices to be delivered to Standard & Poor's in writing by email); or

(g) as to each of the foregoing, at such other address as shall be designated by written notice to the other parties.

SECTION 6.03. Assignment. Notwithstanding anything to the contrary contained herein, except as provided in Section 5.02, this Agreement may not be assigned without the prior written consent of the other party hereto.

SECTION 6.04. Limitations on Rights of Third Parties. The provisions of this Agreement are solely for the benefit of the Seller, the Issuer, the Indenture Trustee (for the benefit of the Secured Parties) and the other Persons expressly referred to herein, and such Persons shall have the right to enforce the relevant provisions of this Agreement. Nothing in this Agreement, whether express or implied, shall be construed to

give to any other Person any legal or equitable right, remedy or claim in the Securitization Property or under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

SECTION 6.05. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remainder of such provision (if any) or the remaining provisions hereof (unless such construction shall be unreasonable), and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 6.06. Separate Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument

SECTION 6.07. Headings. The headings of the various Articles and Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

SECTION 6.08. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OKLAHOMA, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

SECTION 6.09. Assignment to Indenture Trustee. The Seller hereby acknowledges and consents to any mortgage, pledge, assignment and grant of a security interest by the Issuer to the Indenture Trustee pursuant to the Indenture for the benefit of the Secured Parties of all right, title and interest of the Issuer in, to and under this Agreement, the Securitization Property and the proceeds thereof and the assignment of any or all of the Issuer's rights hereunder to the Indenture Trustee for the benefit of the Secured Parties.

SECTION 6.10. Limitation of Liability. It is expressly understood and agreed by the parties hereto that this Agreement is executed and delivered by the Indenture Trustee, not individually or personally but solely as Indenture Trustee on behalf of the Secured Parties, in the exercise of the powers and authority conferred and vested in it. The Indenture Trustee in acting hereunder is entitled to all rights, benefits, protections, immunities and indemnities accorded to it under the Indenture.

SECTION 6.11. Waivers. Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the party or parties entitled to the benefit thereof; provided, however, that no such waiver delivered by the Issuer shall be effective unless the Indenture Trustee has given its prior written consent thereto. Any such waiver shall be validly and sufficiently authorized for the purposes of this Agreement if, as to any party, it is authorized in writing by an authorized representative of such party. The failure of any party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

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

OKLAHOMA DEVELOPMENT FINANCE
AUTHORITY, as Issuer

By: /s/ Michael Davis

Name: Michael Davis

Title: President

OKLAHOMA GAS AND ELECTRIC COMPANY, as
Seller

By: /s/ Chuck Walworth

Name: Chuck Walworth

Title: Treasurer

ACKNOWLEDGED AND ACCEPTED:

BOKF, NA, as Indenture Trustee

By: /s/ Rachel Redd-Singleton

Name: Rachel Redd-Singleton

Title: Senior Vice President

EXHIBIT A

FORM OF BILL OF SALE

This Bill of Sale is being delivered pursuant to the Securitization Property Purchase and Sale Agreement, dated as of July 20, 2022 (the "Sale Agreement"), by and between Oklahoma Gas and Electric Company (the "Seller") and Oklahoma Development Finance Authority (the "Issuer"). All capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement.

In consideration of the Issuer's payment to the Seller of \$750,396,969.00, the Seller does hereby irrevocably sell, transfer, assign, set over and otherwise convey to the Issuer, without recourse or warranty, except as set forth in the Sale Agreement, all right, title and interest of the Seller in and to the Securitization Property identified on Schedule 1 hereto (such sale, transfer, assignment, setting over and conveyance of the Securitization Property includes, to the fullest extent permitted by the Securitization Law, the right to impose, collect and receive Securitization Charges and the assignment of all revenues, collections, claims, rights, payments, money or proceeds of or arising from the Securitization Charges related to the Securitization Property, as the same may be adjusted from time to time). Such sale, transfer, assignment, setting over and conveyance is hereby expressly stated to be a sale and, pursuant to the Securitization Law and other applicable law, shall be treated as an absolute transfer of all of the Seller's right, title and interest in and to (as in a true sale), and not as a pledge or other financing of, the Securitization Property. The Seller and the Issuer agree that after giving effect to the sale, transfer, assignment, setting over and conveyance contemplated hereby the Seller has no right, title or interest in or to the Securitization Property to which a security interest could attach because (i) it has sold, transferred, assigned, set over and conveyed all right, title and interest in and to the Securitization Property to the Issuer, (ii) as provided in the Securitization Law, such rights are only contract rights until the time of such sale, transfer, assignment, setting over and conveyance and (iii) as provided in the Securitization Law, appropriate notice has been filed and such transfer is perfected against all third parties, including subsequent judicial or other lien creditors. If such sale, transfer, assignment, setting over and conveyance is held by any court of competent jurisdiction not to be a true sale as provided in the Securitization Law, then such sale, transfer, assignment, setting over and conveyance shall be treated as a pledge of such Securitization Property and as the creation of a security interest (within the meaning of the Securitization Law and the UCC) in the Securitization Property and, without prejudice to its position that it has absolutely sold all of its rights in the Securitization Property to the Issuer, the Seller hereby grants a security interest in the Securitization Property to the Issuer (and, to the Indenture Trustee for the benefit of the Secured Parties) to secure its obligations under the Sale Agreement.

The Issuer does hereby purchase the Securitization Property from the Seller for the consideration set forth in the preceding paragraph.

The Seller and the Issuer each acknowledge and agree that the purchase price for the Securitization Property sold pursuant to this Bill of Sale and the Sale Agreement is equal to its fair market value at the time of sale.

The Seller confirms that (i) each of the representations and warranties on the part of the Seller contained in the Sale Agreement are true and correct in all respects on the date hereof as if made on the date hereof and (ii) each condition precedent that must be satisfied under Section 2.03 of the Sale Agreement has been satisfied upon or prior to the execution and delivery of this Bill of Sale by the Seller.

This Bill of Sale may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

THIS BILL OF SALE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OKLAHOMA, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAW.

IN WITNESS WHEREOF, the Seller and the Issuer have duly executed this Bill of Sale as of the 20th day of July, 2022.

OKLAHOMA DEVELOPMENT FINANCE
AUTHORITY

By: _____
Name:
Title:

OKLAHOMA GAS AND ELECTRIC COMPANY

By: _____
Name:
Title:

SCHEDULE 1
to
BILL OF SALE
SECURITIZATION PROPERTY

All Securitization Property created or arising under the Financing Order dated as of December 16, 2021, issued by the Commission pursuant to the Securitization Law, Cause No. PUD202100072.

CERTIFICATIONS

I, Sean Trauschke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of OGE Energy Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

CERTIFICATIONS

I, W. Bryan Buckler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of OGE Energy Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2022

/s/ W. Bryan Buckler

W. Bryan Buckler
Chief Financial Officer

CERTIFICATIONS

I, Sean Trauschke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oklahoma Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

CERTIFICATIONS

I, W. Bryan Buckler, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Oklahoma Gas and Electric Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2022

/s/ W. Bryan Buckler

W. Bryan Buckler
Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of OGE Energy Corp. ("OGE Energy") on Form 10-Q for the period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of OGE Energy.

August 3, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

/s/ W. Bryan Buckler

W. Bryan Buckler
Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Oklahoma Gas and Electric Company ("OG&E") on Form 10-Q for the period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), each of the undersigned does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of OG&E.

August 3, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

/s/ W. Bryan Buckler

W. Bryan Buckler
Chief Financial Officer

CREDIT AGREEMENT

DATED AS OF MAY 24, 2022

BY AND AMONG

OGE ENERGY CORP.,

THE LENDERS

AND

**BOKF NA, DBA BANK OF OKLAHOMA
AS SOLE ADMINISTRATIVE AGENT,
SOLE SYNDICATION AGENT, LEAD ARRANGER
AND SOLE BOOKRUNNER**

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Commitment Schedule

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EXHIBITS

- Exhibit A - Form of Compliance Certificate
- Exhibit B - Form of Assignment and Assumption Agreement
- Exhibit C-1 - Form of Revolving Promissory Note
- Exhibit C-2 - Form of Term Promissory Note
- Exhibit D - Form of Joinder Agreement

CREDIT AGREEMENT

This CREDIT AGREEMENT, dated as of May 24, 2022, is by and among OGE ENERGY CORP., an Oklahoma corporation (the "Borrower"), the lenders from time to time party hereto (the "Lenders"), and BOKF, NA, DBA BANK OF OKLAHOMA, a national banking association, as Administrative Agent for the Lenders, and as Sole Syndication Agent, Lead Arranger and Sole Bookrunner (in all such capacities, "Agent").

PRELIMINARY STATEMENTS

WHEREAS, the Borrower has requested, and subject to the terms and conditions hereof, the Agent Lenders have agreed, to extend certain credit facilities to the Borrower on the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, such parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Defined Terms. As used in this Agreement:

"Accounting Changes" is defined in the term "GAAP".

"Act" means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended.

"Advance" means a borrowing hereunder made by the Lenders on the same Borrowing Date.

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise; provided that no Person shall be deemed to be an Affiliate of the Borrower or any of its Subsidiaries solely as a result of such Person being an Affiliate of ArcLight Capital Partners, LLC or any of its Affiliates.

"Agent" means BOKF in its capacity as contractual representative of the Lenders pursuant to Article X, and not in its individual capacity as a Lender, and any successor Agent appointed pursuant to Article X.

"Aggregate Commitment" means the aggregate of the Commitments of all the Lenders, as it may be increased or reduced from time to time pursuant to the terms hereof. The initial Aggregate Commitment as of the Closing Date is \$100,000,000, of which the initial Aggregate Commitment for Revolving Loans is \$50,000,000 and the initial Aggregate Commitment for Term Loans is \$50,000,000.

"Aggregate Outstanding Credit Exposure" means, at any time, the aggregate of the Outstanding Credit Exposure of all the Lenders.

"Agreement" means this Credit Agreement.

"Agreement Accounting Principles" means GAAP applied in a manner consistent with that used in preparing the financial statements referred to in Section 5.4, as may be modified in connection with any Accounting Changes. Notwithstanding the foregoing, (i) all leases (or any other agreement deemed to be a lease, in accordance with GAAP), of any Person (including leases or any other such agreements entered into after the date hereof) that are or would be treated as operating leases or otherwise be accounted for "off the balance sheet," in accordance with GAAP as in effect on December 31, 2015, shall continue to be accounted for as operating leases or off-balance sheet (and none of the obligations of the lessee thereunder shall constitute Capitalized Leases, Capitalized Lease Obligations, Indebtedness or Consolidated Indebtedness) for purposes of this Agreement regardless of any change in GAAP (or the effectiveness of any change in GAAP), including without limitation, ASC Topic 842 (and any successor or replacement provisions or any pronouncements in connection therewith) after such date that would otherwise require any of the obligations of the lessee thereunder to be treated as Capitalized Leases, Capitalized Lease Obligations, Indebtedness or Consolidated Indebtedness, and (ii) for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery, corruption, or money-laundering, including without limitation, the United States Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

"Applicable Law" means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, licenses, approvals, interpretations and orders of Governmental Authorities.

"Approved Cost Recovery Bonds" means securities, however denominated, that are issued by the Borrower or any Consolidated Subsidiary of the Borrower (or any instrumentality statutorily authorized for such purpose (whether or not a Subsidiary of the Borrower)), which securities are (i) issued under and in accordance with applicable state public utility law (and expressly approved by the applicable State public utility commission) with respect to the recovery of designated costs or expenditures (including through applicable state public utility commission order for financing) with respect to regulated assets or regulatory assets authorized by the applicable state public utility commission, (ii) under which recourse is limited to assets that are rights to collect designated charges authorized by Applicable Law to be invoiced to customers of the Borrower or such Subsidiary (together with ancillary related assets customarily included therewith, collectively, "Designated Charges") and that are, in any event non-recourse to the Borrower and its Subsidiaries (other than for failure to collect and pay over such Designated Charges and other customary indemnities for such type of financings) and (iii) payable solely from Designated Charges.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arranger" or "Lead Arranger" means BOKF.

"Assignment and Assumption Agreement" means an assignment agreement in the form of Exhibit B.

"Authorized Officer" means any of the president, chief financial officer, treasurer, an assistant treasurer or the controller of the Borrower or such other representative of the Borrower as may be designated by any one of the foregoing.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 CFR § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BOKF" means BOKF NA, dba Bank of Oklahoma, a national banking association, and its successors.

"Borrower" has the meaning assigned thereto in the introductory paragraph hereto.

"Borrowing Date" means the date on which an Advance is made hereunder.

"Borrowing Notice" is defined in Section 2.8.

"Business Day" means any day other than a Saturday, Sunday or legal holiday on which banks in Oklahoma City, Oklahoma are open for the conduct of their commercial banking business.

"Capitalized Lease" of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Capitalized Lease Obligations" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Change in Control" means (i) the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934) of 50% or more of the

outstanding shares of voting stock of the Borrower or (ii) the majority of the board of directors of the Borrower fails to consist of Continuing Directors.

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

"Closing Date" means May 24, 2022.

"Code" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time, and any rule or regulation issued thereunder.

"Commitment" means, for each Lender, such Lender's obligation to make Revolving Loans and Term Loans to the Borrower in amounts not exceeding the amounts set forth on the Commitment Schedule opposite such Lender's name, as it may be modified as a result of any assignment that has become effective pursuant to Section 12.3 or as otherwise modified from time to time pursuant to the terms hereof.

"Commitment Schedule" means the Schedule identifying each Lender's Commitment as of the Closing Date attached hereto and identified as such (and as adjusted from time to time in accordance with this Agreement).

"Consolidated Capitalization" means the sum of (i) Consolidated Indebtedness, (ii) consolidated common stockholders' equity as would appear on a consolidated balance sheet of the Borrower and its Consolidated Subsidiaries prepared in accordance with Agreement Accounting Principles, (iii) the aggregate liquidation preference of preferred stocks (other than preferred stocks subject to mandatory redemption or repurchase) of the Borrower and its Consolidated Subsidiaries upon involuntary liquidation, (iv) the aggregate outstanding amount of all Equity Preferred Securities, Mandatorily Convertible Securities, Trust Preferred Securities and Hybrid Equity Securities and (v) minority interests as would appear on a consolidated balance sheet of the Borrower and its Consolidated Subsidiaries prepared in accordance with Agreement Accounting Principles; provided that Consolidated Capitalization shall exclude the non-cash effects resulting from the application of Financial Accounting Standards Board Statement No. 158: Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans (an amendment of FASB Statements No. 87, 88, 106 and 132(R)).

"Consolidated Indebtedness" means, at any date, all Indebtedness of the Borrower and its Consolidated Subsidiaries determined on a consolidated basis in accordance with generally

accepted accounting principles; provided that Consolidated Indebtedness shall exclude (i) all Non-Recourse Indebtedness, (ii) Indebtedness in respect of Receivables Purchase Facilities, (iii) Approved Cost Recovery Bonds, (iv) any Indebtedness arising from the application of ASC Topic 460, 810 or 842, and (v) subject to the following proviso, the aggregate outstanding amount of all Mandatorily Convertible Securities, Trust Preferred Securities and Hybrid Equity Securities; and provided further that Consolidated Indebtedness shall include the Applicable Percentage of the aggregate principal amount of Mandatorily Convertible Securities, Trust Preferred Securities and Hybrid Equity Securities. As used herein, "Applicable Percentage" means (x) 0% of the aggregate principal amount of such securities up to 15% of Consolidated Capitalization; (y) 50% of the amount by which the aggregate principal amount of such securities exceeds 15% of Consolidated Capitalization; provided that any such aggregate principal amount in excess of 25% of Consolidated Capitalization shall be excluded from this clause (y) and shall instead be calculated in accordance with the following clause (z); and (z) 100% of the incremental amount by which the aggregate principal amount of such securities exceeds 25% of Consolidated Capitalization.

"Consolidated Subsidiary" means, for any Person, at any date any Subsidiary or other entity the accounts of which would be consolidated with those of such Person in its consolidated financial statements if such statements were prepared as of such date; unless otherwise specified "Consolidated Subsidiary" means a Consolidated Subsidiary of the Borrower.

"Continuing Director" means, with respect to any Person as of any date of determination, any member of the board of directors of such Person who (a) was a member of such board of directors on the Closing Date, or (b) was nominated for election or elected to such board of directors with the approval of a majority of the directors who were members of such board at the time of such nomination or election.

