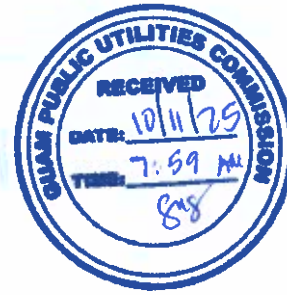


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BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

GWA DOCKET NO. 25-07

**GUAM WATERWORKS
AUTHORITY'S SHORT-TERM
FINANCING CREDIT
AGREEMENTS**

**GUAM WATERWORKS AUTHORITY'S
RESPONSE TO ALJ's RFI NO. 1**

The GUAM WATERWORKS AUTHORITY ("GWA"), by and through its counsel of record, THERESA G. ROJAS, hereby files its response to the PUC Administrative Law Judge (ALJ) Requests for Information on October 10, 2025. In response to the Requests, GWA provides the following answers to the four (4) specific questions posed:

1. A factual summary of how the credit agreement works:

Summary of the credit agreement: Under the credit agreement, GWA will have up to a \$75 million loan commitment available (until the Core Tech litigation is settled, GWA may have less than \$75 million of credit available). GWA may draw as needed for short-term financing of capital projects. GWA will pay an annual Commitment Fee of 75 bps on the undrawn portion of the revolver and loan draws will accrue interest, at GWA's option, of either, (i) Base Rate Loans (the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 3.00%, and (c) 9.00%) or (ii) Daily Simple SOFR Loans bearing interest at Daily Simple SOFR plus the Applicable Margin of 1.25%. Draw Fees will be \$500 per draw. Any loan amounts outstanding at the credit agreement expiry at the end of two years, unless extended, will be due and payable.

2. The approved GEDA Resolution

Please see attached.

3. A revised term sheet

Please see attached

4. An email or evidence that RBC approves all the terms in the most recent credit agreement

1 which I represent was included within the Attached CCU Resolution No. 61; August 24,
2025, Chapman draft (see pdf p. 11)

2 The approved Res No. 61 is attached but we are still awaiting one final email from RBC
3 showing their agreement to the August 24 draft agreement. The CFO sent a note out to
4 request so we should receive a reply very soon. The approved resolution no. 61 – also
5 contains the newest supplemental indenture draft to support the agreement and the
6 agreement.

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RESPECTFULLY SUBMITTED this 11th day of October 2025.

By: _____/s/_____
THERESA G. ROJAS
GWA Legal Counsel



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

GWA RESOLUTION NO. 61-FY2025

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A
THIRTEENTH SUPPLEMENTAL INDENTURE AND APPROVING FORMS OF
RELATED DOCUMENTS, AGREEMENTS AND ACTIONS IN CONNECTION WITH
THE EXECUTION OF A REVOLVING CREDIT AGREEMENT BETWEEN GWA
AND ROYAL BANK OF CANADA (RBC)**

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (the “Commission”) has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority (the “Authority”); and

WHEREAS, the Authority is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, Article 2, Chapter 14, Title 12 of the Guam Code Annotated and Public Law No. 37-103 (together, the “Act”) authorizes the Authority to obtain financial assistance from commercial banks in one or more series of loans pursuant to one or more credit agreements to fund Authority project costs, as well as to provide liquidity and/or credit support in connection with the issuance of commercial paper or other instruments of indebtedness, in accordance with and subject to the requirements and limitations set forth in the Act; and

WHEREAS, the Authority has determined it is necessary and desirable to enter into one or more credit agreements; and

WHEREAS, the Authority has previously made and entered into an Indenture dated as of December 1, 2005 (as previously supplemented and amended, the “Indenture”), by and

1 among the Authority, Bank of Guam, as trustee (the "Trustee") and U.S. Bank Trust Company,
2 National Association, as co-trustee (the "Co-Trustee"), which authorized one or more series of
3 Guam Waterworks Authority Water and Wastewater System Revenue Bonds (the "Bonds"); and
4

5 **WHEREAS**, the Authority intends that its repayment obligations under the credit
6 Agreements be secured by a pledge of Revenues (as defined under the Indenture) on a parity
7 basis to the Bonds;
8

9 **WHEREAS**, CCU GWA Resolution No. 23-FY2025 duly authorized the Authority's
10 designating officers, to execute and enter into one or more credit agreements, with one or more
11 banks, subject to the Public Utilities Commission of Guam's ("PUC") approval and with a form
12 consistent with the Credit Agreement presented in that resolution and terms subject to the Act;
13 and
14

15 **WHEREAS**, there has been presented to this meeting the form of Revolving Credit
16 Agreement (the "Credit Agreement"), between the Authority and the Royal Bank of Canada
17 ("RBC"), attached as **Attachment A**, acting through a branch located at 200 Vesey Street, New
18 York, New York), with such form being consistent with that approved by Resolution No. 23-
19 FY2025; and
20

21 **WHEREAS**, there has been presented to this meeting the form of a thirteenth
22 supplemental indenture for approval, attached as **Attachment B**, by and among the Authority,
23 the Trustee and the Co-Trustee (the "Thirteenth Supplemental Indenture") and RBC; and
24

25 **WHEREAS**, the Authority, by GWA PUC Docket 25-07 has requested that the Public
26 Utilities Commission of Guam (the "PUC") approve the execution and delivery of a final form
27 of the Credit Agreement between the Authority and RBC at **Attachment A**, but will also
28 request approval of the Thirteenth Supplemental Indenture at **Attachment B**, pursuant to the
29 Act; and
30

31
32 //

1 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on
2 Utilities as follows:

3
4 Section 1. The foregoing recitals are true and correct.

5 Section 2. The Credit Agreement presented to this meeting is hereby acknowledged
6 and received, with such additions, changes and modifications as the Chair of the Commission,
7 the Vice-Chair of the Commission, the Chief Financial Officer or the General Manager of the
8 Authority (the "Designated Officers") may approve upon consultation with legal counsel, and
9 with such approval to be conclusively evidenced by the Credit Agreement executed by such
10 Designated Officers.

11 Section 3. The Thirteenth Supplemental Indenture presented to this meeting is
12 hereby approved, with such additions, changes and modifications as the Designated Officers
13 may approve upon consultation with legal counsel, such approval to be conclusively evidenced
14 by the Thirteenth Supplemental Indenture executed by such Designated Officers, who are each
15 hereby severally authorized and directed to execute the same.

16 Section 4. Issuance of one or more series of additional Bonds from time to time
17 pursuant to the Act, the Credit Agreement and the General Indenture, as supplemented by the
18 Thirteenth Supplemental Indenture (together hereinafter referred to as the "Indenture") is hereby
19 authorized in an aggregate principal amount not to exceed \$75,000,000 to finance the Projects,
20 to pay costs of issuance of the Bonds, to pay for credit enhancement, if any, to pay for
21 capitalized interest, and to fund a deposit to a debt service reserve fund. Such Bonds shall be
22 issued in such series and amounts and at such times as the Designated Officers deem
23 appropriate, provided that such Bonds have a final maturity not later than 35 years from their
24 date of issuance, bear interest at such rate or rates and are sold for such price or prices as shall
25 result in a net yield to the bondholders not exceeding seven percent (7.00%) and otherwise as
26 provided in the Act, and are issued and sold pursuant to the Credit Agreement and the Indenture
27 and otherwise in compliance with the provisions of the Act.

28
29 Section 5. The appropriate officials of the Authority are hereby authorized and
30 directed to do any and all things, including without limitation, to obtain credit ratings, to
31 conduct investor outreach and related activities, to participate in marketing and sales activities,
32 and to execute and deliver any and all documents, certificates, notices, directions, consents,

1 filings, invitations, statements of information and agreements which they may deem necessary
2 or advisable in order to effectuate the purposes of this resolution, including, without limitation,
3 closing documents and certificates, including a tax certificate, any documents in furtherance of
4 one or more escrow agreements, amendments to the Thirteenth Supplemental Indenture and the
5 Credit Agreement and any existing agreements.

6 Section 6. All actions heretofore taken by the officers, representatives or agents of
7 the Authority in connection with the execution and delivery of the Thirteenth Supplemental
8 Indenture and the Credit Agreement are hereby ratified, confirmed and approved.

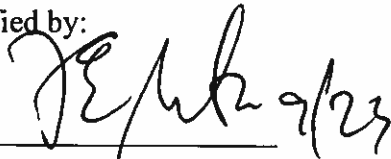
9 Section 7. The Thirteenth Supplemental Indenture and the Credit Agreement shall
10 not be executed and delivered without the approval of the Guam Public Utilities Commission in
11 accordance with the Act and Chapter 12 of Title 12, Guam Code Annotated.

12 Section 8. This resolution shall take effect from and after its adoption.
13

14 **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption
15 of this Resolution.
16

17 **DULY AND REGULARLY ADOPTED**, this 23rd day of September 2025.
18

19 Certified by:

20 
21

22 **FRANCIS E. SANTOS**
23 Chairperson

24 Attested by:

25 
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27 **MICHAEL T. LIMTIACO**
28 Secretary (Acting)
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SECRETARY'S CERTIFICATE

I, **MICHAEL T. LIMTIACO**, Board Secretary (Acting) of the Consolidated Commission on Utilities as evidenced by my signature below do hereby certify as follows:

The foregoing is a full, true and accurate copy of GWA Resolution No. 61-FY2025 duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES:	<u>4</u>
NAYS:	<u>0</u>
ABSENT:	<u>1</u>
ABSTAIN:	<u>0</u>

SO CERTIFIED this 23rd day of September, 2025.


MICHAEL T. LIMTIACO
Secretary (Acting),
Consolidated Commission on Utilities



ATTACHMENT A

CHAPMAN DRAFT
AUGUST 24, 2025

*PRELIMINARY DRAFT, SUBJECT TO CHANGE

REVOLVING CREDIT AGREEMENT

dated as of September [], 2025,

between

GUAM WATERWORKS AUTHORITY

and

ROYAL BANK OF CANADA

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EXHIBITS

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EXHIBIT D	—	Form of Notice of Conversion
EXHIBIT E	—	Compliance Certificate

REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT, dated as of September [], 2025, between GUAM WATERWORKS AUTHORITY, a duly organized public corporation of the government of Guam (the “Borrower”), and ROYAL BANK OF CANADA, acting through its branch located at 200 Vesey Street, New York, New York 10281 (together with its successors and assigns, the “Bank”).

RECITALS

WHEREAS, the Borrower and the Bank have agreed to enter into a revolving credit facility on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the recitals set forth above and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS; INTERPRETATION.

Section 1.1. Definitions. In addition to the terms defined in the recitals and elsewhere in this Agreement and in the Indenture, the following terms shall have the meanings set forth below:

“Act” means, together, Chapter 14 of Title 12 of the Guam Code Annotated, as amended and Public Law 37-103.

“Affiliate” means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Aggregate Annual Debt Service” means, for any year, Annual Debt Service for such year on all Senior Bonds.

“Agreement” means this Revolving Credit Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“Annual Debt Service” has the meaning set forth in the Indenture.

“Applicable Law” means (a) all applicable common law and principles of equity and (b) all applicable provisions of all (i) constitutions, statutes, rules, regulations and orders of all Governmental Authorities, (ii) Governmental Approvals and (iii) orders, decisions, judgments, writs, injunctions and decrees of all courts (whether at law or in equity) and arbitrators.