"Controlled Group" means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control which, together with the Borrower or any of its Subsidiaries, are treated as a single employer under Section 414 of the Code.

"Covered Party" is defined in Section 9.17(i).

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

"Default" means an event described in Article VII.

"Defaulting Lender" means, subject to Section 2.24.2, any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days

of the date when due, (b) has notified the Borrower and the Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.24.2) upon delivery of written notice from the Agent of such determination to the Borrower and each Lender.

"Designated Charges" is defined in the definition of "Approved Cost Recovery Bonds."

"Disqualified Lender" is defined in Section 12.3.5.

"Dollar" and "\$" means dollars in the lawful currency of the United States of America.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Sections 12.3.5 and 12.3.6 (subject to such consents, if any, as may be required under Section 12.3.2).

"Energy-Related Assets" means or includes (i) assets used for the generation, transmission or distribution of electric energy or used for the distribution of natural or manufactured gas which provide services (directly or indirectly) to a state-regulated public utility, in each case owned, directly or indirectly, by the Borrower; (ii) intangible personal property, including investment property, accounts and general intangibles (each as defined in the Uniform Commercial Code), insurance premiums, Rabbi trusts or similar savings plans and memberships, to the extent they relate to assets or persons which are involved in the operations of, or provide services to, a state regulated public utility; (iii) assets constituting general plant (e.g., office furniture and equipment, communications equipment, computer software and hardware) used in the operations of or used to provide services to a state regulated public utility; and (iv) property, plant and equipment that was once in service, but is no longer used, or

property, plant and equipment that was purchased for use (whether or not such assets have at such time yet been placed in service) by or to provide services to, a state regulated public utility.

"Environmental Laws" means any and all Applicable Laws relating to (i) the protection of the environment, (ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

"Equity Preferred Securities" means any securities, however denominated, (i) issued by the Borrower or any Consolidated Subsidiary of the Borrower, (ii) that are not, or the underlying securities, if any, of which are not, subject to mandatory redemption or maturity prior to 91 days after the Termination Date, and (iii) the terms of which permit the deferral of interest or distributions thereon to a date occurring after the 91st day after the Termination Date.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rules or regulations issued thereunder.

"Erroneous Payment" is defined in Section 10.13.1.

"Erroneous Payment Deficiency Assignment" is defined in Section 10.13.4.

"Erroneous Payment Return Deficiency" is defined in Section 10.13.4.

"ET Entity" means any Subsidiary of the Borrower whose assets consist solely of direct or indirect equity interests in Energy Transfer LP, a Delaware limited partnership (including OGE Enogex Holdings LLC, a Delaware limited liability company as of the Closing Date).

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, Taxes measured by the overall capital or net worth of such Recipient, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office in the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.19), (c) Taxes attributable to such Recipient's failure to comply with Section 3.5.7 and (d) any U.S. federal withholding Taxes imposed under FATCA.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"Fitch" means Fitch Ratings and any successor thereto.

"Floating Rate" means, for any day, a rate per annum equal to (i) the National Prime Rate for such day minus (ii) the Margin, but not less than the Floor in any event.

"Floor" means 1.125%.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" means generally accepted accounting principles in effect from time to time; provided that in the event that any "Accounting Change" (as defined below) shall occur and such change would otherwise result in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then unless and until the Borrower, the Agent and the Required Lenders mutually agree to adjustments to the terms hereof to reflect any such Accounting Change, all financial covenants (including such covenant contained in Section 6.14), standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. "Accounting Changes" refers to changes in accounting principles required or permitted by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC and shall include the adoption or implementation of International Financial Reporting Standards or changes in lease accounting.

"Governmental Authority" means the government of the United States or, solely to the extent relevant to the Borrower and/or its Subsidiaries, any other nation, or, in each case, of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including, solely to the extent relevant to the Borrower and/or its Subsidiaries, any supra-national bodies such as the European Union or the European Central Bank).

"Hybrid Equity Securities" means any securities issued by the Borrower, any Subsidiary or a financing vehicle of the Borrower or any Subsidiary that (i) are classified as possessing a minimum of "intermediate equity content" by S&P, Basket C equity credit by Moody's or 50% equity credit by Fitch at the time of issuance thereof and (ii) require no repayments or prepayments and no mandatory redemptions or repurchases, in each case, prior to the date that is 91 days after the Termination Date.

"Indebtedness" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all indebtedness of such Person for the deferred purchase price of property or services purchased (excluding current accounts payable incurred in the ordinary course of business), (iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired, (iv) all Capitalized Lease Obligations in accordance with Agreement Accounting Principles, (v) all non-contingent

reimbursement obligations outstanding of such Person with respect to surety bonds, letters of credit and bankers' acceptances, (vi) indebtedness of the type described in clauses (i) through (v) above secured by any Lien on property or assets of such Person, whether or not assumed (but in any event not exceeding the fair market value of the property or asset), (vii) all direct guarantees of Indebtedness referred to in clauses (i) through (v) above of another Person and (viii) all amounts payable in connection with mandatory redemptions or repurchases of preferred stock (other than Equity Preferred Securities); provided that Indebtedness shall exclude any indebtedness arising from the application of ASC Topic 460, 810 or 842, or which is otherwise excluded in accordance with the Agreement Accounting Principles. For the purpose of determining "Indebtedness," any particular Indebtedness will be excluded if and to the extent that the necessary funds for the payment, redemption or satisfaction of that Indebtedness (including, to the extent applicable, any associated prepayment penalties, fees or payments and such other amounts required in connection therewith) have been deposited with the proper depository in trust.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitee" is defined in Section 9.6.2.

"Lenders" has the meaning assigned thereto in the introductory paragraph hereto.

"Lien" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

"Loan" means, with respect to a Lender, any Revolving Loan or Term Loan made by such Lender pursuant to Article II.

"Loan Documents" means this Agreement, any Notes issued pursuant to Section 2.13, and all other documents, instruments, and agreements executed and delivered by the Borrower and designated therein as being a Loan Document.

"Mandatorily Convertible Securities" means mandatorily convertible equity-linked securities issued by the Borrower or any Subsidiary, so long as the terms of such securities require no repayments or prepayments of principal and no mandatory redemptions or repurchases, in each case, prior to at least 91 days after the Termination Date.

"Margin" means 2.125%.

"Material Adverse Effect" means a material adverse effect on (i) the business, Property, financial condition, operations or results of operations of the Borrower and its Subsidiaries taken as a whole, (ii) the ability of the Borrower to perform its obligations under the Loan Documents, or (iii) the validity or enforceability of any of the Loan Documents or the rights or remedies of the Agent or the Lenders thereunder.

"Material Indebtedness" means Indebtedness of the Borrower and/or any Material Subsidiary (other than (i) Indebtedness among the Borrower and/or its Subsidiaries, (ii) Indebtedness in respect of Approved Cost Recovery Bonds and Receivables Purchase Facilities, and (iii) Non-Recourse Indebtedness) in an outstanding principal amount of \$100,000,000 or more in the aggregate (or the equivalent thereof in any currency other than Dollars).

"Material Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, as promulgated under the Securities Act of 1933, as amended, as such regulation is in effect on the date of this Agreement; provided that each ET Entity shall (unless otherwise elected by the Borrower) not be deemed a Material Subsidiary, other than for purposes of Section 6.10 (to the extent otherwise meeting the requirements of a Material Subsidiary) and inclusion of its attributable value to the extent provided by subsection (v) in the definition of Consolidated Capitalization; provided further, that notwithstanding the foregoing, such ET Entity shall be deemed a Material Subsidiary (to the extent otherwise meeting the requirements of a Material Subsidiary) for all purposes hereunder if the Borrower's ownership level (percentage or control) of such ET Entity increases above (and only for so long as it remains above) that existing on the Closing Date and, as a result, the Borrower is (but for only so long as it shall be) required to consolidate the assets of such ET Entity on its financial statements in accordance with GAAP.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Multiemployer Plan" means a multiemployer plan, as defined in Section 3(37) or Section 4001(a)(3) of ERISA, which is covered by Title IV of ERISA and to which the Borrower or any member of the Controlled Group is obligated to make contributions or has been obligated to make contributions during the last six years.

"National Prime Rate" means the per annum rate of interest identified as the prime rate in the "Money Rates" section of *The Wall Street Journal*. If such prime rate changes after the date of this Agreement, the National Prime Rate shall be automatically increased or decreased, as the case may be, without notice to Borrower from time to time as of the effective date of each change in such prime rate. If *The Wall Street Journal* ceases publishing a prime rate or materially changes the criteria therefor, as reasonably determined by Agent, "National Prime Rate" shall mean the rate of interest from time to time publicly announced by JPMorgan Chase Bank, N.A. or its successor, as its prime rate.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all affected Lenders or all Lenders and (ii) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse Indebtedness" means Indebtedness of any Subsidiary (other than a Material Subsidiary) as to which (A) neither the Borrower nor any Material Subsidiary provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (B) neither the Borrower nor any Material Subsidiary is directly or indirectly liable as a guarantor or otherwise, (C) neither the Borrower nor any Material

Subsidiary is the lender or other type of creditor, or (D) the relevant legal documents do not provide that the lenders or other type of creditors with respect thereto will have any recourse to the stock or assets of the Borrower or any Material Subsidiary.

"Non-Use Fee" is defined in Section 2.5.2.

"Note" is defined in Section 2.13.

"Notice of Account Designation" is defined in Section 2.8.

"Obligations" means all Loans, fees, advances, debts, liabilities and obligations owing by the Borrower to the Agent, any Lender, any affiliate of any of the foregoing, or any Indemnitee under the provisions of Section 9.6 or any other provisions of the Loan Documents, in each case of any kind or nature, arising under this Agreement or any other Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired. The term includes all principal, interest (including interest accruing after the filing of any bankruptcy or similar petition), charges, expenses, fees, attorneys' fees and disbursements, and any other sum chargeable to the Borrower under this Agreement or any other Loan Document.

"OFAC" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"OG&E" means Oklahoma Gas and Electric Company, an Oklahoma corporation.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

"Outstanding Credit Exposure" means, as to any Lender at any time, the sum of the aggregate principal amount of its Revolving Loans and Term Loans outstanding at such time.

"Participant" is defined in Section 12.2.1.

"Participant Register" is defined in Section 12.2.4.

"Payment Date" means the last day of March, June, September and December and the Termination Date.

"Payment Recipient" is defined in Section 10.13.1.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Person" means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

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

"Property" of a Person means any and all right, title and interest of such Person in or to property, whether real, personal, tangible, intangible, or mixed.

"Pro Rata Share" means, with respect to a Lender, a portion equal to a fraction the numerator of which is such Lender's Commitment at such time (in each case, as adjusted from time to time in accordance with the provisions of this Agreement) and the denominator of which is the Aggregate Commitment at such time or, if the Aggregate Commitment has been terminated, a fraction the numerator of which is such Lender's Outstanding Credit Exposure at such time and the denominator of which is the Aggregate Outstanding Credit Exposure at such time.

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

"Receivables Purchase Documents" means any series of receivables purchase or sale agreements generally consistent with terms contained in comparable structured finance transactions pursuant to which the Borrower or any of its Subsidiaries, in their respective capacities as sellers or transferors of any accounts, payment intangibles, or other rights to receive future payments or credits, sell or transfer to SPVs all of their respective rights, title and interest in and to certain account receivables, payment entitlements or other receivables for further sale or transfer to other purchasers of or investors in such assets (and the other documents, instruments and agreements executed in connection therewith), or any replacement or substitution therefor.

"Receivables Purchase Facility" means any securitization facility made available to the Borrower or any of its Subsidiaries, pursuant to which accounts, payment intangibles or rights to receive future payments or credits of the Borrower or any of its Subsidiaries are transferred to one or more SPVs, and thereafter to certain investors, pursuant to the terms and conditions of the Receivables Purchase Documents.

"Recipient" means (a) the Agent and (b) any Lender, as applicable.

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks applicable to member banks of the Federal Reserve System.

"Regulation X" means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by foreign lenders for the purpose of purchasing or carrying margin stock (as defined therein).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Reportable Event" means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan subject to Title IV of ERISA, excluding, however, such events as to which the PBGC has by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days of the occurrence of such event; provided that a failure to meet the minimum funding standard of Section 412 or 430 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(c) of the Code.

"Required Lenders" means Lenders in the aggregate having Commitments of greater than (a) 66.67% of the Aggregate Commitment in the event BOKF holds in excess of 35.00% of the aggregate amount of the Aggregate Commitment, or (b) 50.00% of the Aggregate Commitment in the event BOKF holds 35.00% or less of the Aggregate Commitment; provided that the Commitment of, held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Revolving Loan" means, with respect to a Lender, such Lender's loan made pursuant to its commitment to lend set forth in Section 2.1.

"S&P" means Standard & Poor's Rating Service, a division of S&P Global Inc., and any successor thereto.

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

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, including any agency of such Sanctioned Country, or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) and (b).

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC), the European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"SEC Reports" means (i) the Annual Reports on Form 10-K of the Borrower and OG&E for the fiscal year ended December 31, 2021, (ii) the Quarterly Reports on Form 10-Q of the Borrower and OG&E for the fiscal quarter ended March 31, 2022, and (iii) the Current Reports on Form 8-K filed by the Borrower and OG&E after March 31, 2022, but prior to the Closing Date.

"Single Employer Plan" means a Plan maintained by the Borrower or any member of the Controlled Group for employees of the Borrower or any member of the Controlled Group.

"Specified Change" is defined in the term "Change in Law".

"SPV" means (a) a special purpose, bankruptcy-remote Person formed for the sole and exclusive purpose of engaging in activities in connection with the purchase, sale and financing of accounts and receivables in connection with and pursuant to Receivables Purchase Facility, (b) a special purpose, bankruptcy-remote Person formed for the sole and exclusive purpose of engaging in any project finance project, (c) a special purpose subsidiary of, or a trust formed by, the Borrower or a Subsidiary for the sole purpose of issuing Hybrid Securities and which conducts no business other than the issuance of Hybrid Securities and activities incidental thereto and (d) any special purpose entity formed to effect any issuance of Approved Cost Recovery Bonds.

"Subsidiary." means, as to any Person, any corporation or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at the time directly or indirectly owned by such Person; provided that each ET Entity shall (unless otherwise elected by the Borrower) not be deemed a Subsidiary, other than for purposes of Section 6.10 (to the extent otherwise meeting the requirements of a Subsidiary) and inclusion of its attributable value to the extent provided by subsection (v) in the definition of Consolidated Capitalization; provided further, that notwithstanding the foregoing, any ET Entity shall be deemed a Subsidiary (to the extent otherwise meeting the requirements of a Subsidiary) for all purposes hereunder if the Borrower's ownership level (percentage or control) of such ET Entity increases above (and only for so long as it remains above) that existing on the Closing Date and, as a result, the Borrower is (but for only so long as it shall be) required to consolidate the assets of such ET Entity on its financial statements in accordance with GAAP.

"Substantial Portion" means, with respect to the Property of the Borrower and its Subsidiaries, Property which represents more than 25% of the consolidated assets of the Borrower and its Subsidiaries or property which is responsible for more than 25% of the consolidated net income of the Borrower and its Subsidiaries, in each case, as would be shown in the consolidated financial statements of the Borrower and its Subsidiaries as at the end of the four fiscal quarter period ending with the fiscal quarter immediately prior to the fiscal quarter in which such determination is made (or if financial statements have not been delivered hereunder

for that fiscal quarter which ends such four fiscal quarter period, then the financial statements delivered hereunder for the quarter ending immediately prior to that quarter).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Termination Date" means the earlier of (a) May 24, 2025, and (b) the date of termination in whole of the Aggregate Commitment pursuant to Section 2.7 or Section 8.1.

"Term Loan" means, with respect to a Lender, such Lender's loan made pursuant to its commitment to lend set forth in Section 2.1.

"Transferee" is defined in Section 12.3.74.

"Trust Preferred Securities" means trust preferred securities issued by a trust established by the Borrower or any Subsidiary, along with any junior subordinated debt obligations of the Borrower or any such Subsidiary to such capital trust, so long as (i) the terms thereof require no repayments or prepayments and no mandatory redemptions or repurchases, in each case, prior to at least 91 days after the Termination Date, (ii) the obligations of the Borrower or such Subsidiary in respect thereof are subordinated and junior in right of payment to all unsecured and unsubordinated obligations of the Borrower for or in respect of borrowed money and (iii) the obligors in respect of such preferred securities and subordinated debt have the right to defer interest and dividend payments.

"Unfunded Liabilities" means the amount (if any) by which the present value of all vested and unvested accrued benefits under each Single Employer Plan subject to Title IV of ERISA exceeds the fair market value of all such Plan's assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan for which a valuation report is available, using actuarial assumptions for funding purposes as set forth in such report.

"United States" means the United States of America.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"Upfront Commitment Fee" is defined in Section 2.5.1.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"Withholding Agent" means the Borrower and the Agent.

1.2 Other Definitions and Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document: (a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (c) the words "include," "includes" and "including" shall

be deemed to be followed by the phrase "without limitation," (d) the word "will" shall be construed to have the same meaning and effect as the word "shall," (e) any reference herein to any Person shall be construed to include such Person's successors and assigns, (f) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (h) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, and (i) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including".

1.3 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to two places more than the number of places by which such ratio or percentage is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.4 References to Agreement and Laws. Unless otherwise expressly provided herein, (a) references to formation documents, governing documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

1.5 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Central time (daylight or standard, as applicable).

1.6 Reserved.

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

1.8 Reserved.

ARTICLE II THE CREDITS

2.1 Commitment. Subject to the satisfaction of the conditions precedent set forth in Sections 4.1 and 4.2, as applicable, from and including the date of this Agreement and prior to the Termination Date, each Lender severally agrees, on the terms and conditions set forth in this Agreement to make Revolving Loans and Term Loans denominated in Dollars to the Borrower from time to time, in each case in an amount not to exceed in the aggregate at any one time outstanding of its Commitment; provided that at no time shall the Aggregate Outstanding Credit Exposure hereunder exceed the Aggregate Commitment. Subject to the terms of this Agreement, the Borrower may borrow, repay and reborrow Revolving Loans at any time prior to the Termination Date.

2.2 Required Payments; Termination. Any outstanding Advances and all other unpaid Obligations shall be paid in full by the Borrower on the Termination Date. Notwithstanding the termination of this Agreement on the Termination Date, until all of the Obligations (other than contingent indemnification obligations) shall have been fully paid and satisfied and all financing arrangements among the Borrower and the Lenders hereunder and under the other Loan Documents shall have been terminated, all of the rights and remedies under this Agreement and the other Loan Documents shall survive.

2.3 Ratable Loans. Each Advance hereunder shall consist of Revolving Loans or Term Loans made from the several Lenders in accordance with their Pro Rata Share.

2.4 Reserved.

2.5 Upfront Commitment Fee; Non-Use Fee

2.5.1 Upfront Commitment Fee. The Borrower agrees to pay to the Agent for the account of each Lender (subject, with respect to any Defaulting Lender, to the limitations set forth in Section 2.24.1(iii)) an upfront commitment fee (the "Upfront Commitment Fee") equal to 0.10% of such Lender's Commitment (whether used or unused).

2.5.2 Non-Use Fee. The Borrower agrees to pay to the Agent for the account of each Lender (subject, with respect to any Defaulting Lender, to the limitations set forth in Section 2.24.1(iii)) a fee (the "Non-Use Fee"), determined on a daily basis by applying a per annum rate equal to 0.20% to the net availability of the Aggregate Commitment for Revolving Loans as of such day. The Non-Use Fee shall be due and payable in arrears on or before thirty (30) days after the last day of each calendar quarter and on the Termination Date.

2.6 Minimum Amount of Each Advance. Each Advance of Revolving Loans shall be in the minimum amount of \$1,000,000 (and in multiples of \$100,000 if in excess thereof); provided that any Advance of Revolving Loans may be in the amount of the unused Aggregate Commitment. An Advance of the entire amount of the initial Aggregate Commitment for Term Loans shall be made as of the Closing Date.

2.7 Optional Principal Prepayments; Reductions in Aggregate Commitment. The Borrower may from time to time prepay, without penalty or premium, all outstanding Advances on the Revolving Loans, or any portion thereof in a minimum aggregate amount of \$1,000,000 or any integral multiple of \$100,000 in excess thereof (or, if less, the then remaining outstanding principal balance thereof), on any Business Day upon notice to the Agent by no later than 11:00 a.m. on the date of such prepayment. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow Revolving Loans hereunder until the Termination Date. The Borrower may from time to time prepay, without penalty or premium, all outstanding Advances on the Term Loans, or any portion thereof in increments of \$5,000,000, on any Business Day upon notice to the Agent by no later than 11:00 a.m. two Business Days prior to the date of such prepayment; provided, however, any such prepayment of the Term Loans shall cause a reduction in the Aggregate Commitment for Revolving Loans in an amount equal to the amount of the prepayment of the Term Loans.

2.8 Borrowing Notices. The Borrower shall give the Agent irrevocable notice (a "Borrowing Notice") not later than 11:00 a.m. on the Borrowing Date of each Advance of Revolving Loans, specifying:

2.8.1 the Borrowing Date, which shall be a Business Day, of such Advance, and

2.8.2 the aggregate amount of such Advance.

Not later than noon on each Borrowing Date, each Lender shall make available its Revolving Loan or Revolving Loans in funds immediately available in Oklahoma City, Oklahoma to the Agent at its address specified pursuant to Article XIII. Upon satisfaction of the applicable conditions set forth in Section 4.2 (and, if such borrowing is on the Closing Date, Section 4.1), the Agent will promptly make the funds so received from the Lenders available to the Borrower. The Borrower hereby irrevocably authorizes the Agent to disburse the funds so received from the Lenders by crediting or wiring such proceeds to the deposit account of the Borrower identified in the most recent notice of account designation in a form supplied by the Agent (a "Notice of Account Designation") delivered by the Borrower to the Agent or as may be otherwise agreed upon by the Borrower and the Agent from time to time.

2.9 Reserved.

2.10 Changes in Interest Rate, etc. Each Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made at a rate per annum equal to the Floating Rate for such day. Changes in the rate of interest on that portion of any Advance maintained as a Advance will take effect simultaneously with each change in the Floating Rate.

2.11 Rates Applicable After Default. If all or a portion of (a) the principal amount of any Loan, (b) any interest payable thereon, or (c) any fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall, after giving effect to any applicable grace period therefor, bear interest, payable from time to time on demand, at a rate per annum equal to the rate otherwise applicable to such overdue amount plus 2% per annum, in each case from the date such overdue amount was first due until such amount is paid in full. Interest shall continue to accrue as provided in

this Section 2.11 on the overdue Obligations after the filing by or against the Borrower of any petition seeking any relief in bankruptcy or under any Debtor Relief Law.

2.12 Method of Payment. All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Agent at the Agent's address specified pursuant to Article XIII, by noon on the date when due and shall be applied ratably (except as otherwise specifically required hereunder) by the Agent among the Lenders. Each payment delivered to the Agent for the account of any Lender shall be delivered promptly by the Agent to such Lender in the same type of funds that the Agent received at its address specified pursuant to Article XIII.

2.13 Notes. The obligation of the Borrower to repay the aggregate amount of all Advances shall be evidenced by promissory notes (the "Notes") in substantially the forms of Exhibits C-1 and C-2 for Revolving Loans and Term Loans, respectively, made by the Borrower payable to the order of each Lender with appropriate insertions. The Loans evidenced by such Notes and interest thereon shall at all times (prior to any assignment pursuant to Section 12.3) be represented by one or more Notes payable to the order of the payee named therein.

2.14 Telephonic Notices. The Borrower hereby authorizes the Lenders and the Agent to extend Advances and to transfer funds based on telephonic notices made by any person or persons the Agent or any Lender in good faith believes to be acting on behalf of the Borrower, it being understood that the foregoing authorization is specifically intended to allow Borrowing Notices to be given telephonically. The Borrower agrees to deliver promptly to the Agent a written confirmation, if such confirmation is requested by the Agent or any Lender, of each telephonic notice, signed by an Authorized Officer. If the written confirmation differs in any material respect from the action taken by the Agent and the Lenders, the records of the Agent and the Lenders shall govern absent manifest error.

2.15 Interest Payment Dates; Interest and Fee Basis. Interest accrued on each Advance shall be payable in arrears on each Payment Date, commencing with the first such date to occur after the date hereof, on any date on which the Advance is prepaid, whether due to acceleration or otherwise, and at maturity. Interest on Advances shall be calculated for actual days elapsed on the basis of a 365, or when appropriate 366, day year. All other computations of interest and fees shall be calculated for actual days elapsed on the basis of a 360-day year. Interest shall be payable for the day an Advance is made but not for the day of any payment on the amount paid if payment is received prior to noon at the place of payment. If any payment of principal of or interest on an Advance, any fees or any other amounts payable to the Agent or any Lender hereunder shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest and fees in connection with such payment.

2.16 Notification of Advances, Prepayments and Commitment Reductions. Promptly after receipt thereof, the Agent will notify each Lender of the contents of each Aggregate Commitment reduction notice, Borrowing Notice, and repayment notice received by it hereunder.

2.17 Reserved.

2.18 Non-Receipt of Funds by the Agent. Unless the Borrower or a Lender, as the case may be, notifies the Agent prior to the time which it is scheduled to make payment to the Agent of (i) in the case of a Lender, the proceeds of a Loan or (ii) in the case of the Borrower, a payment of principal, interest or fees to the Agent for the account of the Lenders, that it does not intend to make such payment, the Agent may assume that such payment has been made. The Agent may, but shall not be obligated to, make the amount of such payment available to the intended recipient in reliance upon such assumption. If such Lender or the Borrower, as the case may be, has not in fact made such payment to the Agent, the recipient of such payment shall, on demand by the Agent, repay to the Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Agent until the date the Agent recovers such amount at a rate per annum equal to (x) in the case of payment by a Lender, the greater of the daily average Federal Funds Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation or (y) in the case of payment by the Borrower, the interest rate applicable to the relevant Loan.

2.19 Replacement of Lender. If (w) any Lender requests compensation under Section 3.1, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.5 and, in each case, such Lender has declined, which would eliminate any further claims for such indemnity or compensation, or (x) any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.3 (which for the avoidance of doubt shall not include the consent of the affected Lender)), all of its interests, rights (other than its existing rights to payments pursuant to Section 3.1 or 3.5) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

- (i) the Agent shall have received the assignment fee specified in Section 12.3.3 unless waived by the Agent;
- (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);
- (iii) in the case of any such assignment resulting from a claim for compensation under Section 3.1 or payments required to be made pursuant to Section 3.5, such assignment will result in a reduction in such compensation or payments thereafter;
- (iv) such assignment does not conflict with Applicable Law; and

- (v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment cease to apply.

2.20 Reserved.

2.21 Reserved.

2.22 Increase of Aggregate Commitment.

2.22.1 At any time subsequent to the Closing Date and prior to the Termination Date, the Borrower shall have the right to request, in consultation with the Agent, and effectuate increases in the Aggregate Commitment without the consent of any Lender other than a Lender that is increasing its Commitment in connection with such request, which such Lender can be an existing Lender or a New Lender that is an Eligible Assignee, and in the case such request is made to any new Lender and the Agent (which consent in the case of the Agent, shall not be unreasonably withheld or delayed); provided that (A) no Lender shall have any obligation to increase its Commitment, (B) unless the Agent otherwise consents, each such requested increase shall be in a minimum principal amount of \$5,000,000 or, if less, the remaining amount permitted pursuant to clause (C) below, (C) in no event shall the aggregate amount of all such increases result in the Aggregate Commitment exceeding \$135,000,000, (D) as of the date of such proposed increase, no Default or Unmatured Default shall have occurred and be continuing or would result from the proposed increase and (E) the Borrower shall have obtained all necessary corporate authorizations and governmental approvals in order to effect such increase.

2.22.2 The Agent shall promptly give notice of such requested increase to the Lenders. Each Lender shall notify the Agent within ten (10) Business Days (or such longer period of time which may be agreed upon by the Agent and the Borrower and communicated to the Lenders) from the date of delivery of such notice to the Lenders whether or not it agrees to increase its Commitment and, if so, by what amount. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment. The Agent shall notify the Borrower of the Lenders' responses to each request made hereunder. The Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in the form attached hereto as Exhibit D.

2.22.3 The Aggregate Outstanding Credit Exposure will be reallocated on the effective date of such increase among the Lenders in accordance with their revised Pro Rata Shares (and the Lenders agree to make all payments and adjustments necessary to effect the reallocation).

2.23 Reserved.

2.24 Defaulting Lenders.

2.24.1 Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Agent from a Defaulting Lender pursuant to Section 11.1 shall be applied at such time or times as may be determined by the Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; second, as the Borrower may request (so long as no Default or Unmatured Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; third, if so requested by the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 4.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Aggregate Commitments. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.24.1(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. No Defaulting Lender shall be entitled to receive (and the Borrower shall not be obligated to pay for the account of any such Defaulting Lender) a Non-Use Fee for any period during which that Lender is a Defaulting Lender.

2.24.2 Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the parties hereto,

whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Aggregate Commitments, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.25 Obligations of Lenders.

2.25.1 Funding by Lenders; Presumption by the Agent. Unless the Agent shall have received notice from a Lender prior to the proposed time of any borrowing that such Lender will not make available to the Agent such Lender's share of such Advance, the Agent may assume that such Lender has made such share available on such date in accordance with the terms hereof and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable borrowing available to the Agent, then the applicable Lender and the Borrower severally agree to pay to the Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Agent, at (i) in the case of a payment to be made by such Lender, the greater of the daily average Federal Funds Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation and (ii) in the case of a payment to be made by the Borrower, the interest rate applicable to such Loans. If the Borrower and such Lender shall pay such interest to the Agent for the same or an overlapping period, the Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Advance to the Agent, then the amount so paid shall constitute such Lender's Loan included in such borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Agent.

2.25.2 Nature of Obligations of Lenders Regarding Extensions of Credit. The obligations of the Lenders under this Agreement to make the Loans are several and are not joint or joint and several. The failure of any Lender to make available its Pro Rata Share of any Advance requested by the Borrower shall not relieve it or any other Lender of its obligation, if any, hereunder to make its Pro Rata Share of such Advance available on the Borrowing Date, but no Lender shall be responsible for the failure of any other Lender to make its Pro Rata Share of such Advance available on the Borrowing Date.

2.26 Reserved.

2.27 Reserved.

ARTICLE III

YIELD PROTECTION; TAXES

3.1 Yield Protection.

3.1.1 Increased Costs Generally. If any Change in Law shall:

- (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender; or
- (ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Excluded Taxes (other than Taxes measured by the overall capital or net worth of such Recipient) and (C) Other Connection Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon written request of such Lender, the Borrower shall promptly pay to any such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered; provided that the Borrower shall not be required to pay any such amounts to any Lender under and pursuant to this Section which are owing as a result of any Specified Change if and to the extent such Lender is not at such time generally assessing such costs in a similar manner to other similarly situated borrowers with similar credit facilities.

3.1.2 Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's or holding company for any such reduction suffered; provided that the Borrower shall not be required to pay any such amounts to any Lender under and pursuant to this Section which are owing as a result of any Specified Change if and to the extent such Lender is not at such time generally assessing such costs in a similar manner to other similarly situated borrowers with similar credit facilities.

3.1.3 Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than ninety (90) days prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the ninety-day period referred to above shall be extended to include the period of retroactive effect thereof).

3.2 Reserved.

3.3 Reserved.

3.4 Reserved.

3.5 Taxes.

3.5.1 Reserved.

3.5.2 Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

3.5.3 Payment of Other Taxes by the Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

3.5.4 Indemnification by the Borrower. The Borrower shall indemnify each Recipient, within 30 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a

copy to the Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

3.5.5 Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.2 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this Section 3.5.5.

3.5.6 Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 3.5, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

3.5.7 Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 3.5.7(ii)(A) and 3.5.7(ii)(B) below) shall not be required if in such applicable Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this

Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax; and

(B) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (B), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Agent in writing of its legal inability to do so.

3.5.8 Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 3.5 (including by the payment of additional amounts pursuant to this Section 3.5), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 3.5.8 (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 3.5.8, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 3.5.8 the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

3.5.9 Survival. Each party's obligations under this Section 3.5 shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

3.6 Lender Statements; Survival of Indemnity. Each Lender shall deliver a written statement of such Lender to the Borrower (with a copy to the Agent) as to the amount due, if any, under Section 3.1 or 3.5. Such written statement shall set forth in reasonable detail the calculations upon which such Lender determined such amount and shall be final, conclusive and binding on the Borrower in the absence of manifest error. Unless otherwise provided herein, the amount specified in the written statement of any Lender shall (unless the subject of a good faith dispute by the Borrower) be payable within fifteen (15) days after demand and receipt by the Borrower of such written statement. The obligations of the Borrower under Sections 3.1 and 3.5 shall survive payment of the Obligations and termination of this Agreement.