“Applicable Margin” means, for any day, with respect to any Loan, one hundred twenty-five basis points (1.25%) per annum. In the event that S&P reduces its Debt Rating to: (i) “BBB+” (or its equivalent), the Applicable Margin shall increase to one hundred fifty basis points (1.50%) per annum; (ii) “BBB” (or its equivalent), the Applicable Margin shall increase to one hundred seventy-five basis points (1.75%) per annum; and (iii) “BBB-” (or its equivalent), the Applicable Margin shall increase to two hundred twenty-five basis points (2.25%) per annum. In the event that a Debt Rating is (i) withdrawn, suspended or otherwise unavailable from S&P, Moody’s or Fitch, (ii) (x) reduced below “BBB-” (or its equivalent) by S&P, “BBB-” (or its equivalent) by Fitch, or “Baa3” (or its equivalent) by Moody’s, or (y) all of S&P, Fitch, and Moody’s reduce their respective Debt Ratings to “BBB-” (or its equivalent), “BBB-” (or its equivalent), and “Baa3” (or its equivalent), respectively, or (iii) upon the occurrence and during the continuance of any other Event of Default (whether or not the Bank declares an Event of Default in connection therewith), the interest rate on the outstanding Loans will immediately and without notice equal the applicable Default Rate. Any change in the Applicable Margin resulting from an Event of Default or a change, withdrawal, suspension or unavailability of a Debt Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Debt Rating, as applicable. References in this definition to Debt Ratings are to the rating categories as presently determined by Moody’s, S&P and Fitch, and in the event of the adoption of any new or changed rating system or a “global” rating scale by any such Rating Agency, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein.

“Audited Financial Statements” means the audited consolidated balance sheet of the Borrower for the Fiscal Year ended September 30, 2024, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such Fiscal Year of the Borrower, including the notes thereto.

“Available Tenor” means, as of any date of determination and with respect to the then current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of the interest period for such rate pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date, and not including, for the avoidance of doubt, any tenor for such Benchmark that is then removed from the interest period definition pursuant to Section 2.10(d) hereof.

“Bank” has the meaning set forth in the introductory paragraph hereof.

“Bank Agreement” means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement (such as a continuing covenant agreement or supplemental bondholder’s agreement), bond purchase agreement, loan agreement or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) (A) to make loans the repayment of which is secured by or payable from Revenues or (B)(i) make or provide funds

to make, payment of, (ii) to purchase or (iii) to provide credit enhancement for bonds, notes or other obligations of the Borrower secured by or payable from Revenues.

“Base Rate” means, at any time, the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 3.00%, and (c) 9.00%. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective on the opening of business on that day specified in the public announcement of such change in the Prime Rate or the Federal Funds Rate, respectively. Each determination of the Base Rate by the Bank shall be conclusive and binding on the Borrower absent manifest error.

“Base Rate Loan” means any Loan bearing interest at a rate based upon the Base Rate as provided in Section 2.2(a) hereof.

“Benchmark” means, initially, Daily Simple SOFR; *provided* that if a Benchmark Transition Event has occurred with respect to Daily Simple SOFR, or the then-current Benchmark, then *“Benchmark”* means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.10 hereof.

“Benchmark Replacement” means with respect to any Benchmark Transition Event, for the applicable Benchmark Replacement Date and any Available Tenor, the sum of: (i) the alternate benchmark rate that has been selected by the Bank giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated syndicated or bilateral credit facilities and (ii) the related Benchmark Replacement Adjustment. If the Benchmark Replacement as determined above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Related Documents.

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

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “*Benchmark Transition Event*,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “*Benchmark Transition Event*,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the IOSCO Principles; *provided*, that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “*Benchmark Replacement Date*” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“*Benchmark Transition Event*” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

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

(3) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative or in compliance with or aligned with the IOSCO Principles.

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

“*Benchmark Unavailability Period*” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.10 hereof and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Related Document in accordance with Section 2.10 hereof.

“*Board*” means the Consolidated Commission on Utilities established in Chapter 79 of Title 12 of the Guam Code Annotated or any other governing board of the Borrower hereinafter provided for pursuant to law.

“*Bonds*” means the Guam Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2025[], issued pursuant to the terms of the Supplemental Indenture and substantially in the form of Exhibit [] to the Supplemental Indenture, evidencing all Loans and other Obligations owed to the Bank hereunder.

“*Borrower*” has the meaning set forth in the introductory paragraph hereof.

“*Borrower Representative*” means any officer authorized from time to time in writing by the Borrower, or its successors and assigns, to perform a designated act or execute a designated document.

“*Business Day*” means any day other than a Saturday, Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in New York, New York; *provided*, that, when used in connection with a Daily Simple SOFR Loan, or any other calculation or determination involving SOFR, the term “Business Day” means any day that is a U.S. Government Securities Business Day.

“*Change in Law*” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any

Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, rulings, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, guidelines, regulations 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 of America or foreign regulatory authorities, in each case pursuant to Basel III or any successor Basel accord, shall in each case be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued.

“*Closing Date*” means September [], 2025, which subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 5.1 and 5.2 hereof, is the date on which this Agreement shall become effective.

“*Code*” means the Internal Revenue Code of 1986, as amended, and, where appropriate any statutory predecessor or any successor thereto.

“*Commitment*” means, the obligation of the Bank to make Loans for the account of the Borrower hereunder in an aggregate principal at any one time outstanding (i) for the period commencing on and including the Closing Date to and including the Litigation Resolution Date, not to exceed \$[], as such amount may be reduced pursuant to the terms hereof and (ii) for the period commencing on and including the date immediately following the Litigation Resolution Date and thereafter, (A) if the conditions precedent set forth in Section 5.3 hereof are satisfied on the Litigation Resolution Date, not to exceed the Maximum Commitment Amount and (B) if the conditions precedent set forth in Section 5.3 hereof are not satisfied Litigation Resolution Date, not to exceed \$[], in each case, as such amount may be reduced pursuant to the terms hereof.

“*Commitment Fee*” has the meaning set forth in Section 3.1 hereof.

“*Commitment Fee Rate*” means, for any day, seventy-five basis points (0.75%) per annum. In the event that S&P reduces its Debt Rating to: (i) “BBB+” (or its equivalent), the Commitment Fee Rate shall increase to ninety basis points (0.90%) per annum; (ii) “BBB” (or its equivalent), the Commitment Fee Rate shall increase to one hundred five basis points (1.05%) per annum; and (iii) “BBB-” (or its equivalent), the Commitment Fee Rate shall increase to one hundred thirty basis points (1.30%) per annum. In the event that a Debt Rating is (i) withdrawn, suspended or otherwise unavailable from S&P, Moody’s or Fitch, (ii) (x) reduced below “BBB-” (or its equivalent) by S&P, “BBB-” (or its equivalent) by Fitch, or “Baa3” (or its equivalent) by Moody’s, or (y) all of S&P, Fitch, and Moody’s reduce their respective Debt Ratings to “BBB-” (or its equivalent), “BBB-” (or its equivalent), and “Baa3” (or its equivalent), respectively, or (iii) upon the occurrence and during the continuance of any other Event of Default (whether or not the Bank declares an Event of Default in connection therewith), the Commitment Fee Rate will immediately and without notice equal the applicable Default Rate. Any change in the Commitment Fee Rate resulting from an Event of Default or a change, withdrawal, suspension or unavailability of a Debt Rating shall be and become effective as of and on the date of the Event of Default or the announcement of the change, withdrawal, suspension or unavailability of such Debt Rating, as applicable. References in this definition to Debt Ratings are to the rating categories as presently

determined by Moody's, S&P and Fitch, and in the event of the adoption of any new or changed rating system or a "global" rating scale by any such Rating Agency, the rating categories shall be adjusted accordingly to a new rating which most closely approximates the requirements as set forth herein.

"Compliance Certificate" means a certificate substantially in the form of Exhibit E hereto.

"Confidential Information" means any sensitive or confidential information regarding the Borrower, the Bank or any Affiliate of the Bank including, without limitation, address and account information, e-mail addresses, telephone numbers, facsimile numbers, names and signatures of officers, employees and signatories.

"Conforming Changes" means, with respect to either the use or administration Daily Simple SOFR, or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of *"Business Day,"* the definition of *"U.S. Government Securities Business Day,"* any "interest period" definition or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.10 hereof and other technical, administrative or operational matters) that the Bank reasonably decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Bank in a manner substantially consistent with market practice (or, if the Bank reasonably decides that adoption of any portion of such market practice is not administratively feasible or if the Bank determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Bank decides is necessary in connection with the administration of this Agreement and the other Related Documents).

"Consulting Engineer" has the meaning set forth in the Indenture.

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

"Core Tech Litigation" means all actions, suits, proceedings, claims, or disputes pending or, to the knowledge of the Borrower, overtly threatened (in writing) at law, in equity, in arbitration, or before any regulatory or Governmental Authority related to (i) the ownership of the property upon which the Northern District Wastewater Treatment Plant is located, (ii) the title for property upon which the Northern District Wastewater Treatment Plant is located and/or (iii) the use, enjoyment, and occupancy of the property upon which the Northern District Wastewater Treatment Plant is located or damages resulting therefrom, including, without limitation, that certain litigation captioned as [] currently pending in **[Guam Superior Court/Guam Supreme Court]** and all other actions, suits, proceedings, claims, or disputes with respect to certificates of title issued to Core Tech International Corporation.

"Credit Agreement" has the meaning set forth in the Indenture.

“Credit Agreement Payments” has the meaning set forth in the Indenture.

“Credit Agreement Reimbursement Payments” has the meaning set forth in the Indenture.

“Credit Outstandings” means, on any date, the sum of the aggregate outstanding principal amount of Loans after giving effect to any borrowing, prepayment or repayment of Loans.

“Daily Simple SOFR” means, for any day (a *“SOFR Rate Day”*), a rate per annum equal to SOFR for the day (such day, the *“SOFR Determination Day”*), that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website; *provided, however*, that if as of 5:00 p.m. (New York City time) on any SOFR Determination Day Daily Simple SOFR has not been published by the SOFR Administrator and a Benchmark Replacement Date with respect to Daily Simple SOFR has not occurred, then Daily Simple SOFR will be Daily Simple SOFR as published by the SOFR Administrator on the first preceding U.S. Government Securities Business Day for which Daily Simple SOFR was published by the SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such SOFR Determination Day *provided*, that to the extent such rate as determined above shall, at any time, be less than the Floor, such rate shall be deemed to be Floor for all purposes herein. The Bank shall determine the Daily Simple SOFR on each SOFR Determination Day and such rate shall become effective as of the applicable SOFR Rate Day.

“Daily Simple SOFR Loan” means any Loan bearing interest at a rate based upon Daily Simple SOFR as provided in Section 2.2(a) hereof.

“Debt” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business and not past due for more than sixty (60) days after the date on which such trade account was created), (d) finance leases (as determined under Financial Accounting Standards Board Accounting Standards Codification Topic 842, Leases) shown on the liabilities side of the balance sheet of a Person, (e) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, (f) all Guarantees by such Person of Debt of other Persons, (g) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments and (h) all obligations of such Person under any Swap Agreement.

“Debt Ratings” means the unenhanced long-term debt ratings assigned by any Rating Agency to any Parity Debt.

“Default” means any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default.

“Default Rate” means the Base Rate plus 4.00% per annum.

“Designated Jurisdiction” means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

“Differential Interest Fee Amount” means, for each day, the excess of (a) interest which has accrued on the Loans (whether bearing interest at the Default Rate or otherwise) in accordance with the terms hereof in excess of the Maximum Rate over (b) the interest accrued on the Loans at the Maximum Rate.

“Dollars” or *“\$”* means, unless otherwise qualified, dollars in lawful currency of the United States.

“EMMA” means Electronic Municipal Market Access as provided by the Municipal Securities Rulemaking Board.

“Environmental Laws” means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

“Event of Default” with respect to this Agreement has the meaning set forth in Section 7.1 of this Agreement and, with respect to any Related Document, has the meaning assigned therein.

“Excluded Taxes” means, with respect to the Bank or any Participant, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which the Bank or such Participant is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Bank or such Participant is located.

“Extension of Credit” means the advancing of any Loan or the continuation of a Daily Simple SOFR Loan or Base Rate Loan.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next

succeeding such day, provided that if such rate is not so published for any day which is a Business Day, the Federal Funds Rate for such day shall be the average of the quotation for such day on such transactions received by the Bank from three federal funds brokers of recognized standing selected by the Bank. Notwithstanding the foregoing, if the Federal Funds Rate shall be less than the Floor, such rate shall be deemed to be the Floor for purposes of this Agreement.