3.7 Reserved.

ARTICLE IV

CONDITIONS PRECEDENT

4.1 Initial Advances. The effectiveness of this Agreement and the obligation of the Lenders to make the initial Advances hereunder shall be subject to the satisfaction of the following conditions precedent and, if applicable, the delivery by the Borrower to the Agent of sufficient copies for the Lenders of:

4.1.1 Copies of the articles of incorporation of the Borrower, together with all amendments, and a certificate of good standing, each certified by the appropriate governmental officer in its jurisdiction of incorporation.

4.1.2 Copies, certified by the secretary or assistant secretary of the Borrower, of its by-laws and of its board of directors' resolutions and of resolutions or actions of any other body authorizing the execution of the Loan Documents to which the Borrower is a party.

4.1.3 An incumbency certificate, executed by the secretary or assistant secretary of the Borrower, which shall identify by name and title and bear the signatures of the officers of the Borrower authorized to sign the Loan Documents to which the Borrower is a party, upon which certificate the Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Borrower.

4.1.4 A certificate, signed by the chief financial officer or treasurer of the Borrower, stating that immediately after giving effect to this Agreement, the other Loan Documents and all the transactions contemplated herein and therein to occur on the Closing Date, (a) no Default or Unmatured Default has occurred and is continuing and (b) all representations and warranties contained herein and in the other Loan Documents are true and correct in all material respects (or, if qualified as to materiality, in all respects) on and as of the date made (except to the extent such representations and warranties expressly speak to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (or, if qualified as to materiality, in all respects) on and as of such earlier date).

4.1.5 A written opinion of the Borrower's counsel, in form and substance reasonably satisfactory to the Agent and addressed to the Agent and the Lenders.

4.1.6 A counterpart of this Agreement duly executed by the Borrower, together with duly executed Notes requested by a Lender pursuant to Section 2.13 payable to the order of each such requesting Lender.

4.1.7 Reserved.

4.1.8 To the extent any Advances of Revolving Loans are requested to be made on the Closing Date, the Agent shall have received a Borrowing Notice duly executed by the Borrower, together with an Account Designation Letter.

4.1.9 Borrower shall have provided to the Agent and the Lenders, at least 5 Business Days prior to the Closing Date or such later date reasonably acceptable to the Agent, all documentation and other information required by Governmental Authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

4.1.10 The Borrower shall have paid (A) to the Agent and the Lenders the Upfront Commitment Fee and the fees set forth or referenced in Section 10.9 and (B) all invoiced fees, charges and disbursements of counsel to the Agent (directly to such counsel if requested by the Agent) to the extent accrued and unpaid prior to or on the Closing Date in accordance with Section 9.6.

4.1.11 The Agent shall have received copies of all other documents, certificates and instruments reasonably requested thereby, with respect to the transactions contemplated by this Agreement.

The Agent shall promptly notify the Borrower and the Lenders of the Closing Date, and such notice shall be conclusive and binding on all parties hereto. Without limiting the generality of the provisions of the last paragraph of Section 10.3, for purposes of determining compliance with the conditions specified in this Section 4.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.2 Each Advance. The Lenders shall not be required to make any Advance (including the initial Advances hereunder) unless on the applicable Advance Date:

4.2.1 There exists no Default or Unmatured Default.

4.2.2 The representations and warranties contained in Article V (other than representations and warranties set forth in Sections 5.5 and 5.7, which shall only be made and need only be true and correct on the Closing Date) are true and correct in all material respects (or, if qualified as to materiality, in all respects) as of such Advance Date except to the extent any such representation or warranty is stated to relate solely to an earlier

date, in which case such representation or warranty shall have been true and correct in all material respects (or, if qualified as to materiality, in all respects) on and as of such earlier date.

Each Borrowing Notice shall constitute a representation and warranty by the Borrower that the conditions contained in Sections 4.2.1 and 4.2.2 have been satisfied. Any Lender may require a duly completed compliance certificate in substantially the form of Exhibit A as a condition to making an Advance.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders that:

5.1 Existence and Standing. Each of the Borrower and its Material Subsidiaries is a corporation, partnership (in the case of Subsidiaries only) or limited liability company duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite authority to conduct its business in each jurisdiction where the conduct of its business would require such qualification, except where the failure to be in good standing or have such authority could not reasonably be expected to have a Material Adverse Effect.

5.2 Authorization and Validity. The Borrower has the corporate power and authority and legal right to execute and deliver the Loan Documents (as in effect on the date that this representation is made or deemed made) and to perform its obligations thereunder. The execution and delivery by the Borrower of the Loan Documents (as in effect on the date that this representation is made or deemed made) and the performance of its obligations thereunder have been duly authorized by proper corporate proceedings, and the Loan Documents to which the Borrower is a party constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether enforcement is sought at equity or in law).

5.3 No Conflict; Government Consent. Neither the execution and delivery by the Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will (i) violate or conflict with the Borrower's or any Material Subsidiary's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, by-laws, or operating or other management agreement, as the case may be, or (ii)(a) violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Borrower or any of its Material Subsidiaries or (b) contravene or conflict with the provisions of any indenture, instrument or agreement to which the Borrower or any of its Material Subsidiaries is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any Lien in, of or on the Property of the Borrower or a Material Subsidiary pursuant to the terms of any such indenture, instrument or agreement, except

for any such violations, contraventions, conflicts or defaults which, individually and in the aggregate, could not reasonably be expected to have a Material Adverse Effect, or, in the case of any such Lien, except for any such Lien which is not prohibited hereby. No material order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or authority, or any subdivision thereof, which has not been obtained by the Borrower or any of its Material Subsidiaries, is required to be obtained by the Borrower or any of its Material Subsidiaries in connection with the execution and delivery of the Loan Documents, the borrowings under this Agreement, the payment and performance by the Borrower of the Obligations thereunder or the legality, validity, binding effect or enforceability of any of the Loan Documents.

5.4 Financial Statements. The annual consolidated financial statements of the Borrower and its Subsidiaries delivered pursuant to Section 6.1.1 were prepared in accordance with GAAP and fairly present in all material respects the consolidated financial condition and operations of the Borrower and its Subsidiaries at such date and the consolidated results of their operations for the year then ended.

5.5 Material Adverse Change. On and as of the Closing Date, since December 31, 2021, except as (i) disclosed in the SEC Reports or (ii) disclosed to the Agent prior to the Closing Date and set forth on Schedule 3, there has been no change in the business, Property, financial condition, or results of operations of the Borrower and its Subsidiaries, on a consolidated basis, which could reasonably be expected to have a Material Adverse Effect.

5.6 Anti-Corruption Laws and Sanctions. None of the Borrower, any Subsidiary of the Borrower or any Affiliate of the Borrower, or to the knowledge of the Borrower, any agent or representative of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, (a) is a Sanctioned Person or is currently the subject or target of any Sanctions or (b) has taken any action that would result in a violation by such Persons of any Anti-Corruption Laws.

5.7 Litigation. On and as of the Closing Date, except as (i) disclosed in the SEC Reports or (ii) disclosed to the Agent prior to the Closing Date and set forth on Schedule 4, there is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Borrower or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect or which seeks to prevent, enjoin or delay the making of the initial Advance.

5.8 Subsidiaries. Schedule 1 contains an accurate list of all Material Subsidiaries of the Borrower as of the date of this Agreement, setting forth their respective jurisdictions of organization and the percentage of their respective capital stock or other ownership interests owned by the Borrower or other Subsidiaries.

5.9 Margin Stock. The Borrower is not engaged principally or as one of its activities in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" (as each such term is defined or used, directly or indirectly, in Regulation U). No part of the proceeds of any of the Loans will be used for purchasing or carrying margin stock or for any purpose which violates the provisions of Regulation U or Regulation X.

5.10 Reserved.

5.11 Investment Company Act. The Borrower is not an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

ARTICLE VI

COVENANTS

During the term of this Agreement, unless the Required Lenders shall otherwise consent in writing:

6.1 Financial Reporting. The Borrower will maintain, for itself and each Subsidiary, a system of accounting established and administered in accordance with Agreement Accounting Principles, and furnish to the Agent:

6.1.1 Within ninety (90) days after the close of each of its fiscal years, financial statements prepared in accordance with GAAP on a consolidated basis for itself and its Subsidiaries, including balance sheets as of the end of such period, statements of income and statements of cash flows, accompanied by an audit report, consistent with the requirements of the Securities and Exchange Commission, of a nationally recognized firm of independent public accountants or other independent public accountants reasonably acceptable to the Required Lenders.

6.1.2 Within forty-five (45) days after the close of the first three quarterly periods of each of its fiscal years, for itself and its Subsidiaries, consolidated unaudited balance sheets as at the close of each such period and consolidated statements of income and a statement of cash flows for the period from the beginning of such fiscal year to the end of such quarter, prepared in accordance with GAAP and certified by the chief financial officer or treasurer of the Borrower to present fairly in all material respects the financial condition of the Borrower and its Subsidiaries on a consolidated basis as of their respective dates, subject to normal year-end adjustments and the absence of footnotes.

6.1.3 Together with the financial statements required under Sections 6.1.1 and 6.1.2, a compliance certificate in substantially the form of Exhibit A signed by an Authorized Officer showing the calculations necessary to determine compliance with Sections 6.10(v) (if applicable) and 6.14 and stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof.

6.1.4 Reserved.

6.1.5 As soon as possible and in any event within ten (10) days after an Authorized Officer knows that any Reportable Event has occurred with respect to any Plan that could reasonably be expected to have a Material Adverse Effect, a statement,

signed by an Authorized Officer, describing said Reportable Event and the action which the Borrower proposes to take with respect thereto.

6.1.6 From time to time such additional information regarding the financial position or business of the Borrower and its Subsidiaries as the Agent, at the request of any Lender, may reasonably request.

6.1.7 Promptly upon the filing thereof, copies of all registration statements (other than any registration statement on Form S-8 and any registration statement in connection with a dividend reinvestment plan, shareholder purchase plan or employee benefit plan) and reports on form 10-K, 10-Q or 8-K (or their equivalents) which the Borrower or any of its Subsidiaries files with the Securities and Exchange Commission.

6.1.8 Promptly upon the request thereof, such other information and documentation required by bank regulatory authorities under applicable "know your customer" and Anti-Money Laundering rules and regulations (including the Act) and under the Beneficial Ownership Regulation, including a Beneficial Ownership Certification, as from time to time reasonably requested by the Agent or any Lender.

Information required to be delivered pursuant to these Sections 6.1.1, 6.1.2, 6.1.5 and 6.1.7 shall be deemed to have been delivered on the date on which the Borrower provides notice to the Agent that such information has been posted on the Securities and Exchange Commission website on the Internet at sec.gov, on the Borrower's SyndTrak Online site or at another website identified in such notice and accessible by the Lenders without charge; provided that (i) such notice may be included in a certificate delivered pursuant to Section 6.1.3 and such notice or certificate shall also be deemed to have been delivered upon being posted to the Borrower's SyndTrak Online site or such other website and (ii) the Borrower shall deliver paper copies of the information referred to in Sections 6.1.1, 6.1.2, 6.1.5 and 6.1.7 to any Lender which requests such delivery.

6.2 Use of Proceeds. The Borrower will use the proceeds of the Loans to refinance existing indebtedness and for working capital and general corporate purposes of the Borrower and its Subsidiaries, including use of proceeds of the Revolving Loans for commercial paper liquidity support, acquisitions and distributions. The Borrower will not request any Advances hereunder, and the Borrower shall not use, and shall ensure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Advances hereunder (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

6.3 Notice of Default. The Borrower will deliver to the Agent within five (5) days after any Authorized Officer with responsibility relating thereto obtains knowledge of any Default or Unmatured Default and, if such Default or Unmatured Default is then continuing, a certificate of an Authorized Officer of the Borrower setting forth the details thereof and the action which the Borrower is taking or proposes to take with respect thereto.

6.4 Maintenance of Existence. The Borrower will preserve, renew and keep in full force and effect, and will cause each Material Subsidiary to preserve, renew and keep in full force and effect their respective corporate or other legal existence and their respective rights, privileges and franchises material to the normal conduct of their respective businesses; provided that nothing in this Section 6.4 shall prohibit (i) any transaction permitted pursuant to Section 6.10 or (ii) the termination of any right, privilege or franchise of the Borrower or any Material Subsidiary or of the corporate or other legal existence of any Material Subsidiary or the change in form of organization of the Borrower or any Material Subsidiary which could not reasonably be expected to result in a Material Adverse Effect.

6.5 Taxes. The Borrower will, and will cause each Material Subsidiary to file all United States federal tax returns and all other material tax returns which are required to be filed, except where the failure to file such tax returns could not reasonably be expected to result in a Material Adverse Effect. The Borrower will, and will cause each Material Subsidiary to, pay when due all Taxes upon it or its income, profits or Property, except (i) where the failure to pay could not reasonably be expected to result in a Material Adverse Effect or (ii) those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are maintained in accordance with GAAP.

6.6 Insurance. The Borrower will, and will cause each Material Subsidiary to, maintain with financially sound and reputable insurance companies insurance on their Property in such amounts, subject to such deductibles and self-insurance retentions, and covering such risks as is consistent with sound business practice, and the Borrower will furnish to the Agent upon request full information as to the insurance carried.

6.7 Compliance with Laws. The Borrower will, and will cause each Material Subsidiary to, comply in all material respects with all laws, statutes, rules, regulations, orders, writs, judgments, injunctions, restrictions, decrees or awards of any domestic or foreign government or any instrumentality or agency thereof having jurisdiction over the conduct of their respective businesses or the ownership of their respective Property to which it may be subject including all Environmental Laws and all Applicable Laws involving transactions with, investments in or payments to Sanctioned Persons or Sanctioned Entities, except (i) where failure to so comply could not reasonably be expected to result in a material adverse effect on the ability of the Borrower to perform its obligations under this Agreement or (ii) the necessity of compliance therewith is being contested in good faith by appropriate proceedings.

6.8 Maintenance of Properties. Subject to Section 6.10, the Borrower will, and will cause each Material Subsidiary to keep its Property necessary and material to the operation of its business in good repair, working order and condition, ordinary wear and tear excepted, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

6.9 Inspection; Keeping of Books and Records. The Borrower will, and will cause each Material Subsidiary to, permit the Agent and the Lenders, by their respective representatives and agents, to inspect any of the Property (subject to such physical security requirements as the Borrower or the applicable Subsidiary may reasonably require), to examine and make copies of the books of accounts and other financial records of the Borrower and each Material Subsidiary (except to the extent that such access is restricted by law or by a bona fide

non-disclosure agreement not entered into for the purpose of evading the requirements of this Section), and to discuss the affairs, finances and accounts of the Borrower and each Material Subsidiary with, and to be advised as to the same by, their respective officers upon reasonable notice and at such reasonable times and intervals as the Agent or any Lender may designate; provided that with the exception of any such visit or inspection conducted during the continuance of a Default, such visits and inspections may be conducted no more frequently (in the aggregate among the Agent and the Lenders) than once in any twelve month period. The Borrower shall keep and maintain, and cause each of its Material Subsidiaries to keep and maintain, in all material respects, proper books of record and account in which entries shall be made of all dealings and transactions in relation to their respective businesses and activities in sufficient detail as may be required or as may be necessary to permit the preparation of financial statements in accordance with GAAP.

6.10 Fundamental Changes. The Borrower will not, nor will it permit any Material Subsidiary to, merge or consolidate with or into any other Person or sell, lease, transfer or otherwise dispose of all or substantially all of its assets (as used herein, including capital stock and/or other ownership interest) (collectively, "Disposition"), except, that (i) a Material Subsidiary may merge into the Borrower or another Material Subsidiary or any other Person (other than the Borrower) if after giving effect thereto such Person becomes a Material Subsidiary, (ii) the Borrower may merge with another Person if (A) the Borrower is the corporation surviving such merger and (B) after giving effect thereto, no Default shall have occurred and be continuing, (iii) Dispositions may be made to the Borrower or a Material Subsidiary (or a party that concurrently therewith will become a Material Subsidiary), (iv) Dispositions may be made by a Material Subsidiary to another Person that concurrently therewith will become a Material Subsidiary, (v) Dispositions may be made of all or any portion of the assets or capital stock of (or other ownership interest in) any ET Entity, or any ET Entity may merge or consolidate with any Person, (vi) Dispositions of accounts and receivables (and other related assets) pursuant to a Receivables Purchase Facility, (vii) Dispositions of Designated Charges and other related assets in connection with the issuance of any Approved Cost Recovery Bonds and (viii) Dispositions by the Borrower and its Subsidiaries not otherwise permitted under this Section 6.10; provided that (x) at the time of such Disposition, no Default shall exist or would result from such Disposition (after giving effect to this clause (viii)) and (y) the aggregate book value of all property disposed of in reliance on this clause (viii) from and after the Closing Date shall not exceed 15% of the greater of the total assets of the Borrower and its Subsidiaries on a consolidated basis as determined in accordance with GAAP, (x) as shown on the consolidated balance sheet of the Borrower and its Subsidiaries as of December 31, 2020 and (y) as shown on the annual consolidated balance sheet of the Borrower and its Subsidiaries as of December 31 of the year ending (after December 31, 2020) immediately prior to such disposition; provided, however, that any Disposition pursuant to this clause (viii) shall be for fair market value as determined in good faith by the applicable board of directors or other governing body. No such Dispositions of the types described in clauses (i)-(viii) of the previous sentence shall in any event be prohibited under this Section 6.10, nor shall any Disposition permitted pursuant to clauses (i) through (viii) above be considered in any determination as to whether any other single or series of Dispositions constituted a sale by the Borrower or any Material Subsidiary of all or substantially all of its assets; provided that when evaluating whether a Disposition (other than a Disposition permitted pursuant to clauses (i)-(viii) above) constitutes a Disposition of all or substantially all of the assets of such Person, such determination shall be

made on the basis of the relevant assets of such Person and its subsidiaries making such Disposition, excluding for such purpose, such Person's interests, if any, in the equity or assets of the ET Entities (as if such interests in such equity or assets had never been owned by such Person).

6.11 Reserved.

6.12 Liens. The Borrower will not, nor will it permit any Material Subsidiary to, create, incur, or suffer to exist any Lien in, of or on the Property of the Borrower or any of its Material Subsidiaries, except:

6.12.1 Liens for Taxes on its Property (i) not yet due or delinquent (after giving effect to any applicable grace period) or (ii) which are being contested in good faith and by appropriate proceedings if adequate reserves are maintained to the extent required by GAAP.

6.12.2 Liens imposed by law, such as landlords', carriers', warehousemen's, materialmen's, interest owner's of oil and gas production and mechanics' liens and other similar Liens arising in the ordinary course of business which secure payment of obligations not more than sixty (60) days past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves are maintained in accordance with GAAP.

6.12.3 Liens, including Liens imposed by Environmental Laws, which (i) do not secure Indebtedness, (ii) do not secure any obligation in an amount exceeding (x) collectively, with respect to the Borrower and OG&E and their Material Subsidiaries (other than the ET Entities), \$100,000,000 and (y) \$50,000,000 with respect to the ET Entities, in each case at any time at which Investment Grade Status does not exist and (iii) do not in the aggregate materially detract from the value of its assets (other than to the extent of such Lien) or materially impair the use thereof in the operation of its business.

6.12.4 Liens arising out of pledges or deposits, surety bonds or performance bonds, in each case relating to or under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

6.12.5 Liens existing on the date hereof and described in Schedule 2.

6.12.6 Deposits securing liability to insurance carriers under insurance or self-insurance arrangements.

6.12.7 Deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature or arising as a result of progress payments under government contracts, in each case incurred in the ordinary course of business.

6.12.8 Easements (including reciprocal easement agreements and utility agreements), reservations, rights-of-way, covenants, consents, reservations, encroachments, variations, charges, restrictions, survey exceptions and other similar encumbrances as to real property of the Borrower and its Subsidiaries which do not materially interfere with the conduct of the business of the Borrower or such Subsidiary conducted at the property subject thereto.

6.12.9 Liens existing on property or assets at the time of acquisition thereof by the Borrower or a Subsidiary; provided that (i) such Liens existed at the time of such acquisition and were not created in anticipation thereof, and (ii) any such Lien does not encumber any other property or assets (other than additions thereto, proceeds thereof and property in replacement or substitution thereof).

6.12.10 Liens existing on property or assets of a Person which is merged or consolidated with or into the Borrower or any Subsidiary, or otherwise becomes a Subsidiary; provided that (i) such Liens existed at the time such Person became a Subsidiary and were not created in anticipation thereof, and (ii) any such Lien does not encumber any other property or assets of the Borrower or any of its Subsidiary (other than additions thereto, proceeds thereof and property in replacement or substitution thereof).

6.12.11 Liens arising by reason of any judgment, decree or order of any court or other Governmental Authority which do not result in a Default.

6.12.12 Leases and subleases of real property owned or leased by the Borrower or any Subsidiary not materially interfering with the ordinary conduct of the business of the Borrower and the Subsidiaries.

6.12.13 Liens securing Indebtedness (including Capitalized Lease Obligations) of the Borrower and its Subsidiaries incurred to finance the acquisition, repair, construction, development or improvement of fixed or capital assets; provided that such Liens shall be created substantially simultaneously with or within 12 months of the acquisition or completion of repair, construction, development or improvement of such fixed or capital assets.

6.12.14 Liens in favor of the United States of America or any state thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any state thereof, or for the benefit of holders of securities issued by any such entity, to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of the repair, construction, development or improvement of any fixed or capital assets; provided that such Liens shall be created substantially simultaneously with or within 12 months of the acquisition or completion of repair, construction, development or improvement of such fixed or capital assets.

6.12.15 Liens securing Indebtedness of the Borrower to a Subsidiary or of a Subsidiary to the Borrower or another Subsidiary.

6.12.16 Liens arising in connection with a Receivables Purchase Facility.

6.12.17 Liens created or assumed by the Borrower or a Subsidiary on any contract for the sale of any product or service or any proceeds therefrom (including accounts and other receivables) or related to the operation or use of any acquired property and created not later than 18 months after the later of the date such acquisition or the commencement of full operation of such property.

6.12.18 Liens created by a Subsidiary on advance payment obligations by such Subsidiary to secure indebtedness incurred to finance advances for oil, gas hydrocarbon and other mineral exploration and development.

6.12.19 Cash collateral and other Liens securing obligations of any Subsidiary incurred in the ordinary course of its energy marketing business.

6.12.20 Liens securing obligations, neither assumed by the Borrower or any Subsidiary nor on account of which the Borrower or any Subsidiary customarily pays interest, upon real estate or under which the Borrower or any Subsidiary has a right-of-way, easement, franchise or other servitude or of which the Borrower or any Subsidiary is the lessee of the whole thereof or any interest therein for the purpose of locating pipe lines, substations, measuring stations, tanks, pumping or delivery equipment or similar equipment.

6.12.21 Liens arising by virtue of any statutory or common law provision relating to banker's liens, rights of setoff or similar rights as to deposit accounts or other funds maintained with a depository institution and Liens of a collecting bank arising in the ordinary course of business under Section 4-210 of the Uniform Commercial Code in effect in the relevant jurisdiction.

6.12.22 Renewals, extensions and replacements of the Liens permitted under Sections 6.12.5, 6.12.9, 6.12.10, 6.12.13, 6.12.14, 6.12.17 and 6.12.18; provided that no such Lien shall as a result thereof cover any additional assets (other than additions thereto and property in replacement or substitution thereof).

6.12.23 Reserved.

6.12.24 Liens on deposits required by any Person with whom the Borrower or any of its Subsidiaries enter into any swap, forward, future or derivative transaction or option or similar agreement or any credit support therefor, in each case, for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets or property held or reasonably anticipated.

6.12.25 Liens on applicable Designated Charges securing Approved Cost Recovery Bonds.

6.12.26 Liens not described in or otherwise permitted by Sections 6.12.1 through 6.12.25, inclusive, securing Indebtedness or other obligations of the Borrower (other than Indebtedness or other obligations of the Borrower owed to any Subsidiary) and/or securing Indebtedness or other obligations of the Borrower's Subsidiaries (other than Indebtedness or other obligations of any Subsidiary owed to the Borrower or any

other Subsidiary), in an aggregate outstanding amount not to exceed ten percent (10%) of the consolidated assets of the Borrower and its Subsidiaries at the time of such incurrence.

6.13 Affiliates. The Borrower will not, and will not permit any Material Subsidiary to, enter into any transaction (including the purchase or sale of any Property or service) with, or make any payment or transfer to, any Affiliate (other than the Borrower and its Subsidiaries) except upon fair and reasonable terms no less favorable to the Borrower or such Material Subsidiary than the Borrower or such Material Subsidiary would obtain in a comparable arms-length transaction; provided that this Section 6.13 shall not prohibit (i) dividends on or other distributions on account of any class of stock of the Borrower or any Subsidiary, (ii) any transaction subject to the jurisdiction, approval, consent or oversight of any regulatory body or compliance with any applicable regulation, rule or guideline of any such regulatory body, (iii) arrangements among Affiliates relating to employment, administrative, IT or management services authorized by the Borrower's or such Material Subsidiary's organizational documents or board of directors or other governing body (or committee thereof) or (iv) transactions with Enable pursuant to contractual arrangements in effect as of the Closing Date and disclosed (including on the Schedules hereto) or otherwise publicly available to the Lenders, including pursuant to filings by the Borrower and/or Enable Midstream Partners, LP with the SEC (or no less favorable to the Borrower and its Material Subsidiaries, taken as a whole, than such existing arrangements).

6.14 Leverage Ratio. The Borrower will not permit the ratio, determined as of the end of each of its fiscal quarters, of (i) Consolidated Indebtedness to (ii) Consolidated Capitalization to be greater than 0.65 to 1.0.

ARTICLE VII

DEFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

7.1 Any representation or warranty made or deemed made by or on behalf of the Borrower under or in connection with this Agreement, any Advance, or any certificate or information delivered in connection with this Agreement or any other Loan Document shall be incorrect or untrue in any material respect when made or deemed made.

7.2 Nonpayment of (i) principal of any Loan when due, (ii) interest upon any Loan or of any fee under any of the Loan Documents within five (5) Business Days after the same becomes due or (iii) any other obligation or liability under this Agreement or any other Loan Document within thirty (30) days after the same becomes due.

7.3 The breach by the Borrower of any of the terms or provisions of Section 6.2, 6.3 (provided that such Default shall be deemed automatically cured or waived upon the delivery of such notice or the cure or waiver of the related Unmatured Default or Default, as applicable), 6.4 (with respect to the Borrower's or any Material Subsidiary's existence), 6.10, 6.12, 6.13 or 6.14.

7.4 The breach by the Borrower (other than a breach which constitutes a Default under another Section of this Article VII) of any of the terms or provisions of this Agreement which is not remedied within thirty (30) days after written notice is given to the Borrower by the Agent or any Lender.

7.5 (i) Failure of the Borrower or any of its Material Subsidiaries to pay when due (after any applicable grace period) any Material Indebtedness; (ii) the Borrower or any Material Subsidiary shall default (after the expiration of any applicable grace period) in the observance or performance of any covenant or agreement relating to any Material Indebtedness and as a result thereof such Material Indebtedness shall be declared to be due and payable or required to be prepaid or repurchased (other than by a regularly scheduled payment) prior to the stated maturity thereof; provided that the foregoing shall not apply to any mandatory prepayment or optional redemption of any Indebtedness which would be required to be repaid in connection with the consummation of a transaction by the Borrower or any such Material Subsidiary not prohibited pursuant to this Agreement; or (iii) the Borrower or any of its Material Subsidiaries shall not pay, or admit in writing its inability to pay, its debts generally as they become due.

7.6 The Borrower or any of its Material Subsidiaries shall (i) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (ii) make an assignment for the benefit of creditors, (iii) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (iv) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or (v) fail to contest within the applicable time period any appointment or proceeding described in Section 7.7.

7.7 Without the application, approval or consent of the Borrower or any of its Material Subsidiaries, a receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any of its Material Subsidiaries or any Substantial Portion of its Property, or a proceeding described in Section 7.6(iv) shall be instituted against the Borrower or any of its Material Subsidiaries and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of ninety (90) consecutive days.

7.8 A judgment or other court order for the payment of money in excess of \$100,000,000 (net of any amounts paid or covered by independent third party insurance as to which the relevant insurance company does not dispute coverage) shall be rendered against the Borrower or any Material Subsidiary and such judgment or order shall continue without being vacated, discharged, satisfied or stayed or bonded pending appeal for a period of forty-five (45) days.

7.9 The Unfunded Liabilities of all Single Employer Plans could in the aggregate reasonably be expected to result in a Material Adverse Effect or any Reportable Event shall occur in connection with any Plan that could reasonably be expected to have a Material Adverse Effect.

7.10 Any Change in Control shall occur.

7.11 The Borrower or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred, pursuant to Section 4201 of ERISA, withdrawal liability to such Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower or any other member of the Controlled Group as withdrawal liability (determined as of the date of such notification), could reasonably be expected to result in a Material Adverse Effect.

7.12 The Borrower or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is being terminated, within the meaning of Title IV of ERISA, if such termination could reasonably be expected to result in a Material Adverse Effect.

7.13 Any material portion of this Agreement or any Note shall fail to remain in full force or effect or any action shall be taken by the Borrower to assert the invalidity or unenforceability of any such Loan Document.

ARTICLE VIII

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

8.1 Acceleration/Remedies.

8.1.1 (i) If any Default occurs, the Agent, upon the request of the Required Lenders, shall, or with the consent of the Required Lenders, may terminate or suspend the obligations of the Lenders to make Loans hereunder, or declare the Obligations to be due and payable, or both, whereupon the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrower hereby expressly waives.

(ii) If, after acceleration of the maturity of the Obligations or termination of the obligations of the Lenders to make Loans and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Agent shall, by notice to the Borrower, rescind and annul such acceleration and/or termination.

8.1.2 In the event that the Obligations have been accelerated pursuant to Section 8.1.1, all payments received by the Lenders upon the Obligations and all net proceeds from the enforcement of the Obligations shall be applied:

FIRST, to the payment of all fees, reasonable out of pocket costs and expenses (including reasonable attorneys' fees) of the Agent in its capacity as such;

SECOND, to the payment of all fees, reasonable out of pocket costs and expenses (including reasonable attorneys' fees) of the Lenders in connection with enforcing the rights of the Lenders under the Loan Documents, ratably among the Lenders in proportion to the respective amounts described in this clause "SECOND" owing to them;

THIRD, to the payment of all accrued interest on the Loans, ratably among the Lenders;

FOURTH, to the payment of the outstanding principal amount of the Loans, ratably among the Lenders;

FIFTH, to all other obligations which shall have become due and payable under the Loan Documents and not repaid pursuant to clauses "FIRST" through "FOURTH" above; and

SIXTH, to the payment of the surplus, if any, to whomever may be lawfully entitled to receive such surplus.

In carrying out the foregoing, amounts received shall be applied in the numerical order provided until exhausted prior to application to the next succeeding category.

8.2 Amendments. Except as set forth below or as specifically provided in any Loan Document, the Required Lenders (or the Agent with the consent in writing of the Required Lenders) and the Borrower may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrower hereunder or waiving any Default hereunder; provided that no such supplemental agreement shall, without the consent of all of the Lenders affected thereby:

8.2.1 Except as specifically provided in this Agreement, extend the final maturity of any Loan or postpone any regularly scheduled payment of principal of any Loan, or forgive all or any portion of the principal amount thereof, or reduce the rate or extend the time of payment of interest or fees thereon (other than a waiver or rescission of the application of the default rate of interest pursuant to Section 2.11 or an acceleration pursuant to Section 8.1).

8.2.2 Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable percentage in this Agreement to act on specified matters, or amend the definition of "Pro Rata Share".

8.2.3 Except as specifically provided in this Agreement, (i) extend the Termination Date, or (ii) reduce the amount or extend the payment date for, the mandatory payments required under Section 2.2, or (iii) permit the Borrower to assign its rights or obligations under this Agreement.

8.2.4 Amend this Section 8.2 or Section 7.2, 8.1.2 or 9.6 or Article XI.

No amendment of any provision of this Agreement relating to the Agent shall be effective without the written consent of the Agent. The Agent may waive payment of the fee required under Section 12.3.3 without obtaining the consent of any other party to this Agreement. For the avoidance of doubt, any Fee Letters may be amended by the parties thereto without the consent of any other party.