“Fiscal Year” means the twelve-month period from October 1 through the following September 30.

“Fitch” means Fitch, Inc., and any successor rating agency.

“Floor” means a rate of interest equal to zero percent (0.00%) per annum.

“FRB” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“Generally Accepted Accounting Principles” or *“GAAP”* means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Borrower.

“Governmental Approval” means an authorization, consent, approval, permit, license, certificate of occupancy or an exemption of, a registration or filing with, or a report to, any Governmental Authority.

“Governmental Authority” means the government of the United States of America or any other nation or any political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or European Central Bank), or any arbitrator, mediator or other Person with authority to bind a party at law.

“Guarantee” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Debt or other obligation payable or performable by another Person (the *“primary obligor”*) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Debt or other obligation of the payment or performance of such Debt or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Debt or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Debt or other obligation of any other Person,

whether or not such Debt or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Debt to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“*Hazardous Materials*” means all materials of any kind which are flammable, explosive, toxic, radioactive or otherwise hazardous to animal or plant life or the environment, including, without limitation, “hazardous wastes,” “hazardous substances” and “contaminants,” as such terms are defined by Environmental Law.

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“*Indenture*” means the Indenture, dated as of December 1, 2005, among the Borrower, Bank of Guam, as Trustee, and U.S. Bank National Association, as Co-Trustee, relating to the Guam Waterworks Authority Water and Wastewater System Revenue Bonds, as amended, supplemented, or otherwise modified to date, and as may be further amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof and hereof.

“*Interest Payment Date*” means the first Business Day of each calendar month and on each day a Loan is repaid, prepaid or matures. Notwithstanding the foregoing, interest at the Default Rate, whenever applicable, shall be payable on demand.

“*Investment Policy*” means the investment policy of the Borrower delivered to the Bank pursuant to Section 5.1(f) hereof, as it may be amended or replaced from time to time in the Borrower’s sole discretion.

“*IOSCO Principles*” has the meaning set forth in Section 2.10(d) hereof.

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

“*Lending Office*” means, with respect to the Bank, the office of the Bank maintaining the Bank’s Extensions of Credit.

“*Lien*” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or

other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Litigation Resolution Date” means the date upon which the Guam Supreme Court enters a judgment, opinion or ruling or makes any other determination in writing in the Core Tech Litigation, *provided however*, that if such ruling judgment, opinion or ruling does not provide a final resolution of the Core Tech Litigation, the Litigation Resolution Date shall be the date upon which the Guam Superior Court or any other Governmental Authority enters a final, non-appealable judgment, opinion or ruling or makes any other final, non-appealable determination in writing in the Core Tech Litigation.

“Loan” has the meaning set forth in Section 2.1 hereof.

“Mandatory Tender Date” means June [], 2027, and any date on which the Commitment is earlier terminated in accordance with the terms hereof.

“Maturity Date” means June [], 2055.

“Margin Stock” has the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

“Material Adverse Effect” means any material adverse effect on: (i) the ability of the Borrower to pay in accordance herewith the Obligations when and as due and payable or to perform its obligations hereunder or under or in connection with the Loans and the Related Documents, (ii) the business, Properties, condition (financial or otherwise), results of operations or prospects of the Borrower considered as a whole, (iii) the legality, validity, binding effect or enforceability against the Borrower of any Related Document to which it is a party or the rights, security, interests or remedies of the Bank hereunder or under any other Related Document or (iv) the Borrower’s tax-exempt status, as described in 4.8 hereof.

“Maximum Commitment Amount” means \$[75,000,000].

“Maximum Rate” means the lesser of (i) 7.0% and (ii) maximum rate permitted by Applicable Law.

“Moody’s” means Moody’s Investors Service, Inc., or any successor rating agency.

“Net Revenues” has the meaning set forth in the Indenture.

“Northern District Wastewater Treatment Plant” means the Northern District wastewater treatment plant located at _____, in Dededo, Guam.

“Notice of Account Designation” has the meaning set forth in Section 2.4(b) hereof.

“Notice of Borrowing” has the meaning set forth in Section 2.4(a) hereof.

“Notice of Conversion” has the meaning set forth in Section 2.4(c) hereof.

“Notice of Prepayment” has the meaning set forth in Section 2.5(c) hereof.

“Obligations” means all amounts payable by the Borrower, and all other obligations to be performed by the Borrower, pursuant to this Agreement and the other Related Documents (including, without limitation, the Loans, any Differential Interest Fee Amount, the Commitment Fees and any amounts to reimburse the Bank for any advances or expenditures by it under any of such documents).

“OFAC” has the meaning set forth in Section 9.19 hereof.

“Other Taxes” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“Outstanding” has the meaning set forth in the Indenture.

“Owners” has the meaning set forth in the Indenture.

“Parity Debt” means the Debt of the Borrower the payment of which is secured by or payable from a pledge of, charge on, and lien on Revenues on a basis senior to or on parity with the Bonds (including the Loans).

“Parity Payment Agreement Payments” has the meaning set forth in the Indenture.

“Parity Payment Agreements” has the meaning set forth in the Indenture.

“Participant” has the meaning set forth in Section 9.9(c) hereof.

“Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

“Person” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“Plan” means at any time an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and is either (i) maintained by a member of the Controlled Group for employees of a member of the Controlled Group or (ii) maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the

Controlled Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“Prime Rate” means, at any time, the rate of interest per annum publicly announced from time to time by the Bank as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Bank as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

“Rating Agencies” means Fitch, S&P and/or Moody’s, as applicable.

“Related Documents” means this Agreement, the Indenture, the Bonds, the Supplemental Indenture, and any other documents related to any of the foregoing or executed in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing permitted hereunder and thereunder.

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

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

“Revenue Fund” has the meaning set forth in the Indenture.

“Revenues” has the meaning set forth in the Indenture.

“Risk-Based Capital Guidelines” means (a) the risk-based capital guidelines in effect in the United States of America, including transition rules, and (b) the corresponding capital regulations promulgated by regulatory authorities outside the United States of America including transition rules, and any amendment to such regulations.

“Sanctions” means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, His Majesty’s Treasury (*“HMT”*) or other relevant sanctions authority.

“S&P” means S&P Global Ratings, or any successor rating agency.

“Senior Bonds” has the meaning assigned to the term “Bonds” set forth in the Indenture.

“SOFR” means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

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

“*SOFR Administrator’s Website*” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“*SOFR Determination Day*” has the meaning set forth in the definition of “Daily Simple SOFR.”

“*SOFR Rate Day*” has the meaning set forth in the definition of “Daily Simple SOFR.”

“*Subsidiary*” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “*Subsidiary*” or to “*Subsidiaries*” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“*Supplemental Indenture*” means the [_____] Supplemental Indenture, dated as of September [___], 2025, among the Borrower, the Bank of Guam, as Trustee, and U.S. Bank National Association, as Co-Trustee, relating to the issuance of the Bonds and this Agreement, as amended, restated, or otherwise modified from time to time in accordance with the terms hereof and thereof.

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

“*System*” means the water and sewer systems, now or hereafter existing, owned and/or operated by the Borrower or its contractors, agents or subcontractors.

“*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, fines, additions to tax or penalties applicable thereto.

“*Trustee*” means Bank of Guam and U.S. Bank National Association, together with any permitted successors or assigns, as co-trustees.

“*2011 Court Order*” means Order for Preliminary Relief No. _____ of the U.S. District Court of Guam dated _____, 2011.

“*2024 Partial Consent Decree*” means the consent decree which was signed into order by the U.S. District Court of Guam on August 9, 2024, entered into by the Borrower and the United States Environmental Protection Agency.

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

“*United States*” and “*U.S.*” means the United States of America.

“*Unused Commitment*” means the difference between the [Maximum Available] Commitment of the Bank then in effect and the aggregate outstanding principal amount of all Credit Outstandings.

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

Section 1.2. Other Definitions and Provisions. With reference to this Agreement and each other Related Document, unless otherwise specified herein or in such other Related 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, (i) the term “documents” includes, without limitation, any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form, (j) 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” and (k) Section headings herein and in the other Related Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Related Document.

Section 1.3. Accounting Terms. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in this Agreement or incorporated by reference herein or in any Related Document, and either the Borrower or the Bank shall so request, the Borrower and the Bank shall negotiate in good faith to amend such ratio or requirement for purposes of this Agreement to preserve the original intent thereof in light of such change in GAAP, including changes made by the Financial Accounting Standards Board; *provided* that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Section 1.4. 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 one place 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).

Section 1.5. References to Agreement and Laws. Unless otherwise expressly provided herein, (a) references to formation documents, governing documents, agreements (including the Related 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 Related Document; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

Section 1.6. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.7. Rates. The interest rate on the Loans may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.10 hereof provides a mechanism for determining an alternative rate of interest. The Bank does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, the administration of, submission of, calculation of, performance of or any other matter related to any interest rate used in this Agreement (including, without limitation, SOFR, or Daily Simple SOFR) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark

Replacement), including, without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, or have the same value or economic equivalence of as the existing interest rate (or any component thereof) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability. The Bank and its Affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Bank may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 2. THE REVOLVING CREDIT.

Section 2.1. The Loan Commitment. Subject to the terms and conditions of this Agreement and the other Related Documents, and in reliance upon the representations and warranties set forth herein, the Bank hereby agrees to acquire the Bonds from the Borrower by making a loan or loans (individually a “*Loan*” and collectively “*Loans*”) to the Borrower under the Bonds in Dollars to the Borrower from time to time from and including the Closing Date through, but not including, the Mandatory Tender Date as requested by the Borrower in accordance with the terms of Section 2.4 hereof; *provided*, that (a) all Loans outstanding at any one time shall not exceed the Commitment then in effect and (b) the Credit Outstandings of the Bank shall not at any time exceed the Commitment then in effect. The Bonds shall bear interest at the variable rates set forth herein and shall mature on those dates as set forth herein. The Bonds shall be issued in an original maximum stated principal amount equal to the Maximum Commitment Amount. Each Loan by the Bank shall be in a principal amount equal to the aggregate principal amount of such Loan requested on such occasion. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow Loans hereunder until the Mandatory Tender Date.

Section 2.2. Interest.

(a) *Interest Rate Options.* Subject to the provisions of this Agreement, (i) Base Rate Loans shall bear interest at the Base Rate from time to time in effect, and (ii) Daily Simple SOFR Loans shall bear interest at Daily Simple SOFR plus the Applicable Margin. The Borrower shall select the rate of interest applicable to any Loan at the time a Notice of Borrowing is given or at the time a Notice of Conversion is given pursuant to Section 2.4 hereof. Any Loan or any portion thereof as to which the Borrower has not duly specified an interest rate as provided herein shall be deemed a Daily Simple SOFR Loan.

(b) *Default Rate.* Notwithstanding the foregoing, during the occurrence and continuance of an Event of Default, the Bank may, at its option, with notice to the Borrower (*provided, however*,

that the Default Rate shall commence accruing on the date of such Event of Default), declare that (i) the Bonds and all Loans evidenced thereby shall bear interest at the Default Rate or (ii) in the case of any other amount outstanding hereunder, such amount shall accrue at the Default Rate. Interest shall continue to accrue on the Obligations after the filing by or against the Borrower of any petition seeking any relief in bankruptcy or under any act or law pertaining to insolvency or debtor relief, whether state, federal or foreign. All accrued but unpaid interest pursuant to this Section 2.2(b) shall be due and payable on demand by the Bank.

(c) *Interest Payment and Computation.* Interest on the Loans (including any Differential Interest Fee Amount) shall be due and payable in arrears on each Interest Payment Date. All computations of interest for Daily Simple SOFR Loans and fees and other amounts due hereunder shall be made on the basis of a year of 360 days and actual days elapsed. All computations of interest for Base Rate Loans shall be made on the basis of a year of 365 and actual days elapsed.