8.3 Preservation of Rights. The enumeration of the rights and remedies of the Agent and the Lenders set forth in this Agreement is not intended to be exhaustive and the exercise by the Agent and the Lenders of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Loan Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Agent or any Lender in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Default. No course of dealing between the Borrower, the Agent and the Lenders or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Loan Documents or to constitute a waiver of any Default. No waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by the Lenders required pursuant to Section 8.2, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents or by law afforded shall be cumulative and all shall be available to the Agent and the Lenders until the Obligations (other than contingent indemnification obligations) have been paid in full.

ARTICLE IX

GENERAL PROVISIONS

9.1 Survival of Representations. All representations and warranties of the Borrower contained in this Agreement shall survive the making of the Advances herein contemplated.

9.2 Governmental Regulation. Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

9.3 Headings. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

9.4 Entire Agreement. The Loan Documents embody the entire agreement and understanding among the Borrower, the Agent and the Lenders and supersede all prior agreements and understandings among the Borrower, the Agent and the Lenders relating to the subject matter thereof other than those contained in the fee letters described in Section 10.9 which shall survive and remain in full force and effect during the term of this Agreement.

9.5 Several Obligations; Benefits of this Agreement. The respective obligations of the Lenders hereunder are several and not joint and no Lender shall be the partner or agent of any other (except to the extent to which the Agent is authorized to act as such). The failure of any Lender to perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns.

9.6 Expenses; Indemnification.

9.6.1 The Borrower shall reimburse the Agent for any reasonable costs, internal charges and out-of-pocket expenses (including reasonable fees and time charges of attorneys and paralegals for the Agent, which attorneys may be employees of the Agent, but limited to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all such parties (taken as a whole) and, if reasonably necessary, a single local counsel for all such parties (taken as a whole) in each relevant jurisdiction and with respect to each relevant specialty, and in the case of an actual or perceived conflict of interest, one additional counsel in each relevant jurisdiction to the affected indemnified parties similarly situated (taken as a whole) and reasonable expenses of and fees for other advisors and professionals engaged by the Agent) paid or incurred by the Agent in connection with the investigation, preparation, negotiation, documentation, execution, delivery, syndication, distribution (including via the internet), review, amendment, modification and administration of the Loan Documents. The Borrower also agrees to reimburse the Agent and the Lenders for any costs, internal charges and out-of-pocket expenses (including attorneys' and paralegals' fees and time charges and expenses of attorneys and paralegals for the Agent and the Lenders, which attorneys and paralegals may be employees of the Agent or the Lenders) paid or incurred by the Agent or any Lender in connection with the collection and enforcement of the Loan Documents.

9.6.2 The Borrower hereby further agrees to indemnify the Agent, each Lender, their respective affiliates, and each of their directors, officers and employees (each such Person being called an "Indemnitee") against all losses, claims, damages, penalties, judgments, liabilities and expenses (including all expenses of litigation or preparation therefor whether or not such Indemnitee is a party thereto, and all reasonable attorneys' and paralegals' fees, reasonable time charges and reasonable expenses of attorneys and paralegals of such Indemnitee, which attorneys and paralegals may or may not be employees of such Indemnitee, but limited to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all indemnified parties (taken as a whole) and, if reasonably necessary, a single local counsel for all indemnified parties (taken as a whole) in each relevant jurisdiction and with respect to each relevant specialty, and in the case of an actual or perceived conflict of interest, one additional counsel in each relevant jurisdiction to the affected indemnified parties similarly situated and taken as whole) which any of them may pay or incur arising out of or relating to this Agreement, the other Loan Documents, the transactions contemplated hereby or the direct or indirect application or proposed application of the proceeds of any Advance hereunder except to the extent such losses, claims, damages, penalties, judgments, liabilities or expenses (1) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, willful misconduct or material breach of this Agreement by such Indemnitee or (2) result from a claim not involving an act or omission by the Borrower or any of its Affiliates or its Affiliates' officers, directors, employees or equityholders (other than subject to clause (1) of this proviso) that is brought by an Indemnitee against any other Indemnitee (other than any action, suit or claim against the Agent in its capacity as such). The obligations of the Borrower under this Section 9.6 shall survive the termination of this Agreement. In no event shall this clause (ii) operate to expand the obligations of the Borrower under the

first sentence of clause (i) above to require the Borrower to reimburse or indemnify the Lenders for any amounts of the type described therein.

9.7 Numbers of Documents. All statements, notices, closing documents, and requests hereunder shall be furnished to the Agent with sufficient counterparts so that the Agent may furnish one to each of the Lenders, to the extent that the Agent deems necessary.

9.8 Accounting. Except as provided to the contrary herein, all accounting terms used in the calculation of any financial covenant or test shall be interpreted and all accounting determinations hereunder in the calculation of any financial covenant or test shall be made in accordance with Agreement Accounting Principles.

9.9 Severability of Provisions. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

9.10 Nonliability; Waiver of Consequential Damages. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that (i) the relationship between the Borrower on the one hand and the Lenders and the Agent on the other hand shall be solely that of borrower and lender, (ii) neither the Agent nor any Lender shall have any advisory, agency, or fiduciary responsibilities to the Borrower, (iii) the facilities provided for hereunder and any related arranging or other services in connection therewith are an arm's-length commercial transaction between the Borrower and its Affiliates, on the one hand, and the Agent and the Lenders, on the other hand, and the Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents, (iv) in connection with the process leading to such transaction, each of the Agent and the Lenders is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for the Borrower or any of its Affiliates, stockholders, creditors or employees or any other Person, (v) the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from, and may conflict with, those of the Borrower and its Affiliates, and none of the Agent or the Lenders has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship, and (vi) the Agent and the Lenders have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby and the Borrower has consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate. Neither the Agent nor any Lender undertakes any responsibility to the Borrower to review or inform the Borrower of any matter in connection with any phase of the Borrower's business or operations. The Borrower agrees that neither the Agent nor any Lender shall have liability to the Borrower (whether sounding in tort, contract or otherwise) for losses suffered by the Borrower in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless such losses resulted from the gross negligence, willful misconduct or material breach of this Agreement by the party from which recovery is sought. Each party hereto agrees that no other party hereto shall have any liability with respect to, and each party hereto hereby

waives, releases and agrees not to sue for, any special, indirect, consequential or punitive damages suffered by such Person in connection with, arising out of, or in any way related to the Loan Documents or the transactions contemplated thereby; provided that this waiver shall in no way limit the Borrower's indemnification obligations in Section 9.6.2 to the extent of any third-party claim for any of the foregoing.

9.11 Confidentiality. Each of the Agent and the Lenders agrees that any Information (as defined below) delivered or made available to it shall (i) be kept confidential, (ii) be used solely in connection with evaluating, approving, structuring, administering or enforcing the credit facility contemplated hereby and (iii) not be provided to any other Person; provided that nothing in clauses (i) and (iii) above shall prevent the Agent or any Lender from disclosing such information (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives in connection herewith (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), (b) to the extent requested by, or required to be disclosed to, any rating agency, or regulatory or similar authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by Applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, Participant or proposed Participant or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower, (h) to Gold Sheets and other similar bank trade publications, such information to consist of deal terms and other information customarily found in such publications, or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Agent, any Lender, or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower, its Affiliates or any of the foregoing's, employees, officers, equityholders, directors, attorneys, partners or agents and which is not known to be subject to a duty of confidentiality to the Borrower or its Affiliates (unless and until such Person is made aware of the confidential nature of such information, if any) or (j) to governmental regulatory authorities in connection with any regulatory examination of the Agent or any Lender or in accordance with the Agent's or any Lender's regulatory compliance policy if the Agent or such Lender deems necessary for the mitigation of claims by those authorities against the Agent or such Lender or any of its subsidiaries or affiliates; provided that in the case of any disclosure made pursuant to clause (b), (c) or (j), the disclosing party shall (to the extent practicable and to the extent legally permitted to do so) notify the Borrower thereof sufficiently in advance thereof to permit the Borrower to contest the need for or to limit the scope of such disclosure. For purposes of this Section, "Information" means all information received from the Borrower (including, for all purposes of this definition, any of its Affiliates or any of their respective officers, directors, employees, equityholders, partners or agents) relating to the Borrower or any Affiliate thereof or any of their respective businesses, assets, properties, operations, products, results or condition (financial or otherwise) other than (i) any such information that is received by the Agent or any Lender from a

source other than the Borrower and which is not known to be subject to a duty of confidentiality to the Borrower or its Affiliates (unless and until such Person is made aware of the confidential nature of such information, if any), (ii) information that is publicly available other than as a result of the breach of a duty of confidentiality by such Person or its Related Parties or by another Person known by any of the foregoing to be subject to such a duty of confidentiality, (iii) information already known to or, other than information described in clause (i) above, in the possession of the Agent or any Lender prior to its disclosure by the Borrower, or (iv) information that is independently developed, discovered or arrived at by the Agent or any Lender. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

9.12 Lenders Not Utilizing Plan Assets. Each Lender represents and warrants that none of the consideration used by such Lender to make its Loans constitutes for any purpose of ERISA or Section 4975 of the Code assets of any "plan" as defined in Section 3(3) of ERISA or Section 4975 of the Code and the rights and interests of such Lender in and under the Loan Documents shall not constitute such "plan assets" under ERISA.

9.13 Nonreliance. Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) for the repayment of the Advances provided for herein.

9.14 Disclosure. The Borrower and each Lender hereby acknowledge and agree that BOKF and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with the Borrower and its Affiliates.

9.15 USA Patriot Act. The Agent and each Lender hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

9.16 Reserved.

9.17 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for hedge agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and, each such QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the FDIC under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

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

(ii) As used in this Section 9.17, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity." means any of the following:

(A) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(B) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

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

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

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

ARTICLE X

THE AGENT

10.1 Appointment and Authority. Each of the Lenders hereby irrevocably designates and appoints BOKF to act on its behalf as the Agent hereunder and under the other Loan

Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agent and the Lenders, and neither the Borrower nor any Subsidiary thereof shall have rights as a third party beneficiary of any of such provisions.

10.2 Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

10.3 Exculpatory Provisions. Neither the Agent nor any of its officers, directors, employees, agents, attorneys in fact or affiliates has any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, neither the Agent nor any of its officers, directors, employees, agents, attorneys in fact or affiliates:

10.3.1 shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

10.3.2 shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or Applicable Law; and

10.3.3 shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Agent or any of its Affiliates in any capacity.

The Agent shall not be liable for any action taken or not taken by it (i) as to any Lender, with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 8.2) or (ii) in the absence of its own gross negligence, willful misconduct or material breach of this Agreement as determined by a court of competent jurisdiction by final nonappealable judgment. The Agent shall be deemed not to have knowledge of any Default or Unmatured Default unless and until notice describing such Default or Unmatured Default is given to the Agent by the Borrower or a Lender.

Neither the Agent nor any of its officers, directors, employees, agents, attorneys in fact or affiliates shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Unmatured Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

The Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Lenders. Without limiting the generality of the foregoing, the Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Lender or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Lender.

10.4 Reliance by the Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) reasonably believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and reasonably believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

10.5 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub agents selected and appointed by the Agent with reasonable care. The Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub agent and to the Related Parties of the Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of the credit facility evidenced hereby as well as activities as Agent.

10.6 Resignation of Agent. The Agent may at any time give not less than 45 days' prior written notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower (and so long as no Default shall have occurred and be continuing, subject to the approval of the Borrower, such approval not to be unreasonably withheld or delayed), to appoint

a successor from among the Lenders, which shall be a bank with an office in the United States having capital and retained earnings of at least \$100,000,000 or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above provided that if the Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (2) all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 9.6 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as Agent.

10.7 Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

10.8 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the Syndication Agent, Arranger, or Bookrunner listed on the cover page or signature pages hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Agent, or a Lender hereunder.

10.9 Agent Fees. The Borrower agrees to pay to the Agent the fees agreed to by the Borrower and the Agent pursuant to that certain letter agreement between the Borrower and the Agent dated on or about April 1, 2022, or as otherwise agreed from time to time.

10.10 Agent's Reimbursement and Indemnification. The Lenders agree to reimburse and indemnify the Agent and any other Indemnatee related to any of the foregoing, ratably in proportion to the Lenders' Pro Rata Shares of the Aggregate Commitment (or, if the Aggregate Commitment has been terminated, of the Outstanding Credit Exposure) for any amounts not

reimbursed by the Borrower (i) for which the Agent or any other Indemnitee related to any of the foregoing is entitled to reimbursement by the Borrower under the Loan Documents, (ii) for any other expenses incurred by the Agent on behalf of the Lenders, in connection with the preparation, execution, delivery, administration and enforcement of the Loan Documents (including for any expenses incurred by the Agent in connection with any dispute between the Agent and any Lender or between two or more of the Lenders) and (iii) for any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Agent or any other Indemnitee related to any of the foregoing in any way relating to or arising out of the Loan Documents or any other document delivered in connection therewith or the transactions contemplated thereby (including for any such amounts incurred by or asserted against the Agent or any other Indemnitee related to any of the foregoing in connection with any dispute between the Agent and any Lender or between two or more of the Lenders), or the enforcement of any of the terms of the Loan Documents or of any such other documents; provided that no Lender shall be liable for any of the foregoing to the extent any of the foregoing is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted from the gross negligence, willful misconduct, or material breach of this Agreement by the party seeking indemnification. The obligations of the Lenders under this Section 10.10 shall survive payment of the Obligations and termination of this Agreement.

10.11 Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law, the Lenders hereby agree that the Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise for and on behalf of the Lenders:

10.11.1 to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Agent and their respective agents and counsel and all other amounts due the Lenders and the Agent under Sections 2.5, 9.6 and 10.9) allowed in such judicial proceeding; and

10.11.2 to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Agent and, in the event that the Agent shall consent to the making of such payments directly to the Lenders, to pay to the Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agent and its agents and counsel, and any other amounts due the Agent under Sections 2.5, 9.6 and 10.9.

10.12 Certain ERISA Matters.

10.12.1 Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

- (i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans or the Commitments or this Agreement;
- (ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement;
- (iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement; or
- (iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Lender.

10.12.2 In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Agent and its Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights

by the Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

10.13 Erroneous Payments.

10.13.1 Each Lender and any other party hereto hereby severally agrees that if (i) the Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or any other Person that has received funds from the Agent or any of its Affiliates, either for its own account or on behalf of a Lender (each such recipient, a "Payment Recipient") that the Agent has determined in its sole discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 10.13.1, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an "Erroneous Payment"), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section shall require the Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

10.13.2 Without limiting Section 10.13.1, each Payment Recipient agrees that, in the case of clause (ii) of Section 10.13.1, it shall promptly notify the Agent in writing of such occurrence.

10.13.3 In the case of either clause (i) or (ii) of Section 10.13.1, such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and upon demand from the Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than two Business Days thereafter, return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in same day funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent at the greater of (x) the Federal Funds Rate and (y) a rate determined by the Agent in

accordance with banking industry rules on interbank compensation from time to time in effect.

10.13.4 In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent in accordance with Section 10.13.3, from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an "Erroneous Payment Return Deficiency"), then at the sole discretion of the Agent and upon the Agent's written notice to such Lender (i) such Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Commitments) to the Agent or, at the option of the Agent, the Agent's applicable lending affiliate in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Loans (but not Commitments), the "Erroneous Payment Deficiency Assignment") plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by the Agent or its applicable lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment. Without limitation of its rights hereunder, the Agent may cancel any Erroneous Payment Deficiency Assignment at any time by written notice to the applicable assigning Lender and upon such revocation all of the Loans assigned pursuant to such Erroneous Payment Deficiency Assignment shall be reassigned to such Lender without any requirement for payment or other consideration. The parties hereto acknowledge and agree that (1) any assignment contemplated in this Section 10.13.4 shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 12.1 and (3) the Agent may reflect such assignments in the Register without further consent or action by any other Person.

10.13.5 Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Agent (1) shall be subrogated to all the rights of such Payment Recipient with respect to such amount and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Agent to such Payment Recipient from any source, against any amount due to the Agent under this Section 10.13 or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by the Borrower, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower for the purpose of making a payment on the Obligations and (z) to the extent that an Erroneous Payment was in any way or at any time erroneously credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

10.13.6 Each party's obligations under this Section 10.13 shall survive the resignation or replacement of the Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

10.13.7 Nothing in this Section 10.13 will constitute a waiver or release of any claim of the Agent hereunder arising from any Payment Recipient's receipt of an Erroneous Payment.

ARTICLE XI

SETOFF; RATABLE PAYMENTS

11.1 Setoff. In addition to, and without limitation of, any rights of the Lenders under Applicable Law, from and after the date that the Obligations have been accelerated pursuant to Section 8.1.1 (and for so long as such acceleration has not been rescinded by the Required Lenders), any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Affiliate of any Lender to or for the credit or account of the Borrower may be offset and applied toward the payment of the Obligations owing to such Lender; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.24 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees to notify the Borrower and the Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.2 Ratable Payments. If any Lender, whether by setoff or otherwise, has payment made to it upon its Outstanding Credit Exposure (other than payments received pursuant to Sections 3.1 or 3.5) in a greater proportion than that received by any other Lender, such Lender agrees, promptly upon demand, to purchase a portion of the Aggregate Outstanding Credit Exposure held by the other Lenders so that after such purchase each Lender will hold its Pro Rata Share of the Aggregate Outstanding Credit Exposure. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to their respective Pro Rata Shares of the Aggregate Outstanding Credit Exposure. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

ARTICLE XII

BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

12.1 Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrower, the Agent and the Lenders and their respective successors and assigns permitted hereby, except that (i) the Borrower shall not have the right to assign its rights or obligations under the Loan Documents without the prior written consent of each Lender, (ii) any assignment by any Lender must be made in compliance with Section 12.3, and (iii) any transfer by participation must be made in compliance with Section 12.2. Any attempted assignment or transfer by any party not made in compliance with this Section 12.1 shall be null and void, unless such attempted assignment or transfer is treated as a participation in accordance with Section 12.3.3. The parties to this Agreement acknowledge that clause (ii) of this Section 12.1 relates only to absolute assignments and this Section 12.1 does not prohibit assignments creating security interests, including any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any Note to a Federal Reserve Bank or other central bank having jurisdiction over such Lender; provided that no such pledge or assignment creating a security interest shall release the transferor Lender from its obligations hereunder unless and until the parties thereto have complied with the provisions of Section 12.3. The Agent may treat each Lender which made any Advance or which holds any Note as the owner thereof for all purposes hereof unless and until such Lender complies with Section 12.3; provided that the Agent may in its discretion (but shall not be required to) follow instructions from the Lender which made any Advance or which holds any Note to direct payments relating to such Advance or Note to another Person. Any assignee of the rights to any Advance or any Note agrees by acceptance of such assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Lender, who at the time of making such request or giving such authority or consent is the owner of the rights to any Advance (whether or not a Note has been issued in evidence thereof), shall be conclusive and binding on any subsequent holder or assignee of the rights to such Advance.

12.2 Participations.

12.2.1 Permitted Participants; Effect. Any Lender may at any time, without the consent of, or notice to, the Borrower or Agent, sell participations to any Person (other than a natural Person, the Borrower or any of the Borrower's Affiliates or Subsidiaries or, unless a Default has occurred and is continuing, (x) any competitor of the Borrower or any of its Subsidiaries or (y) any other company engaged in the business of selling or distributing energy products) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement and the other Loan Documents, if any, shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the owner of its Outstanding Credit Exposure and the holder of any Note issued to it in evidence thereof for all purposes under the Loan Documents and all amounts payable by the Borrower under this Agreement shall be determined as if such Lender had not sold such participating interest and (iv) the Borrower, the Agent and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.10 with respect to any payments made by such Lender to its Participant(s).

12.2.2 Voting Rights. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of this Agreement other than any amendment, modification or waiver with respect to any Advance or Commitment in which such Participant has an interest which would require consent of all of the Lenders pursuant to the terms of Section 8.2.

12.2.3 Benefit of Certain Provisions. The Borrower further agrees that each Participant shall be entitled to the benefits of Sections 3.1 and 3.5 (subject to the requirements and limitations therein, including the requirements under Section 3.5.7 (it being understood that the documentation required under Section 3.5.7 shall be delivered to the participating Lender who shall deliver such documentation to the Borrower and the Agent)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.3; provided that such Participant shall not be entitled to receive any greater payment under Section 3.1 or 3.5, with respect to any participation, than its participating Lender would have been entitled to receive. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use commercially reasonable efforts to require such Participant comply with the provisions of Section 2.19 as if it were a Lender and to cooperate with the Borrower in enforcing such provisions against such Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.1 as though it were a Lender; provided that such Participant agrees to be subject to Section 11.2 as though it were a Lender.

12.2.4 Participant Register. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

12.3 Assignments.

12.3.1 Permitted Assignments. Any Lender may at any time assign to one or more Eligible Assignees all or any part of its rights and obligations under the Loan Documents. Such assignment shall be substantially in the form of Exhibit B or in such

other form as may be agreed to by the parties thereto. Each such assignment with respect to an Eligible Assignee which is not a Lender or an Affiliate of a Lender or an Approved Fund shall either be in an amount equal to the entire applicable Commitment and Outstanding Credit Exposure of the assigning Lender or (unless each of the Borrower and the Agent otherwise consents) be in an aggregate amount not less than \$1,000,000. The amount of the assignment shall be based on the Commitment or Outstanding Credit Exposure (if the Commitment has been terminated) subject to the assignment, determined as of the date of such assignment or as of the "Trade Date," if the "Trade Date" is specified in the assignment. Each partial assignment made by a Lender shall be made as an assignment of a proportionate part of all of such Lender's rights and obligations under this Agreement with respect to the Loans and Commitments assigned.

12.3.2 Consents. The consent of the Agent shall be required prior to an assignment becoming effective; provided that the consent of the Agent shall not be required for any assignment to a Person that is a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender. The consent of the Borrower shall be required prior to an assignment becoming effective unless (i) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund or (ii) a Default has occurred and is continuing; provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within fifteen (15) days after having received notice thereof. Any consent required under this Section 12.3.2 shall not be unreasonably withheld or delayed.

12.3.3 Effect; Effective Date. Upon (i) delivery to the Agent of an assignment pursuant to Section 12.3.1, together with any consents required by Section 12.3.2, (ii) payment of a \$3,500 fee to the Agent for processing such assignment (unless such fee is waived by the Agent) and (iii) the documents required by Section 3.5, such assignment shall become effective on the effective date specified in such assignment. The assignment shall contain a representation and warranty by the Purchaser to the effect that none of the funds, money, assets or other consideration used to make the purchase and assumption of the Commitment and Outstanding Credit Exposure under the applicable assignment agreement constitutes "plan assets" as defined under ERISA and that the rights, benefits and interests of the Purchaser in and under the Loan Documents will not be "plan assets" under ERISA. On and after the effective date of such assignment, such Purchaser shall for all purposes be a Lender party to this Agreement and any other Loan Document executed by or on behalf of the Lenders and shall have all the rights, benefits and obligations of a Lender under the Loan Documents, to the same extent as if it were an original party thereto, and the transferor Lender shall be released with respect to the Commitment and Outstanding Credit Exposure assigned to such Purchaser without any further consent or action by the Borrower, the Lenders or the Agent. In the case of an assignment covering all of the assigning Lender's rights, benefits and obligations under this Agreement, such Lender shall cease to be a Lender hereunder but shall continue to be entitled to the benefits of, and subject to, those provisions of this Agreement and the other Loan Documents which survive payment of the Obligations and termination of the Loan Documents with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that no assignment by a Defaulting Lender will constitute or effect a waiver or release of any claim of any party arising from such Lender being a

Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.3 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.2. Upon the consummation of any assignment to a Purchaser pursuant to this Section 12.3.3, the transferor Lender, the Agent and the Borrower shall, if the transferor Lender or the Purchaser desires that its Loans be evidenced by Notes, make appropriate arrangements so that, upon cancellation and surrender to the Borrower of the Notes (if any) held by the transferor Lender, new Notes or, as appropriate, replacement Notes are issued to such transferor Lender, if applicable, and new Notes or, as appropriate, replacement Notes, are issued to such Purchaser, in each case in principal amounts reflecting their respective Commitments (or if the Aggregate Commitment has been terminated, their respective Outstanding Credit Exposure), as adjusted pursuant to such assignment.

12.3.4 Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower (and the Borrower hereby designates the Agent to act in such capacity), shall maintain at one of its offices a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

12.3.5 No Assignment to Certain Persons.

- (i) No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) unless a Default has occurred and is continuing, (x) any Person (other than a Lender) designated by the Borrower as a "Disqualified Lender" by written notice delivered to the Agent on or prior to the Closing Date, (y) any Person that is a competitor of the Borrower or any of its Subsidiaries, which Person is designated by the Borrower as a "Disqualified Lender" by written notice to the Agent, such designation to be effective three Business Days after the date such written notice is received, and (z) any Affiliate of any person described in clause (x) or competitor described in clause (y) that is identified by the Borrower to the Agent in writing within the above-prescribed time limits or reasonably identifiable solely by name as an Affiliate of such Person; provided that any bona fide debt fund or investment vehicle that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business which is managed, sponsored or advised by any Person controlling, controlled by or under common control with such competitor or its controlling owner and for which no personnel involved with the competitive activities of such competitor or controlling owner (i) makes any investment decisions for such debt

fund or (ii) has access to any confidential information (other than publicly available information) relating to the Borrower and its Subsidiaries shall be deemed not to be a competitor of the Borrower or any of its Subsidiaries.

- (ii) If any assignment or participation under this Section 12.3 is made to any Disqualified Lender without the Borrower's prior written consent or deemed consent, then, such assignment shall not be null and void, but the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Lender and the Agent, (A) terminate any Commitment of such Disqualified Lender and repay all obligations of the Borrower owing to such Disqualified Lender, (B) require that such Disqualified Lender assign, without recourse (in accordance with and subject to the restrictions contained in this Section 12.3), all of its interests, rights and obligations under this Agreement to one or more Eligible Assignees, and/or (C) if the Disqualified Lender is unable to assign the loan, such Disqualified Lender may remain a Lender, but will have no voting or information rights under the Credit Agreement; provided that in the case of clause (B), the relevant assignment shall otherwise comply with this Section 12.3 (except that no registration and processing fee required under this Section 12.3 shall be required with any assignment pursuant to this paragraph). Nothing in this Section 12.3.5(ii) shall be deemed to prejudice any right or remedy that the Borrower may otherwise have at law or equity. For the avoidance of doubt, the Agent shall not have any responsibility (except as expressly set forth in Section 12.3.5(iii) below) or liability for monitoring the identities of, or enforcing provisions relating to, Disqualified Lenders.
- (iii) Upon the request of any Lender, the Agent shall make available to such Lender (including via posting on the Borrower's SyndTrak Online site) the list of Disqualified Lenders at the relevant time and such Lender may provide the list to any potential assignee or participant on a confidential basis in accordance with Section 9.11 for the purpose of verifying whether such Person is a Disqualified Lender. For the avoidance of doubt, the Agent shall not have any responsibility (except as expressly set forth in this Section 12.3.5(iii)) or liability for monitoring the list or identities of, or enforcing provisions relating to, Disqualified Lenders.

12.3.6 No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

12.3.7 Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable Pro Rata Share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by

such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

12.4 Dissemination of Information. The Borrower authorizes each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a "Transferee") and any prospective Transferee any and all information in such Lender's possession concerning the creditworthiness of the Borrower and its Subsidiaries; provided that each Transferee and prospective Transferee agrees to be bound by Section 9.11.

12.5 Tax Certifications. If any interest in any Loan Document is transferred to any Transferee which is not incorporated under the laws of the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.5.

ARTICLE XIII

NOTICES

13.1 Notices. Except as otherwise permitted by Section 2.14, all notices, requests and other communications to any party hereunder shall be in writing (including electronic transmission, facsimile transmission or similar writing) and shall be given to such party: (x) in the case of the Borrower, the Lenders or the Agent, at its address or facsimile number set forth on the signature pages hereof or, (y) in the case of any party, at such other address or facsimile number as such party may hereafter specify for the purpose by notice to the Agent and the Borrower in accordance with the provisions of this Section 13.1. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when transmitted to the facsimile number specified in this Section and confirmation of receipt is received, (ii) if given by mail, three (3) Business Days after such communication is deposited in the mails with first class postage prepaid, addressed as aforesaid, or (iii) if given by any other means, when delivered (or, in the case of electronic transmission, received) at the address specified in this Section; provided that, subject to Section 2.14, notices to the Agent under Article II shall not be effective until received.

13.2 Change of Address. The Borrower, the Agent and any Lender may each change the address for service of notice upon it by a notice in writing to the other parties hereto.

ARTICLE XIV

COUNTERPARTS; ELECTRONIC EXECUTION

14.1 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed counterpart of

a signature page of this Agreement by facsimile or other electronic method of transmission (i.e., "pdf" or "tif") shall be effective as delivery of a manually executed original counterpart of this Agreement.

14.2 Electronic Execution. The words "execute," "execution," "signed," "signature," "delivery" and words of like import in or related to this Agreement, any other Loan Document or any document, amendment, approval, consent, waiver, modification, information, notice, certificate, report, statement, disclosure, or authorization to be signed or delivered in connection with this Agreement or any other Loan Document or the transactions contemplated hereby shall be deemed to include Electronic Signatures or execution in the form of an Electronic Record, and contract formations on electronic platforms approved by the Agent, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Each party hereto agrees that any Electronic Signature or execution in the form of an Electronic Record shall be valid and binding on itself and each of the other parties hereto to the same extent as a manual, original signature. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the parties of a manually signed paper which has been converted into electronic form (such as scanned into PDF format), or an electronically signed paper converted into another format, for transmission, delivery and/or retention. Notwithstanding anything contained herein to the contrary, the Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it; provided that without limiting the foregoing, (a) to the extent the Agent has agreed to accept such Electronic Signature from any party hereto, the Agent and the other parties hereto shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of the executing party without further verification and (b) upon the request of the Agent or any Lender, any Electronic Signature shall be promptly followed by an original manually executed counterpart thereof. Without limiting the generality of the foregoing, each party hereto hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Agent, the Lenders and any of the Credit Parties, electronic images of this Agreement or any other Loan Document (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto.

ARTICLE XV

CHOICE OF LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL

15.1 Choice of Law. **UNLESS OTHERWISE EXPRESSLY SET FORTH THEREIN, THE LOAN DOCUMENTS SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF OKLAHOMA.**

15.2 Consent to Jurisdiction. THE BORROWER, THE AGENT AND EACH LENDER HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF OKLAHOMA SITTING IN OKLAHOMA COUNTY AND OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF OKLAHOMA, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND THE BORROWER, THE AGENT AND EACH LENDER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENT OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BORROWER AGAINST THE AGENT OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN OKLAHOMA CITY, OKLAHOMA.

15.3 Waiver of Jury Trial. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Borrower, the Lenders and the Agent have executed this Agreement as of the date first above written.

BORROWER: OGE ENERGY CORP.