(d) *Maximum Rate.* If the rate of interest payable hereunder or under the Bonds shall exceed the Maximum Rate for any period for which interest is payable, then (i) interest at the Maximum Rate shall be due and payable with respect to such interest period and (ii) interest at a rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Rate (the “*Excess Interest*”), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Borrower shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder and/or under the Bonds, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Bank, to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder and/or under the Bonds until all deferred Excess Interest is fully paid to the Bank. Upon the termination of this Agreement, in consideration for the limitation of the rate of interest otherwise payable hereunder and under the Bonds, the Borrower shall pay to the Bank a fee equal to the amount of all unpaid deferred Excess Interest.

(e) *Conforming Changes.* In connection with the use or administration of SOFR or Daily Simple SOFR, the Bank will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Related Document. The Bank will promptly notify the Borrower of the effectiveness of any Conforming Changes in connection with the use or administration of SOFR or Daily Simple SOFR, as applicable.

Section 2.3. Minimum Borrowing Amounts. Each Extension of Credit shall be in an amount not less than \$500,000 and in integral multiples of \$100,000 in excess thereof. The Bank shall not be obligated to make more than one Loan to the Borrower per Business Day.

Section 2.4. Manner of Borrowing Loans and Designating Interest Rates Applicable to Loans.

(a) *Requests for Borrowing.* The Borrower shall give notice to the Bank by no later than 10:00 a.m. (New York City time) (i) on the same Business Day as each Base Rate Loan, and (ii)

one (1) Business Day prior to the date specified for such Loan for each Daily Simple SOFR Loan. Such notice shall be substantially in the form of Exhibit A hereto (a “*Notice of Borrowing*”) and shall specify:

(i) The date of such borrowing, which shall be a Business Day (and, with respect to a Daily Simple SOFR Loan, must be a Business Day at least one (1) Business Days following the date of the notice);

(ii) The amount of such borrowing, which shall be not less than \$500,000 and integral multiples of \$100,000 in excess thereof; and

(iii) A certification that the statements contained in Sections 5.2(b) and 5.2(c) are true and correct as of the date of such borrowing.

Any such notice by means of a Notice of Borrowing shall be given by electronic mail to the Bank and in accordance with the foregoing not later than the time frames set forth above in this Section 2.4. The Borrower agrees that the Bank may rely upon any written notice given by any person the Bank reasonably and in good faith believes is a Borrower Representative without the necessity of independent investigation. Solely with respect to a Notice of Borrowing subject to the provisions of Section 5 hereof, the proceeds of each Loan shall be made available to the Borrower, in immediately available funds, in accordance with the terms of the written disbursement instructions of the Borrower. A Notice of Borrowing related to a Loan received after 10:00 a.m. (New York City time) shall be deemed received on the next Business Day. The Bank shall not be obligated to honor more than one request for a Loan per Business Day. A Notice of Borrowing, once given to the Bank, shall be irrevocable by the Borrower.

(b) *Disbursement of Loans.* Not later than 2:30 p.m. (New York City time) on the proposed borrowing date, the Bank will make available to the Borrower in funds immediately available to the Borrower, the requested Loan. The Borrower hereby irrevocably authorizes the Bank to disburse the proceeds of each borrowing requested pursuant to this Section in immediately available funds by crediting or wiring such proceeds to the deposit account of the Borrower identified in the most recent notice substantially in the form attached as Exhibit B hereto (a “*Notice of Account Designation*”) delivered by the Borrower to the Bank or as may be otherwise agreed upon by the Borrower and the Bank from time to time.

(c) *Notice and Manner of Conversion or Continuation of Loans.* Provided that no Default or Event of Default has occurred and is then continuing, the Borrower shall have the option to convert Daily Simple SOFR Loans to Base Rate Loans or, subject to Section 2.10 hereof convert Base Rate Loans to Daily Simple SOFR Loans (*provided* that accrued interest on each Loan being converted shall be paid by the Borrower at the time of conversion). Whenever the Borrower desires to convert Loans as provided above, the Borrower Representative shall give the Bank irrevocable prior written notice in the form attached as Exhibit D hereto (a “*Notice of Conversion*”), not later than 10:00 a.m. (New York City time) one (1) U.S. Government Securities Business Day before the day on which a proposed conversion of such Loan is to be effective specifying (A) the Loans to be converted, (B) the effective date of such conversion (which shall be both a Business Day and a U.S. Government Securities Business Day) and (C) the principal amount of such Loans to be

converted. Notwithstanding the foregoing, and without limiting the rights and remedies of the Bank under Section 7.2 hereof, if any Event of Default shall have occurred and be continuing, the Bank may suspend the right of the Borrower to convert any Base Rate Loan into a Daily Simple SOFR Loan, in which event each Loan shall be converted into, a Base Rate Loan, and shall accrue interest at the Default Rate.

(d) *Delayed Funding.* After the Borrower delivers a Notice of Borrowing pursuant to Section 2.4(a) hereof, the Bank may, not later than 4:00 p.m. (New York City time) on the date that is one (1) Business Day prior to the proposed date of borrowing, deliver a written notice (a “*Delayed Funding Notice*”) to the Borrower of its intention to fund the related Loan (such amount, the “*Delayed Amount*”) on a date (the date of such funding, the “*Delayed Funding Date*”) that is on or before the thirty-second (32nd) day following the date of such Notice of Borrowing (or if such day is not a Business Day, then on the next succeeding Business Day) rather than on the requested date of borrowing. By delivery of a Delayed Funding Notice, the Bank shall be deemed to represent and warrant that (x) charges relating to the “liquidity coverage ratio” under Basel III have been incurred on the Bank’s interests or obligations hereunder and (y) it is seeking or has obtained a delayed funding option in transactions similar to the transactions contemplated hereby as of the date of such Delayed Funding Notice. On each Delayed Funding Date, the Bank shall fund an aggregate amount equal to the Delayed Amount for such Delayed Funding Date.

Section 2.5. Repayment and Prepayment of Loans.

(a) *Repayment on Mandatory Tender Date.* The Borrower hereby agrees to pay the purchase price of the Bonds and all Loans evidenced thereby in full on the Mandatory Tender Date, together, in each case, with all accrued but unpaid interest thereon, and any other Obligations due and owing hereunder. In the event that the Borrower fails to pay the purchase price the Bonds and all Loans evidenced thereby in full on the Mandatory Tender Date, together, in each case, with all accrued but unpaid interest thereon, and any other Obligations due and owing hereunder, the Bonds and all Loans evidenced thereby shall be subject to mandatory redemption in full on the Mandatory Tender Date.

(b) *Mandatory Prepayments.* If at any time the Credit Outstandings exceed the Commitment as then in effect, the Borrower agrees to repay immediately upon notice from the Bank, by payment to the Bank, Extensions of Credit in an amount equal to such excess.

(c) *Optional Prepayments.* The Borrower may at any time and from time to time prepay Loans, in whole or in part, with irrevocable prior written notice to the Bank substantially in the form attached as Exhibit C hereto (a “*Notice of Prepayment*”) given not later than 11:00 a.m. (New York City time) no less than three (3) Business Days before the date of such prepayment specifying the date and amount of prepayment. If any such notice is given, the amount specified in such notice shall be due and payable on the date set forth in such notice. Partial prepayments shall be in an aggregate amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. A Notice of Prepayment received after 11:00 a.m. (New York City time) shall be deemed received on the next Business Day. Any prepayment of the Bonds and the principal of Loans evidenced thereby shall be accompanied by all accrued interest on the amount prepaid.

Section 2.6. Permanent Reduction or Termination of the Commitment.

(a) *Voluntary Reduction.* The Borrower shall have the right at any time and from time to time, upon at least five (5) Business Days prior written notice to the Bank, to permanently reduce (i) the entire Commitment at any time or (ii) portions of the Commitment, from time to time, in an aggregate principal amount not less than \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof. All Commitment Fees accrued until the effective date of any reduction of the Commitment shall be paid on the effective date of such termination.

(b) *Corresponding Payment.* Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the principal amount of the Bonds and the outstanding Loans evidenced thereby after such reduction to the Commitment as so reduced. Any reduction of the Commitment to zero shall be accompanied by payment of the Bonds and all outstanding Loans evidenced thereby and shall result in the termination of the Commitment and this Agreement.

Section 2.7. Termination of Credit Facility. The Commitment shall terminate on the Mandatory Tender Date and the Bonds (and all Loans evidenced thereby) and all accrued interest thereon shall be due and payable by the Borrower in full on the Mandatory Tender Date.

Section 2.8. Payments. Each payment by the Borrower on account of the principal of or interest on the Loans or of any fee, commission or other amounts payable to the Bank under this Agreement shall be made not later than 2:00 p.m. (New York City time) (unless otherwise set forth herein) on the date specified for payment under this Agreement to the Bank at its Lending Office in Dollars, in immediately available funds and shall be made without any set off, counterclaim or deduction whatsoever. Any payment received after 2:00 p.m. (New York City time) shall be deemed to have been made on the next succeeding Business Day for all purposes. If any payment under this Agreement shall be specified to be made upon a day that is not a Business Day, it shall be made on the next succeeding day that is a Business Day and such extension of time shall in such case be included in computing any interest if payable along with such payment.

Section 2.9. Extensions of Credit. (a) Notwithstanding anything herein to the contrary, all Loans hereunder shall be evidenced by the Bonds issued by the Borrower to the Bank on the Closing Date in an amount equal to the Maximum Commitment Amount; *provided, however*, that the outstanding amount of the Bonds shall at all times be equal to the amount of Loans advanced by the Bank hereunder which remain outstanding. The Bonds shall be dated the Closing Date, shall be issued in a principal amount equal to the Maximum Commitment Amount, shall be delivered concurrently herewith, shall be subject to mandatory tender in full on the Mandatory Tender Date and shall be expressed to mature on the Maturity Date.

(b) The Bank shall record the date, amount, type and the Mandatory Tender Date of the Loans advanced by the Bank hereunder and the date and amount of each payment of principal made by or on behalf of the Borrower with respect thereto, and shall endorse on the schedule forming a part thereof appropriate notations to evidence the foregoing information with respect to the Loans then outstanding evidenced by the Bonds; *provided* that the failure of the Bank to make any such recordation or endorsement, or any error therein, or failure to submit any such notations

to the Borrower shall not affect the obligations of the Borrower hereunder or under the Bonds. The Bank is hereby irrevocably authorized by the Borrower to endorse the Bonds and to attach to and make a part of the Bonds a continuation of any such schedule as and when required.

(c) The obligation of the Borrower to repay the aggregate unpaid principal amount of the Loans, together with interest thereon, shall be evidenced and secured by the Bonds. The Borrower's obligations to repay each Loan and to pay interest thereon as provided herein and to pay all other Obligations shall be evidenced and secured by the Bonds, and the Borrower shall, without duplication (i) make a principal payment on the Bonds on each date on which the Borrower is required to make a principal payment on a Loan in an amount equal to the principal payment due on such date, (ii) pay interest on the Bonds on each date on which the Borrower is required to make an interest payment with respect to a Loan in an amount equal to the interest payment due on such date and (iii) make payment on the Bonds on each date on which any other Obligation is due and owing hereunder in an amount equal to the amount of such Obligation on such date. The payment of the principal of and interest on the Bonds shall constitute payment of the principal of and interest on the related Loans and the payment of the principal of and interest on the Loans shall constitute the payment of and principal and interest on the Bonds and the failure to make any payment on any Loan when due shall be a failure to make a payment on the Bonds and the failure to make any payment on the Bonds when due shall be a failure to make a payment on the Loan.

Section 2.10. Benchmark Replacement Settings.

(a) *Benchmark Replacement.* (i) Notwithstanding anything to the contrary herein or in any other Related Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior any setting of the then-current Benchmark, then the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Related Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the Business Day after the date notice of such Benchmark Replacement is provided to the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Related Document.

(ii) No Swap Agreement shall be deemed to be a "Related Document" for purposes of this Section 2.10.

(b) *Benchmark Replacement Conforming Changes.* In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Bank will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of the Borrower or any other party to this Agreement or any other Related Document. The Bank will promptly notify the Borrower of the effectiveness of any Conforming Changes in connection with the use or administration of a Benchmark Replacement.

(c) *Notices; Standards for Decisions and Determinations.* The Bank will promptly notify the Borrower of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or

implementation of a Benchmark Replacement. The Bank will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.9(d) hereof. Any determination, decision or election that may be made by the Bank pursuant to this Section 2.9, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from the Borrower or any other party to this Agreement or any other Related Document, except, in each case, as expressly required pursuant to this Section 2.9.

(d) *Unavailability of Tenor of Benchmark.* Notwithstanding anything to the contrary herein or in any other Related Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Bank in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks (the “*IOSCO Principles*”), then the Bank may modify the interest period definition (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the IOSCO Principles for a Benchmark (including a Benchmark Replacement), then the Bank may modify the interest period definition (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) *Benchmark Unavailability Period.* Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the Borrower may revoke any pending request for a borrowing of or conversion to a Daily Simple SOFR Loan and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to a Base Rate Loan in the amount specified therein and (ii) any outstanding Daily Simple SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately on the next succeeding Business Day.

Section 2.11. Mitigation Obligations. If the Bank requests compensation under Section 8.2 hereof, or requires the Borrower to pay additional amounts to the Bank or any Governmental Authority for the account of the Bank pursuant to Section 8.1 hereof, or if the Bank gives a notice pursuant to Section 2.14 hereof, then the Bank shall, at the request of the Borrower, use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of the Bank, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 8.1 or 8.2 hereof, as the case may be, in the future, or eliminate the

need for the notice pursuant to Section 2.14 hereof, as applicable, and (ii) would not subject the Bank to any unreimbursed cost or expense and would not otherwise be disadvantageous to the Bank. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by the Bank in connection with any such designation or assignment.

Section 2.12. Request for Extension of Mandatory Tender Date. The Borrower may by written notice to the Bank request that the Mandatory Tender Date be extended for an additional period of time. The Bank shall have the right to accept or reject any such request in its sole and absolute discretion and failure of the Bank to provide a written response to the Borrower within 30 days after receipt of such request shall be deemed a rejection by the Bank of such request. If the Bank shall have accepted such request, then the Mandatory Tender Date shall be extended to the date agreed to in writing by the Bank and the Borrower.

Section 2.13. Illegality. If the Bank determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Bank or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to SOFR or Daily Simple SOFR, or to determine or charge interest rates based upon SOFR or Daily Simple SOFR, then, upon notice thereof by the Bank to the Borrower, any obligation of the Bank to make or continue Daily Simple SOFR Loans or to convert any Base Rate Loans to Daily Simple SOFR Loans shall be suspended, in each case, until the Bank notifies the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from the Bank, immediately prepay or, if applicable, convert all Daily Simple SOFR Loans to Base Rate Loans. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

Section 2.14. Inability to Determine Interest Rates . If the Bank determines (which determination shall be conclusive and binding absent manifest error) that (i) “Daily Simple SOFR” cannot be determined pursuant to the definition thereof or (ii) “Daily Simple SOFR” will not adequately and fairly reflect the cost to the Bank of making or maintaining Loans (a “*Changed Circumstances Determination*”), the Bank will promptly so notify the Borrower; *provided, however,* that the Bank will provide a Changed Circumstances Determination only in the event that a similar determination would be made with respect to similarly situated issuers under similar circumstances, as such circumstances are determined by the Bank in the Bank’s commercially reasonable discretion. Upon notice thereof by the Bank to the Borrower, any obligation of the Bank to make or continue Daily Simple SOFR Loans or to convert Base Rate Loans to Daily Simple SOFR Loans shall be suspended (to the extent of the affected Daily Simple SOFR Loans) until the Bank revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Daily Simple SOFR Loans (to the extent of the affected Daily Simple SOFR Loans) or, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans in the amount specified therein and (ii) any outstanding affected Daily Simple SOFR Loans will be deemed to have been converted into Base Rate Loans immediately.

SECTION 3. FEES.

Section 3.1. Commitment Fee. The Borrower shall pay to the Bank in accordance with this Section 3.1 a non-refundable commitment fee (the “*Commitment Fee*”) at the rate per annum equal to the Commitment Fee Rate on the average daily Unused Commitment of the Bank. Such Commitment Fee shall be payable quarterly in arrears on the first Business Day following the end of each January, April, July and October in each year (commencing on the first such date occurring after the date hereof) and on the Mandatory Tender Date, unless the Commitment is terminated in whole on an earlier date, in which event the Commitment Fee for the period to the date of such termination in whole shall be paid on the date of such termination. The Commitment Fee shall be computed on the basis of a year of 360 days and actual number of days elapsed.

Section 3.2. Amendment Fees. The Borrower agrees to pay to the Bank, for its own account, on the date of each amendment, modification, or supplement of the Agreement or any amendment, modification, or supplement to any other Related Document which requires the waiver or consent of the Bank, an amendment, modification, supplement, waiver or consent fee, as applicable, in a minimum amount of \$2,500, or such other amount as agreed to by the Borrower and the Bank, plus the reasonable fees and expenses of any legal counsel retained by the Bank in connection therewith.

Section 3.3. Draw Fee. The Borrower agrees to pay to the Bank, for its own account, in connection with each Loan hereunder, a non-refundable drawing fee in the amount of \$500, payable on the date of each such Loan without notice or invoice to the Borrower.

Section 3.4. Fee Calculations. All fees payable under this Agreement shall be computed on the basis of a year of 360 days and the actual number of days elapsed. All determinations of the amount of fees owing hereunder (and the components thereof) shall be made by the Bank and shall be conclusive absent fraud, willful misconduct, or manifest error.

SECTION 4. REPRESENTATIONS AND WARRANTIES.

The Borrower makes the following representations and warranties to the Bank:

Section 4.1. Existence and Power. The Borrower is a public corporation of the government of Guam duly organized, validly existing and in good standing under the Laws of Guam and has the power and authority to own its properties and to carry on its businesses as now being conducted and as currently contemplated to be conducted hereafter and is duly qualified to do business in each jurisdiction in which the character of the properties owned or leased by it or in which the transactions of any material portion of its business (as now conducted and as currently contemplated to be conducted) makes such qualification necessary.

Section 4.2. Due Authorization. (a) The Borrower has the corporate power, and has taken all necessary corporate action to authorize the Related Documents to which it is a party, and to execute, deliver and perform its obligations under this Agreement and each of the other Related Documents to which it is a party in accordance with their respective terms. The Borrower has approved the form of the Related Documents to which it is not a party.

(b) The Borrower is duly authorized and licensed to own its Property (including, without limitation, the System) and to operate its business under the laws, rulings, regulations and ordinances of all Governmental Authorities having the jurisdiction to license or regulate such Property or business activity and the departments, agencies and political subdivisions thereof, and the Borrower has obtained all requisite approvals of all such governing bodies required to be obtained for such purposes. All Governmental Approvals necessary for the Borrower to enter into this Agreement and the other Related Documents and to perform the transactions contemplated hereby and thereby and to conduct its business activities and own its property have been obtained and remain in full force and effect and are subject to no further administrative or judicial review. No other Governmental Approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the Borrower of this Agreement or the due execution, delivery or performance by the Borrower of the Related Documents.

Section 4.3. Valid and Binding Obligations. This Agreement has been duly executed and delivered by one or more duly authorized officers of the Borrower, and each of the Related Documents to which the Borrower is a party, when executed and delivered by the Borrower will be, a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, except as such enforceability may be limited by (a) the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar Law affecting creditors' rights generally, and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at Law).

Section 4.4. Noncontravention; Compliance with Law . (a) The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with their respective terms do not and will not (i) contravene the Borrower's organizational documents or authorizing legislation, as applicable, or the Act, (ii) require any consent or approval of any creditor of the Borrower, (iii) violate any Laws (including, without limitation, Regulations T, U or X of the FRB, or any successor regulations, or the Act), (iv) conflict with, result in a breach of or constitute a default under any contract to which the Borrower is a party or by which it or any of its Property may be bound or (v) result in or require the creation or imposition of any Lien upon or with respect to any Property now owned or hereafter acquired by the Borrower or any Affiliate thereof except such Liens, if any, expressly created by a Related Document.

(b) The Borrower is in compliance with all Laws, except for such noncompliance that, singly or in the aggregate, has not caused or is not reasonably expected to cause a Material Adverse Effect.

Section 4.5. Pending Litigation and Other Proceedings. There is no action, suit or proceeding pending in any court, any other Governmental Authority with jurisdiction over the Borrower or any arbitration in which service of process has been completed against the Borrower or, to the knowledge of the Borrower, any other action, suit or proceeding pending or threatened in any court, any other Governmental Authority with jurisdiction over the Borrower or any arbitrator, in either case against the Borrower or any of its properties or revenues, or any of the Related Documents to which it is a party which is reasonably likely to result in a Material Adverse Effect, except any action, suit or proceeding which has been brought prior to the Closing Date as

to which the Bank has received an opinion of counsel satisfactory to the Bank, in form and substance satisfactory to the Bank and the Bank's legal counsel, to the effect that such action, suit or proceeding is without substantial merit.

Section 4.6. Financial Statements. The Audited Financial Statements, which financial statements, accompanied by the audit report of Ernst & Young LLP, heretofore furnished to the Bank, which are consistent in all material respects with the audited financial statements of the Borrower for the Fiscal Year ended September 30, 2024, fairly present the financial condition of the Borrower in all material respects as of such dates and the results of its operations for the periods then ended in conformity with GAAP. Since the date of the Audited Financial Statements, there has been no material adverse change in the financial condition or operations of the Borrower that could reasonably be expected to result in a Material Adverse Effect.

Section 4.7. ERISA. The Borrower is not subject to ERISA and maintains no Plans.

Section 4.8. No Defaults. No default by the Borrower has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Parity Debt including, without limitation, regularly scheduled payments on Swap Agreements which constitute Parity Debt. No bankruptcy, insolvency or other similar proceedings pertaining to the Borrower or any agency or instrumentality of the Borrower are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. No "default" or "event of default" under, and as defined in, any of the other Related Documents has occurred and is continuing. The Borrower is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The Borrower is not in violation of any material term of the organizational documents or authorizing legislation applicable to the Borrower or any material term of any bond indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

Section 4.9. Insurance. The Borrower currently maintains a system of self-insurance or insurance coverage with insurance companies believed by the Borrower to be capable of performing their obligations under the respective insurance policies issued by such insurance companies to the Borrower (as determined in its reasonable discretion) and in full compliance with Section 6.6 of the Indenture and Section 6.4 hereof.

Section 4.10. Title to Assets. The Borrower has good and marketable title to its assets except where the failure to have good and marketable title to any of its assets would not have a Material Adverse Effect. No assets of the Borrower are subject to any Lien other than Liens permitted by Section 6.05 of the Indenture.

Section 4.11. Incorporation by Reference. The representations and warranties of the Borrower contained in the other Related Documents to which the Borrower is a party, together with the related definitions of terms contained therein, are hereby incorporated by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the Borrower in such Sections are hereby made for the benefit of the Bank. No amendment to or waiver of such representations

and warranties or definitions made pursuant to the relevant Related Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bank.