By: /s/ Charles B. Walworth
Name: Charles B. Walworth
Title: Treasurer

Address: 321 N. Harvey
Oklahoma City, OK 73101

Attention: Mr. Charles B. Walworth, Treasurer
Phone: (405) 553-3579

May 24, 2022 OGE Credit Agreement

AGENT AND THE LENDERS: BOKF NA, DBA BANK OF OKLAHOMA,
NATIONAL ASSOCIATION, as Sole
Administrative Agent, Sole Syndication Agent,
Lead Arranger and Sole Bookrunner, and as a
Lender

By: /s/ J. Richard Hawk
Name: J. Richard Hawk
Title: Senior Vice President

Address: BOK Park Plaza
499 W. Sheridan Avenue, 27th Floor
Oklahoma City, OK 73102

Attention: J. Richard Hawk
Phone: (405) 272-2288
Facsimile: (405) 272-2588

For Syndication Agency Services:

Address: 1500 S. Midwest Boulevard
Midwest City, OK 73110

Attention: Lonnie Wyant
Phone: (303) 524-3147
Facsimile: (405) 319-1078

May 24, 2022 OGE Credit Agreement

AMERICAN HERITAGE BANK, as a Lender

By: /s/ Meredith Novak
Name: Meredith Novak
Title: Vice President

Address: P.O. Box 1408
Sapulpa, OK 74067

Attention: Meredith Novak
Phone: (918) 227-3210
Facsimile: (918) 227-7421

May 24, 2022 OGE Credit Agreement

F&M BANK, as a Lender

By: /s/ Barry L. Anderson
Name: Barry L. Anderson
Title: President & COO

Address: 17100 North May Avenue
Edmond, OK 73012

Attention: Worley Aitken
Phone: (405) 608-0418
Facsimile: (405) 260-8800

May 24, 2022 OGE Credit Agreement

THE FIRST NATIONAL BANK OF FORT SMITH, as a Lender

By: /s/ Scott Shortes
Name: Scott Shortes
Title: SVP - Commercial Lending

Address: P.O. Box 7
Fort Smith, AR 72902

Attention: Scott Shortes
Phone: (479) 788-4287
Facsimile: (479) 788-4602

May 24, 2022 OGE Credit Agreement

GATEWAY FIRST BANK, as a Lender

By: /s/ Rob Hoffman
Name: Rob Hoffman
Title: Vice President

Address: 6303 Waterford Blvd., Suite 100
Oklahoma City, OK 73118

Attention: Rob Hoffman
Phone: (405) 697-3085
Facsimile: (405) 697-3085

May 24, 2022 OGE Credit Agreement

FIRST NATIONAL BANK OF OKLAHOMA, as a Lender

By: /s/ Mel Martin
Name: Mel Martin
Title: President/COO

Address: 10900 Hefner Pointe Drive, #300
Oklahoma City, OK 73120

Attention: Peggy Mayfield
Phone: (405) 841-1813
Facsimile: (405) 841-6713

May 24, 2022 OGE Credit Agreement

THE STOCK EXCHANGE BANK, as a Lender

By: /s/ Roger Wagner
Name: Roger Wagner
Title: EVP

Address: P.O. Box 1008
Woodward, OK 73802

Attention: Roger Wagner
Phone: (580) 256-3314
Facsimile: (580) 254-7946

May 24, 2022 OGE Credit Agreement

SECURITY NATIONAL BANK OF ENID, as a Lender

By: /s/ Scott Athey
Name: Scott Athey
Title: CEO

Address: P.O. Box 1272
Enid, OK 73702

Attention: Scott Athey
Phone: (580) 616-7743
Facsimile: (580) 616-7843

May 24, 2022 OGE Credit Agreement

AMERICAN NATION BANK, as a Lender

By: /s/ Pat McCullough
Name: Pat McCullough
Title: President

Address: 1901 N. Commerce
Ardmore, OK 73401

Attention: _____
Phone: (580) 224-3725
Facsimile: (580) 224-3624

May 24, 2022 OGE Credit Agreement

COMMITMENT SCHEDULE

LENDER	LOAN COMMITMENTS	
BOKF, NA dba Bank of Oklahoma (Revolving)	\$	17,500,000.00
BOKF, NA dba Bank of Oklahoma (Term)	\$	17,500,000.00
American Heritage Bank (Revolving)	\$	5,750,000.00
American Heritage Bank (Term)	\$	5,750,000.00
F&M Bank (Revolving)	\$	5,750,000.00
F&M Bank (Term)	\$	5,750,000.00
The First National Bank of Fort Smith (Revolving)	\$	5,000,000.00
The First National Bank of Fort Smith (Term)	\$	5,000,000.00
Gateway First Bank (Revolving)	\$	5,000,000.00
Gateway First Bank (Term)	\$	5,000,000.00
First National Bank of Oklahoma (Revolving)	\$	3,750,000.00
First National Bank of Oklahoma (Term)	\$	3,750,000.00
The Stock Exchange Bank (Revolving)	\$	3,750,000.00
The Stock Exchange Bank (Term)	\$	3,750,000.00
Security National Bank of Enid (Revolving)	\$	2,000,000.00
Security National Bank of Enid (Term)	\$	2,000,000.00
American Nation Bank (Revolving)	\$	1,500,000.00
American Nation Bank (Term)	\$	1,500,000.00
 AGGREGATE COMMITMENT	 \$	 100,000,000.00

SCHEDULE 1
MATERIAL SUBSIDIARIES
(See Section 5.8)

Name of Subsidiary	Jurisdiction of Organization	Percentage of Ownership	Owner
Oklahoma Gas and Electric Company	Oklahoma	100%	Borrower

SCHEDULE 2

**LIENS
(See Section 6.12.5)**

None.

SCHEDULE 3
MATERIAL ADVERSE CHANGE
(See Section 5.5)

None.

SCHEDULE 4
LITIGATION
(See Section 5.7)

None.

EXHIBIT A

COMPLIANCE CERTIFICATE

To: The Lenders parties to the Credit Agreement described below

This Compliance Certificate is furnished pursuant to that certain Credit Agreement dated as of May 24, 2022 (as amended, restated, supplemented, or otherwise modified from time to time, the "Agreement") by and among OGE ENERGY CORP. (the "Borrower"), the lenders party thereto (the "Lenders") and BOKF NA, dba Bank of Oklahoma, as Agent for the Lenders. Unless otherwise defined herein, capitalized terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

THE UNDERSIGNED, THE _____ OF THE BORROWER, HEREBY CERTIFIES IN [HIS/HER] CAPACITY AS SUCH THAT:

1. I am the duly elected _____ of the Borrower;

2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes a Default or Unmatured Default at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below; and

4. Schedule I attached hereto sets forth financial data and computations evidencing the Borrower's compliance with certain covenants of the Agreement.

Described below are the exceptions, if any, to paragraph 3, by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedule I hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this ____ day of _____, 20____.

Name

Title

SCHEDULE I TO COMPLIANCE CERTIFICATE

Compliance as of _____, 20____, with Provisions of Section 6.10(v) and 6.14 of the Agreement.

EXHIBIT B

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between the Assignor identified in item 1 below (the "Assignor") and the Assignee identified in item 2 below (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the credit facility identified below (including any letters of credit, guarantees, and swingline loans included in such facility), and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

Assignor [is][is not] a Defaulting Lender

2. Assignee: _____

[and is an Affiliate/Approved Fund of [identify Lender]]¹

3. Borrower: OGE Energy Corp.

4. Agent: BOKF NA, dba Bank of Oklahoma

¹ Select as applicable

5. Credit Agreement: The Credit Agreement dated as of May 24, 2022, by and among Borrower, the Lenders party thereto, Agent and the other agents party thereto.

6. Assigned Interest:

	Aggregate Amount of Commitment/ Loans for all Lenders*	Amount of Commitment/ Loans Assigned*	Percentage Assigned of Commitment/Loans ²
	\$	\$	%

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

7. Trade Date:³

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

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

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____

Name:

Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____

Name:

Title:

² Set forth, to at least 9 decimals, as a percentage of the Commitment/loans of all Lenders thereunder.

³ To be completed if the Assignor(s) and the Assignee(s) intend that the minimum assignment amount is to be determined as of the Trade Date.

Consented to and Accepted:

BOKF NA, dba Bank of Oklahoma, as Agent

By: _____

Name:

Title:

[Consented to:
OGE ENERGY CORP.

By: _____

Name:

Title:]

ANNEX 1
TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it is an Eligible Assignee (subject to such consents, if any, as may be required under Section 12.3.2 of the Credit Agreement), (iii) it is not a Disqualified Lender (iv) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (v) none of the funds, monies, assets or other consideration being used to make the purchase and assumption hereunder are "plan assets" as defined under ERISA and that its rights, benefits and interest in and under the Loan Documents will not be "plan assets" under ERISA, (vi) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (vii) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Sections 6.1.1 and 6.1.2 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (viii) it has, independently and without reliance upon the Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (ix) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan

Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the [Assignor]⁴ for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

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

[remainder of page intentionally left blank]

⁴ If assignment is being made pursuant to Section 2.19 of the Credit Agreement and Borrower has made the payments required by such Section, the Assignor's portion of payments in respect of the Assigned Interest shall be payable to the Borrower.

EXHIBIT C-1

REVOLVING NOTE

May 24, 2022

OGE ENERGY CORP., an Oklahoma corporation (the "Borrower"), promises to pay to _____ (the "Lender") on the Termination Date, _____ DOLLARS (\$_____) or, if less, the aggregate unpaid principal amount of all Revolving Loans made by the Lender to the Borrower pursuant to Article II of the Agreement (as hereinafter defined), in immediately available funds at the main office of BOKF NA, dba Bank of Oklahoma, in Oklahoma City, Oklahoma, as Agent, together with accrued but unpaid interest thereon. The Borrower shall pay interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Agreement.

The Lender shall, and is hereby authorized to, record on the schedule attached hereto, or to otherwise record in accordance with its usual practice, the date and amount of each Loan and the date and amount of each principal payment hereunder.

This Note is one of the Revolving Notes issued pursuant to, and is entitled to the benefits of, the Credit Agreement dated as of May 24, 2022 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), by and among the Borrower, the lenders party thereto, including the Lender, and BOKF NA, dba Bank of Oklahoma, as Agent, to which Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Agreement.

Any assignment of this Note, or any rights or interest herein, may only be made in accordance with the terms and conditions of the Agreement. This Note is a registered Note and, as provided in the Agreement, the Borrower, the Agent and the Lenders may treat the person whose name is recorded in the Register as the owner hereof for all purposes, notwithstanding notice to the contrary. The entries in the Register shall be conclusive, absent manifest error.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oklahoma.

[Signature on the following page]

IN WITNESS WHEREOF, the undersigned has caused this Note to be duly executed as of the date and year first written above.

OGE ENERGY CORP.

By: _____
Charles B. Walworth, Treasurer

**SCHEDULE OF LOANS AND PAYMENTS OF PRINCIPAL
TO
REVOLVING NOTE OF OGE ENERGY CORP., Dated May 24, 2022**

Date	Principal Amount of Loan	Maturity of Interest Period	Principal Amount Paid	Unpaid Balance
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EXHIBIT C-2

TERM NOTE

May 24, 2022

OGE ENERGY CORP., an Oklahoma corporation (the "Borrower"), promises to pay to _____ (the "Lender") on the Termination Date, _____ DOLLARS (\$_____) or, if less, the aggregate unpaid principal amount of all Term Loans made by the Lender to the Borrower pursuant to Article II of the Agreement (as hereinafter defined), in immediately available funds at the main office of BOKF NA, dba Bank of Oklahoma, in Oklahoma City, Oklahoma, as Agent, together with accrued but unpaid interest thereon. The Borrower shall pay interest on the unpaid principal amount hereof at the rates and on the dates set forth in the Agreement.

The Lender shall, and is hereby authorized to, record on the schedule attached hereto, or to otherwise record in accordance with its usual practice, the date and amount of each Loan and the date and amount of each principal payment hereunder.

This Note is one of the Term Notes issued pursuant to, and is entitled to the benefits of, the Credit Agreement dated as of May 24, 2022 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), by and among the Borrower, the lenders party thereto, including the Lender, and BOKF NA, dba Bank of Oklahoma, as Agent, to which Agreement reference is hereby made for a statement of the terms and conditions governing this Note, including the terms and conditions under which this Note may be prepaid or its maturity date accelerated. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Agreement.

Any assignment of this Note, or any rights or interest herein, may only be made in accordance with the terms and conditions of the Agreement. This Note is a registered Note and, as provided in the Agreement, the Borrower, the Agent and the Lenders may treat the person whose name is recorded in the Register as the owner hereof for all purposes, notwithstanding notice to the contrary. The entries in the Register shall be conclusive, absent manifest error.

This Note shall be governed by, and construed in accordance with, the laws of the State of Oklahoma.

[Signature on the following page]

IN WITNESS WHEREOF, the undersigned has caused this Note to be duly executed as of the date and year first written above.

OGE ENERGY CORP.

By: _____
Charles B. Walworth, Treasurer

**SCHEDULE OF LOANS AND PAYMENTS OF PRINCIPAL
TO
TERM NOTE OF OGE ENERGY CORP., Dated May 24, 2022**

Date	Principal Amount of Loan	Maturity of Interest Period	Principal Amount Paid	Unpaid Balance
-------------	-------------------------------------	--	----------------------------------	-----------------------

EXHIBIT D

FORM OF JOINDER AGREEMENT

Joinder Agreement

Dated _____, 202__

Reference is made to the Credit Agreement dated as of May 24, 2022 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among OGE Energy Corp., an Oklahoma corporation, (the "Borrower"), the lenders party thereto (the "Lenders") and BOKF NA, dba Bank of Oklahoma, as agent (the "Agent"). Capitalized terms used herein which are not defined herein shall have the meanings assigned thereto in the Credit Agreement.

The Borrower, _____ (the "Increasing Lender") and _____ (the "New Lender") agree as follows:

1. Subject to Section 2.22 of the Credit Agreement and this Joinder Agreement, the Borrower hereby increases the Aggregate Commitment from \$ _____ to \$ _____. This Joinder Agreement is entered into pursuant to, and authorized by, Section 2.22 of the Credit Agreement.
2. Attached hereto is a Commitment Schedule which reflects the Commitment of each New Lender and Increasing Lender as of the Effective Date of this Joinder Agreement.
3. (a) The Increasing Lender attaches the Revolving and Term Notes delivered to it under the Credit Agreement and requests that the Borrower exchange such Notes for a new Revolving Note and a new Term Note, payable to the Increasing Lender as follows:

Revolving Note Payable to the Order of: [Increasing Lender]	Principal Amount of Note: [\$]
--	------------------------------------

Term Note Payable to the Order of: [Increasing Lender]	Principal Amount of Note: [\$]
---	------------------------------------

- (b) The New Lender requests that the Borrower issue a new Revolving Note and a new Term Note payable to the New Lender as follows:

Revolving Note Payable to the Order of: [New Lender]	Principal Amount of Note: [\$]
---	------------------------------------

Term Note Payable to the Order of: [New Lender]	Principal Amount of Note: [\$]
--	------------------------------------

4. Each of the Increasing Lender and New Lender (i) represents and warrants that it is legally authorized to enter into this Joinder Agreement; (ii) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 6.1 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Joinder Agreement; (iii) agrees that it will, independently and without reliance upon any other Lender or the Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iv) if it is a New Lender, confirms that it is an Eligible Assignee; (v) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (vi) agrees that it will perform in accordance with their terms all the obligations which by the terms of the Credit Agreement and the other Loan Documents are required to be performed by it as a Lender thereunder as if it were an original signatory to the Credit Agreement in such capacity; (vii) agrees to hold all confidential information in a manner consistent with the provisions of Section 9.11 of the Credit Agreement; and (viii) includes herewith for the Agent such forms required by Section 3.5 of the Credit Agreement (if not previously delivered).

5. The effective date for this Joinder Agreement shall be _____, 202__ (the "Effective Date"). Following the execution of this Joinder Agreement, it will be delivered to the Agent for the consent of the Agent.

6. Upon consent of the Agent, from and after the Effective Date, the Increasing Lender and the New Lender shall be a party to the Credit Agreement and the other Loan Documents to which Lenders are parties and, to the extent provided in this Joinder Agreement, have the rights and obligations of a Lender under each such agreement.

7. Upon consent of the Agent, from and after the Effective Date, the Agent shall make such reallocations of each Lender's "Outstanding Credit Exposure" under the Credit Agreement as are necessary in order that each such Lender's Outstanding Credit Exposure reflects such Lender's Pro Rata Share of the Outstanding Credit Exposure and the Increasing Lender and the New Lender shall make such payments (if any) necessary to effect such reallocation.

8. The representations and warranties of the Borrower contained in Article V of the Credit Agreement (other than representations and warranties set forth in Section 5.5 and 5.7) are true and correct in all material respects (or, if qualified as to materiality, in all respects) as of the date hereof except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects (or, if qualified as to materiality, in all respects) on and as of such earlier date, both before and after giving effect to this Joinder Agreement, and no Default or Unmatured Default shall have occurred and be continuing, both before and after giving effect to this Joinder Agreement.

9. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OKLAHOMA.

10. This Joinder Agreement may be executed in separate counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Joinder Agreement by facsimile or other electronic method of transmission shall be effective as delivery of a manually executed original counterpart of this Joinder Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Borrower, the New Lender, the Increasing Lender and the Agent have executed this agreement as of the date first above written.

OGE ENERGY CORP.

By: _____
Name: _____
Title: _____

[NEW LENDER]

By: _____
Name: _____
Title: _____

[INCREASING LENDER]

By: _____
Name: _____
Title: _____

Acknowledged and Agreed:

BOKF NA, dba Bank of Oklahoma, as Agent

By: _____
Name: _____
Title: _____

COMMITMENT SCHEDULE

NEW LENDER		COMMITMENT
[]	Revolving Loan	[\$]
[]	Term Loan	[\$]

INCREASING LENDER		COMMITMENT
[]	Revolving Loan	[\$]
[]	Term Loan	[\$]