Section 4.12. Correct Information. All information, reports and other papers and data with respect to the Borrower furnished by the Borrower to the Bank were, at the time the same were so furnished, correct in all material respects. Any financial, budget and other projections furnished by the Borrower to the Bank were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent (subject to the updating or supplementation of any such financial, budget or other projections by any additional information provided to the Bank in writing, the representations contained in this Agreement being limited to financial, budget or other projections as so updated or supplemented), in the judgment of the Borrower, a reasonable, good faith estimate of the information purported to be set forth, it being understood that uncertainty is inherent in any projections and that no assurance can be given that the results set forth in the projections will actually be obtained. No fact is known to the Borrower that materially and adversely affects or in the future may (as far as it can reasonably foresee) materially and adversely affect the security for any of the Bonds, or the ability of the Borrower to repay when due the Obligations, that has not been set forth in the financial statements and other documents referred to in this Section 4.12 or in such information, reports, papers and data or otherwise disclosed in writing to the Bank. The documents furnished and statements made by the Borrower in connection with the negotiation, preparation or execution of this Agreement and the Related Documents do not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

Section 4.13. Use of Proceeds; Margin Stock. The Borrower will use the proceeds of the Bonds and the Loans evidenced thereby solely for capital project expenditures for the System and will not use the proceeds from the Loans in contravention of any Law or of any Related Document. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds from the Loans will be used to purchase or carry any such Margin Stock or extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

Section 4.14. Usury. None of the Related Documents or the Bonds provide for any payments that would violate any applicable Law regarding permissible maximum rates of interest.

Section 4.15. Security. (a) The Indenture creates, for the benefit of the owners of the Bonds and the Loans evidenced thereby, and all other Obligations (including, without limitation, the Differential Interest Fee Amount) hereunder, the legally valid, binding and irrevocable Lien on, charge on, and pledge of the Revenues to secure the payment of the principal and purchase price of, premium, if any, and interest on the Bonds and the Loans evidenced thereby, and all other Obligations (including, without limitation, the Differential Interest Fee Amount) hereunder. There is no lien on the Revenues other than the lien created by the Indenture. The Indenture does not permit the issuance or incurrence of any Debt secured by the Revenues to rank senior to the Bonds and the Loans evidenced thereby and all other Obligations (including, without limitation, the

Differential Interest Fee Amount) hereunder. The payment of the Bonds and the Loans evidenced thereby and all other Obligations hereunder (including, without limitation, the Differential Interest Fee Amount) ranks on a parity with the payment of the principal and purchase price of and interest on all Parity Debt and is not subordinate to any payment secured by a lien on the Revenues or any other claim, and is prior as against all other Persons having claims of any kind in tort, contract or otherwise, whether or not such Persons have notice of such lien. No filing, registration, recording or publication of the Indenture or any other instrument is required to establish the pledge provided for thereunder or to perfect, protect or maintain the Lien created thereby on the Revenues to secure the Bonds and the Loans evidenced thereby and all other Obligations (including, without limitation, the Differential Interest Fee Amount) hereunder.

(b) The Bonds evidencing the Loans hereunder constitute Senior Bonds under the Indenture.

Section 4.16. Pending Legislation and Decisions. There is no amendment, or to the knowledge of the Borrower, proposed amendment to the Guam Organic Act of 1950, the Act or any Law of Guam or any administrative interpretation of the Guam Organic Act of 1950, the Act or any Law of Guam, or any legislation that has passed either house of the legislature of the State, or any judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to result in a Material Adverse Effect.

Section 4.17. Solvency. The Borrower is solvent and able to pay its debts as they become due.

Section 4.18. Environmental Matters. Other than with respect to the 2011 Court Order and the 2024 Partial Consent Decree, the operations of the Borrower are in material compliance with all of the requirements of applicable Environmental Laws and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action could reasonably be expected to result in a Material Adverse Effect. The operations of the Borrower are in material compliance with all of the requirements of the 2011 Court Order and the 2024 Partial Consent Decree.

Section 4.19. No Immunity. The Borrower is not entitled to immunity from legal proceedings with respect to itself or its revenues (irrespective of their use or intended use) from (i) any action, suit or other proceeding arising under or relating to this Agreement or any Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or for recovery of property or (iii) execution or enforcement of any judgment to which it or its Revenues might otherwise be made subject in any action, suit or proceeding relating to this Agreement or any other Related Document, and no such immunity (whether or not claimed) may be attributed to the Borrower or its Revenues.

Section 4.20. No Public Vote or Referendum. There is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected to result in a Material Adverse Effect.

Section 4.21. Swap Agreements. The Borrower has not entered into any Swap Agreement relating to Debt (a) wherein any termination payment thereunder is senior to or on a parity with the payment of the Bonds or the other Obligations or (b) which requires the Borrower to post cash collateral to secure its obligations thereunder.

Section 4.22. Sanctions Concerns and Anti-Corruption Laws. (a) *Sanctions Concerns.* Neither the Borrower nor any Subsidiary, nor, to the knowledge of the Borrower and its Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals or HMT's Consolidated List of Financial Sanctions Targets, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction. The Borrower and its Subsidiaries have conducted their businesses in compliance with all applicable Sanctions and have instituted and maintained policies and procedures which cover compliance with such Sanctions.

(b) *Anti-Corruption Laws.* The Borrower and its Subsidiaries have conducted their business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and each other applicable anti-corruption legislation in other jurisdictions (including, without limitation, the United States and Guam), and have instituted and maintained policies and procedures which cover compliance with such laws.

Section 4.23. Taxes. The Borrower has filed or caused to be filed, if any, all material tax returns required by Law to be filed and has paid or caused to be paid all material Taxes, assessments and other governmental charges levied upon or in respect of any of its properties, assets or franchises, other than Taxes the validity or amount of which are being contested in good faith by the Borrower by appropriate proceedings and for which the Borrower shall have set aside on its books adequate reserves in accordance with GAAP.

Section 4.24. Credit Agreement under the Indenture. The Borrower hereby represents, warrants and agrees that:

(a) This Agreement constitutes a Parity Payment Agreement under the Indenture;

(b) The Loans and all other payment obligations hereunder constitute Parity Payment Agreement Payments under the Indenture.

SECTION 5. CONDITIONS PRECEDENT.

The obligation of the Bank to advance, continue, or convert any Loan shall be subject to the following conditions precedent:

Section 5.1. Closing Date. Before or on the Closing Date, the Bank shall have received the following in form and substance satisfactory to the Bank:

(a) a copy of the resolution or other action of the governing body of the Borrower authorizing the execution, delivery and performance of this Agreement;

(b) executed copies (with originals to promptly follow) of this Agreement, the Bonds, the Supplemental Indenture, and each other Related Document;

(c) an opinion of Borrower's counsel, addressed to the Bank or on which the Bank is otherwise expressly authorized to rely, as to the due execution, delivery and enforceability of this Agreement, the validity of the Lien on Revenues securing the Bonds and Loans evidenced thereby and all other Obligations hereunder and the other Related Documents, and such matters as the Bank may reasonably request;

(d) a certificate signed by a Borrower Representative certifying on the Closing Date (and after giving effect to the terms hereof) (i) that there has been no event or circumstance since September 30, 2024, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (ii) that the representations and warranties contained in Article V hereof and the other Related Documents are true and correct in all material respects on the Closing Date, except to the extent such representations and warranties expressly refer to an earlier date, and in such case were true and correct in all material respects on such date, and (iii) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default;

(e) a certificate dated the Closing Date and signed by an authorized officer of the Borrower, certifying as to the incumbency and signature of the respective officers of the Borrower executing this Agreement and any other document to which the Borrower is a party together with satisfactory evidence of the incumbency of such respective officers;

(f) a copy of the Borrower's Investment Policy in effect as of the Closing Date;

(g) the audited annual financial statements for the Borrower for the Fiscal Year ended September 30, 2024, together with internally prepared financial statements of the Borrower and its Subsidiaries for the fiscal quarter(s) ended since the end of such Fiscal Year;

(h) a certified copy of the Act;

(i) recent evidence that the long term unenhanced debt rating assigned by Moody's and S&P to Parity Debt is at least "Baa2" and "A-," respectively; and

(j) all legal matters incident to the execution and delivery of the Related Documents shall be reasonably satisfactory to the Bank.

Within thirty (30) days of the Closing Date, the Bank shall have received reimbursement (or direct payment) of the Bank's fees and expenses (including the legal fees and expenses of Chapman and Cutler LLP and Canadian counsel to the Bank, if applicable) and any other fees incurred in connection with the transaction contemplated by the Related Documents.

Section 5.2. All Extensions of Credit. The obligation of the Bank to make each Extension of Credit under this Credit Agreement shall be subject to the following conditions precedent as of the time of such Extension of Credit hereunder:

(a) In connection with each Loan, the Bank shall have received the Notice of Borrowing required by Section 2.4(a) hereof or Notice of Conversion pursuant to Section 2.4(b) hereof;

(b) Each of the representations and warranties set forth (including those incorporated by reference) in Section 4 hereof shall be and remain true and correct in all material respects as of the date of such Extension of Credit;

(c) No Default or Event of Default shall have occurred and be continuing or would occur as a result of such Extension of Credit;

(d) After giving effect to such Extension of Credit, the aggregate principal amount of all Loans outstanding hereunder shall not exceed the Commitment then in effect;

(e) Such Extension of Credit shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to the Bank (including, without limitation, Regulation U of the FRB).

(f) None of the Guam Supreme Court, the Guam Superior Court or any other Governmental Authority shall have entered any judgment, opinion or ruling or made any other determination in writing with respect to the Core Tech Litigation which could reasonably be expected to, including given the passage of time, result in a Material Adverse Effect, as determined by the Bank in its sole and absolute discretion, other than any judgment, opinion, ruling or any other determination in writing for which the Borrower has provided evidence satisfactory to the Bank in its sole and absolute discretion that the damages and/or liability resulting therefrom shall be paid by the Borrower pursuant to a settlement agreement, the terms of which settlement agreement are satisfactory to the Bank in its sole and absolute discretion.

Each request for an Extension of Credit hereunder shall be deemed to be a representation and warranty by the Borrower on the date of such Extension of Credit as to the facts specified in paragraphs (b) and (c) of this Section 5.2.

Section 5.3. Increase in Commitment. The obligation of the Bank to allow an increase in the Commitment to the Maximum Commitment Amount under this Credit Agreement after the

Litigation Resolution Date shall be subject to the following conditions precedent as of the Litigation Resolution Date:

(a) Each of the representations and warranties set forth (including those incorporated by reference) in Section 4 hereof shall be and remain true and correct in all material respects as of the date of such increase in the Commitment;

(b) No Default or Event of Default shall have occurred and be continuing or would occur as a result of such increase in the Commitment;

(c) Such increase in the Commitment shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to the Bank (including, without limitation, Regulation U of the FRB).

(d) Either (i) the Guam Supreme Court shall have entered a judgment, opinion or ruling with respect to the Core Tech Litigation that results in the Borrower (A) having ownership of the property upon which the Northern District Wastewater Treatment Plant is located, (B) possessing title for property upon which the Northern District Wastewater Treatment Plant is located and/or (C) having the use, enjoyment, and occupancy of the property upon which the Northern District Wastewater Treatment Plant is located, in each case, without further damages or liability to the Borrower or (ii) the Guam Supreme Court, the Guam Superior Court or any other Governmental Authority with appropriate jurisdiction shall have entered any judgment, opinion or ruling or made any other determination in writing with respect to the Core Tech Litigation which (A) in the Bank's sole and absolute discretion could not reasonably be expected to, including given the passage of time, result in a Material Adverse Effect or (B) could reasonably be expected to, including given the passage of time, result in a Material Adverse Effect, as determined by the Bank in its sole and absolute discretion, but for which the Borrower has provided evidence satisfactory to the Bank in its sole and absolute discretion that the damages and/or liability resulting therefrom shall be paid by the Borrower pursuant to a settlement agreement, the terms of which settlement agreement are satisfactory to the Bank in its sole and absolute discretion.

SECTION 6. COVENANTS.

The Borrower covenants and agrees, until the later of the full and final payment and satisfaction of all of the Obligations and the termination of this Agreement, except in any instance in which the Bank specifically agrees in writing to any non-performance or noncompliance, that:

Section 6.1. Existence, Etc. The Borrower (a) shall maintain its existence pursuant to the Act or such other organizational documents and authorizing legislation, as applicable, and the Laws of Guam, and (b) shall not liquidate or dissolve, or sell or lease or otherwise transfer or dispose of all or any substantial part of its property, assets or business, or combine, merge or consolidate with or into any other entity or change the use of facilities or assets that generate Revenues.

Section 6.2. Maintenance of Properties. The Borrower shall, in all material respects, maintain, preserve and keep its Property in good repair, working order and condition (ordinary wear and tear excepted), except to the extent that the failure to do so could reasonably be expected to result in a Material Adverse Effect.

Section 6.3. Compliance with Laws; Taxes and Assessments. The Borrower shall comply with all Laws applicable to it and its Property, except where non-compliance could not reasonably be expected to result in a Material Adverse Effect, such compliance to include, without limitation, paying all Taxes, assessments and governmental charges imposed upon it or its Property before the same become delinquent, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and reserves are provided therefor that in the opinion of the Borrower are adequate.

Section 6.4. Insurance. The Borrower shall maintain insurance with reputable insurance companies or associations believed by the Borrower at the time of purchase of such insurance to be financially sound and in such amounts and covering such risks as are usually carried by organizations engaged in the same or a similar business and similarly situated, which insurance may provide for reasonable deductibles from coverage. The Borrower shall upon request of the Bank furnish a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Section 6.4.

Section 6.5. Reports. The Borrower shall furnish to the Bank in form and detail satisfactory to the Bank:

(a) *Annual Report.* As soon as available, and in any event within [] days after the end of the Fiscal Year, the annual audited financial statements of the Borrower together with the opinion of the Borrower's independent accountants.

(b) *Unaudited Financials.* As soon as available, and in any event within [] days after the last calendar day of each December, March and June in each Fiscal Year, the unaudited financial statements of the Borrower for the fiscal year-to-date period then ended, all in reasonable detail and certified, subject to year-end adjustment, by a Borrower Representative.

(c) *Compliance Certificate.* In connection with the financial statements required to be delivered by the Borrower pursuant to Sections 6.5(a) and (b) hereof, a Compliance Certificate signed by an Borrower Representative (x) stating that no Event of Default or Default has occurred, or if such Event of Default or Default has occurred, specifying the nature of such Event of Default or Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Event of Default or Default and (y) demonstrating compliance with the financial covenants set forth in Section 6.9 hereof.

(d) *Budget.* As soon as available, and in any event within thirty (30) days following the beginning of each Fiscal Year, the operating budget of the Borrower.

(e) *Insurance.* A statement as to all insurance carried by the Borrower as of the end of such Fiscal Year, including a brief description of the amount and coverage of each insurance policy and the name of the insuring company.

(f) *Offering Memorandum and Material Event Notices.* (A) Within ten (10) days after the issuance of any securities by the Borrower with respect to which a final official statement or other offering or disclosure document has been prepared by the Borrower, (1) a copy of such official statement or offering circular or (2) notice that such information has been filed with EMMA and is publicly available; and (B) during any period of time the Borrower is subject to continuing disclosure requirements under Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240-15c2-12), or any successor or similar legal requirement, immediately following any dissemination, distribution or provision thereof to any Person, (1) a copy of any reportable event notice (as described in b(5)(i)(C) of Rule 15c2-12) disseminated, distributed or provided in satisfaction of or as may be required pursuant to such requirements or (2) notice that such event notice has been filed with EMMA and is publicly available.

(g) *Notice of Default or Event of Default.* (i) Promptly upon obtaining knowledge of any Default or Event of Default, or notice thereof, and in any event within five (5) days thereafter, a certificate signed by an Borrower Representative specifying in reasonable detail the nature and period of existence thereof and what action the Borrower has taken or proposes to take with respect thereto; (ii) promptly following a written request of the Bank, a certificate of an Borrower Representative as to the existence or absence, as the case may be, of a Default or an Event of Default under this Agreement; and (iii) promptly upon obtaining knowledge of any “default” or “event of default” as defined under any Bank Agreement, notice specifying in reasonable detail the nature and period of existence thereof and what action the Borrower has taken or proposes to take with respect thereto.

(h) *Litigation.* As promptly as practicable, written notice to the Bank of all actions, suits or proceedings pending or threatened against the Borrower before any arbitrator of any kind or before any court or any other Governmental Authority which could reasonably be expected to result in a Material Adverse Effect.

(i) *Amendments.* Promptly after the adoption thereof and to the extent is not required to receive and make notice of the same, copies of any amendments to the Related Documents or to any provisions of the same.

(j) *Other Information.* Such other information regarding the business affairs, financial condition and/or operations of the Borrower as the Bank may from time to time reasonably request.

Section 6.6. Maintenance of Books and Records. The Borrower will keep proper books of record and account in which full, true and correct entries in accordance with GAAP. All financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP applied on a consistent

basis, as in effect from time to time, applied in a manner consistent with that used in preparing the financial statements, except as otherwise specifically prescribed herein. Except as provided in the immediately preceding sentence, in preparing any financial data or statements contemplated or referred to in this Agreement, the Borrower shall not vary or modify the accounting methods or principles from the accounting standards employed in the preparation of its audited financial statements described in Section 5.06 hereof.

Section 6.7. Access to Books and Records. The Borrower will permit any Person designated by the Bank (at the expense of the Bank, unless and until a Default or Event of Default has occurred, at which time such expenses shall be borne by the Borrower) to visit any of the offices of the Borrower to examine the books and financial records (except books and financial records the examination of which by the Bank is prohibited by Law or by attorney or client privilege), including minutes of meetings of any relevant governmental committees or agencies, and make copies thereof or extracts therefrom, and to discuss the affairs, finances and accounts of the Borrower with their principal officers, employees and independent public accountants, all at such reasonable times and as often as the Bank may reasonably request.

Section 6.8. Compliance With Documents. The Borrower agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Indenture and each of the other Related Documents to which it is a party, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Bank and shall be enforceable against the Borrower. To the extent that any such incorporated provision permits the Borrower or any other party to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the Borrower or any other party, for purposes of this Agreement, such provision shall be complied with unless it is specifically waived by the Bank in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bank which shall only be evidenced by the written approval by the Bank of the same. Except as permitted by Section 6.14 hereof, no termination or amendment to such covenants and agreements or defined terms or release of the Borrower with respect thereto made pursuant to the Indenture or any of the other Related Documents to which the Borrower is a party, shall be effective to terminate or amend such covenants and agreements and defined terms or release the Borrower with respect thereto in each case as incorporated by reference herein without the prior written consent of the Bank. Notwithstanding any termination or expiration of the Indenture or any such other Related Document to which the Borrower is a party, the Borrower shall continue to observe the covenants therein contained for the benefit of the Bank until the termination of this Agreement and the payment in full of the Bonds and all other Obligations. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein.

Section 6.9. Rate Covenant. (a)(i) The Borrower shall at all times fix, prescribe and collect rates, fees and charges in connection with the services furnished by the System which will be sufficient to yield the sum of Net Revenues during each Fiscal Year equal to at least 1.25 times

the Aggregate Annual Debt Service for such Fiscal Year (including, without limitation, all outstanding Obligations hereunder other than the obligation to pay the purchase price of the Bonds on the Mandatory Tender Date but including the obligation to pay the redemption price of the Bonds on the Mandatory Tender Date if the purchase price is not paid on such date) and to yield Revenues during each Fiscal Year equal to at least the aggregate amount of all transfers required by Section 5.02(A) through (E) of the Indenture for such Fiscal Year.

(ii) In addition to Section 6.12 of the Indenture, the debt service coverage ratio specified in this Section 6.9 shall be the debt service coverage ratio used by the Borrower, together with other appropriate factors, in setting rates.

(b) The Borrower may make adjustments from time to time in its rates, fees and charges and may make such classification thereof as it deems necessary, but shall not reduce such rates, fees and charges below those then in effect unless the Revenues from such reduced rates, fees and charges will at all times be sufficient to meet the requirements of this Section 6.09.

Section 6.10. Operation and Maintenance of the System. The Borrower will maintain and preserve the System in good repair and working order at all times from the Revenues available for such purposes, in conformity with prudent management and standards customarily followed in the industry in the United States for systems of like size and character. The Borrower will from time to time make all necessary and proper repairs, renewals, replacements and substitutions to the properties of the System, so that at all times business carried on in connection with the System shall and can be properly and advantageously conducted in an efficient manner and at reasonable cost. The Borrower will operate the System in an efficient and economical manner, consistent with the protection of the Owners of the Senior Bonds and so as to assure that the System shall be financially self-sufficient and self-sustaining. The Borrower shall not commit or allow any waste with respect to the System. Nothing herein shall prohibit the Borrower from subcontracting any part of the maintenance and operation of the System.

Section 6.11. Sale and Disposition of Property. (a) Neither the Borrower nor the Government of Guam will sell or otherwise dispose of the System or any part thereof, or permit others to sell or otherwise dispose of the System or any part thereof, essential to the proper operation of the System or to the collection of Revenues sufficient to pay debt service on the Senior Bonds, Parity Payment Agreement Payments and Credit Agreement Payments and otherwise comply with Section 6.12 of the Indenture. The Borrower will not enter into any agreement which impairs the operation of the System or impedes the collection of Revenues sufficient to pay debt service on the Senior Bonds, Parity Payment Agreement Payments and Credit Agreement Payments and otherwise comply with Section 6.12 of the Indenture and Section 6.9 hereof.

(b) Any real or personal property which has become nonoperative or which is not needed for the efficient and proper operation of the System, or any material or equipment which has worn out, may be sold at a price not less than the fair market value thereof if such sale will not reduce Net Revenues and if the net proceeds of such sale are deposited in the Revenue Fund.

Section 6.12. No Impairment. The Borrower will neither take any action, nor cause the Trustee to take any action, under the Indenture or any other Related Document which would

materially adversely affect the rights, interests, remedies or security of the Bank under this Agreement or any other Related Document or which could reasonably be expected to result in a Material Adverse Effect.

Section 6.13. Application of Bond Proceeds. The Borrower will use the proceeds of the Bonds and the Loans evidenced thereby solely for the purpose of capital project expenditures for the System and will not take or omit to take any action, which action or omission will in any way result in the proceeds of any Loans being applied in a manner other than as provided in the Indenture.

Section 6.14. Limitation on Additional Debt. So long as any Senior Bonds are Outstanding, the Borrower will not issue any bonds or obligations payable from Revenues or secured by a pledge, lien or charge upon Revenues prior to or senior to the Senior Bonds, the Parity Payment Agreements, the Credit Agreement Payments, the Bonds or the Loans. On or prior to the date on which Debt secured by the Revenues is to be issued or incurred, the Bank shall receive certification from a Borrower Representative as to compliance with the rate covenant set forth in Section 6.09 hereof after giving effect to the issuance of such Debt. The Borrower shall not issue or incur any Senior Bonds, any Parity Payment Agreements or any Credit Agreement Payments unless such issuance or incurrence of such Senior Bonds, Parity Payment Agreements and/or Credit Agreement Payments, as applicable, complies with the terms and conditions of the Indenture (including, without limitation, Sections 3.04 and 3.05 of the Indenture).

Section 6.15. Related Documents. The Borrower shall not modify, amend or consent to any modification, amendment or waiver in any material respect of any Related Document without the prior written consent of the Bank.

Section 6.16. Liens. The Borrower shall not, directly or indirectly, incur, create or permit to exist any Lien on all or any part of the security provided by the Indenture that is senior to or on a parity with the Lien securing the Bonds and the Loans evidenced thereby and the other Obligations, other than (a) Liens created under and in accordance with the terms of the Indenture; (b) the Liens created for the benefit of the Bonds and the Loans evidenced thereby and the other Obligations, other than and other Parity Debt that has heretofore or may hereafter be issued; and (c) Liens which could not reasonably be expected to materially adversely affect the interests, rights, remedies or security of the Bank under this Agreement and the other Related Documents.

Section 6.17. Disclosure to Participants. The Borrower shall permit the Bank to disclose the financial information received by it pursuant to this Agreement to each Participant of the Bank pursuant to Section 8.07 of this Agreement, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 6.18. Other Agreements. In the event that the Borrower has or shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement which such Bank Agreement provides such Person with different or more restrictive covenants, different or additional events of default and/or greater rights and remedies than are provided to the Bank in this Agreement, the Borrower shall provide the Bank with a copy of each such Bank Agreement and such different or more restrictive covenants, different or additional events of default and/or greater rights and

remedies shall automatically be deemed to be incorporated into this Agreement and the Bank shall have the benefits of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies as if specifically set forth herein. The Borrower shall promptly enter into an amendment to this Agreement to include different or more restrictive covenants, different or additional events of default and/or greater rights and remedies; *provided* that the Bank shall have and maintain the benefit of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies even if the Borrower fails to provide such amendment.

Section 6.19. Immunity from Jurisdiction. To the fullest extent permitted by applicable Law, with respect to its obligations arising under this Agreement or any other Related Document, the Borrower irrevocably agrees that it will not assert or claim any immunity on the grounds of sovereignty or other similar grounds (including, without limitation, governmental immunity) from (i) any action, suit or other proceedings arising under or relating to this Agreement or any other Related Document, (ii) relief by way of injunction, order for specific performance or writ of mandamus or (iii) execution or enforcement of any judgment to which it or its revenues might otherwise be entitled in any such action, suit or other proceeding, and the Borrower hereby irrevocably waives, to the fullest extent permitted by applicable Law, with respect to itself and its Revenues (irrespective of their use or intended use), all such immunity.

Section 6.20. Swap Agreements. Without the prior written consent of the Bank, the Borrower will not enter into any Swap Agreement relating to Debt (a) wherein any termination payments thereunder are senior to or on parity with the payment of the Bonds or the other Obligations or (b) which requires the Borrower to post cash collateral to secure its obligations thereunder.

Section 6.21. Use of Bank's Name. The Borrower shall not include any information concerning the Bank in any offering document that is not supplied in writing, or otherwise approved, by the Bank expressly for inclusion therein.

Section 6.22. Investment Policy. All investments of the Borrower have been and will be made in accordance with the terms of the Investment Policy.

Section 6.23. Environmental Laws. The Borrower shall comply with all applicable Environmental Laws and cure any defect thereto (or cause other Persons to cure any such defect) to the extent necessary to bring such real property owned, leased, occupied or operated by the Borrower back into compliance with Environmental Laws and to comply with any cleanup orders issued by a Governmental Authority having jurisdiction thereover; *provided*, that the 2011 Court Order and the 2024 Partial Consent Decree constitute cures of defects of applicable Environmental Laws for purposes of this Section 6.23. The Borrower shall comply with the 2011 Court Order and the 2024 Partial Consent Decree in accordance with their terms. The Borrower shall at all times use commercially reasonable efforts to render or maintain any real property owned, leased, occupied or operated by the Borrower safe and fit for its intended uses. The Borrower shall also immediately notify the Bank of any actual or alleged material failure to so comply with or perform, or any material breach, violation or default under any Environmental Law.

Section 6.24. Federal Reserve Board Regulations. The Borrower shall not use any portion of the proceeds of the Loans for the purpose of carrying or purchasing any Margin Stock and shall not incur any Debt which is to be reduced, retired or purchased by the Borrower out of such proceeds.

Section 6.25. Underlying Rating. The Borrower shall at all times maintain a rating on its long-term unenhanced Parity Debt from at least one Rating from S&P or Moody's. The Borrower covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on its Parity Debt from any of Moody's or S&P if the effect of such withdrawal would be to reduce the Applicable Margin or to cure a Default or an Event of Default under this Agreement.

Section 6.26. Sanctions. (a) The Borrower shall not, directly or indirectly, use any Loan or the proceeds of any Loan, or lend, contribute or otherwise make available such Loan or the proceeds of any Loan to any Person, to fund any activities of or business with any Person, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as the Bank or otherwise) of Sanctions. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries, and its trustee, officers, employees, and agents with applicable Sanctions.

(b) *Anti-Corruption Laws.* The Borrower shall not, directly or indirectly, use any Loan or the proceeds of any Loan for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or any other anti-corruption legislation in any other jurisdiction (including, without limitation, the United States and Guam). The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries, and its trustee, officers, employees, and agents with anti-corruption legislation.

Section 6.27. Pledge of Government. The Borrower hereby pledges to the Bank the following, while any Bonds remain outstanding and not fully performed or discharged or this Agreement is in effect, (A) to maintain the rights, powers and duties of the Board and the Guam Public Utilities Commission, or their respective successors in accordance with law, to fulfill the terms of Bonds, (B) to maintain the rights and remedies of Bank provided in the Act and this Indenture, (C) to protect the exclusive right of the Borrower to operate or maintain within Guam any water or wastewater system operated by the government or its designees by preventing the acquisition, operation, maintenance or permitting of any instrumentality of the Government or any other public or private agency, entity or person to operate a separate and competitive water and/or wastewater system, and (D) not to transfer any additional non-system operating responsibilities or other unfunded mandates to the Borrower without providing for the payment of the costs of such additional responsibilities, with the exception of annual supplemental annuity and COLA contributions paid by the Borrower on behalf of retired employees of the Borrower (or its lawful predecessors) as may be required by other laws of Guam. The Borrower includes this pledge and agreement of the Borrower in this Indenture as authorized by Section 14229 of the Act.

SECTION 7. EVENTS OF DEFAULT AND REMEDIES.

Section 7.1. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of Law) shall be an “*Event of Default*” hereunder, unless waived in writing by the Bank:

(a) the Borrower shall fail to pay the principal or purchase price of or interest on the Bonds or any Loans evidenced thereby when due;

(b) the Borrower shall fail to pay any Obligation when due (other than the obligation to pay the principal or purchase price of or interest on the Bonds or any Loans evidenced thereby) and such failure shall continue for five (5) Business Days;

(c) any representation or warranty made by or on behalf of the Borrower in this Agreement or in any other Related Document or in any certificate or statement delivered hereunder or thereunder shall be incorrect or untrue in any material respect when made or deemed to have been made or delivered;

(d) the Borrower shall default in the due performance or observance of any of the covenants set forth in Section 6.1, 6.5, 6.7, 6.8, 6.9, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.18, 6.19, 6.20, 6.21, 6.24, 6.25, 6.26 or 6.27 hereof; or

(e) the Borrower shall default in the due performance or observance of any other term, covenant or agreement contained in this Agreement or any other Related Document and such default shall remain unremedied for a period of thirty (30) days after the occurrence thereof;

(f) the Borrower shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) become insolvent or shall not pay, or be unable to pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) 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 part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, marshalling of assets, adjustment or composition of it or its debts under any Law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in Section 7.1(g) of this Agreement;

(g) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any substantial part of its Property, or a proceeding described in Section 7.1(f)(v) shall be instituted against the Borrower and such proceeding

continues undischarged or any such proceeding continues undismissed or unstayed for a period of thirty (30) or more days;

(h) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any Debt of the Borrower by the Borrower or any Governmental Authority with appropriate jurisdiction;

(i) any material provision of any of the Related Documents shall cease to be valid and binding, or the Borrower or any Governmental Authority shall contest any such provision or the Borrower or any agent or trustee on behalf of the Borrower, shall deny that it has any or further liability under any of the Related Documents;

(j) dissolution or termination of the existence of the Borrower;

(k) the Borrower shall (i) default on the payment of the principal of or interest on any Parity Debt beyond the period of grace, if any, provided in the instrument or agreement under which such Parity Debt was created or incurred; or (ii) default in the observance or performance of any agreement or condition relating to any Parity Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to permit or cause (determined without regard to whether any notice is required) any such Parity Debt to become immediately due and payable in full as the result of the acceleration, mandatory redemption or mandatory tender of such Parity Debt;

(l) the Borrower shall (i) default on the payment of the principal of or interest on any Debt secured by Revenues (other than Parity Debt) aggregating in excess of \$5,000,000, beyond the period of grace, if any, provided in the instrument or agreement under which such Debt secured by Revenues (other than Parity Debt) was created or incurred; or (ii) default in the observance or performance of any agreement or condition relating to any Debt secured by Revenues (other than Parity Debt) aggregating in excess of \$5,000,000, or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to permit or cause (determined without regard to whether any notice is required) any such Debt secured by Revenues (other than Parity Debt) to become immediately due and payable in full as the result of the acceleration, mandatory redemption or mandatory tender of such Debt secured by Revenues (other than Parity Debt);

(m) any final, unappealable judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, which are not covered in full by insurance, with written acknowledgement of such coverage having been provided by the provider of such insurance coverage to the Bank, in an aggregate amount in excess of \$5,000,000 shall be entered or filed against the Borrower or against any of its Property and remain unpaid, unvacated, unbonded or unstayed for a period of thirty (30) days;

(n) any “event of default” under any Related Document (as defined respectively therein) shall have occurred;

(o) (i) any of Fitch, Moody’s or S&P shall have downgraded its rating of any long-term unenhanced Parity Debt of the Borrower to below “BBB-” (or its equivalent), “Baa3” (or its equivalent), or “BBB-” (or its equivalent) respectively, or suspended or withdrawn its rating of the same; or (ii) each of Fitch, Moody’s and S&P shall have downgraded its rating of any long-term unenhanced Parity Debt of the Borrower to or below “BBB-” (or its equivalent), “Baa3” (or its equivalent), and “BBB-” (or its equivalent) respectively, or suspended or withdrawn its rating of the same; or

(p) any of the Guam Supreme Court, the Guam Superior Court or any other Governmental Authority shall enter any judgment, opinion or ruling or make any other determination in writing with respect to the Core Tech Litigation which could reasonably be expected to, including given the passage of time, result in a Material Adverse Effect, as determined by the Bank in its sole and absolute discretion, other than any judgment, opinion, ruling or any other determination in writing for which the Borrower has provided evidence satisfactory to the Bank in its sole and absolute discretion that the damages and/or liability resulting therefrom shall be paid by the Borrower pursuant to a settlement agreement, the terms of which settlement agreement are satisfactory to the Bank in its sole and absolute discretion.

Section 7.2. Consequences of an Event of Default. If an Event of Default specified in Section 7.1 hereof shall occur and be continuing, the Bank may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(i) by written notice to the Borrower, terminate the Commitment and all other obligations of the Bank hereunder and declare the Bonds and the Loans evidenced thereby and all other Obligations under this Agreement and any accrued interest thereon to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue;

(ii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Borrower under the Related Documents, whether for specific performance of any agreement or covenant of the Borrower or in aid of the execution of any power granted to the Bank in the Related Documents;

(iii) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however*, that the Bank shall have no obligation to effect such a cure; and

(iv) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents (other than as provided for in clause (ii) of this Section 7.2) and as otherwise available at law and at equity.

Notwithstanding Sections 7.2(i)-(iv) hereof, upon the occurrence of any Event of Default set forth in Section 7.1(f) or 7.1(g) hereof, the Commitment shall automatically and without notice terminate and the obligation of the Bank to make Loans shall automatically terminate, the unpaid principal amount of the Bonds and the Loans evidenced thereby and all other Obligations under this Agreement and all interest and other amounts as aforesaid shall automatically become due and payable, in each case without further act of the Bank.

Section 7.3. Remedies Cumulative; Solely for the Benefit of Bank. To the extent permitted by, and subject to the mandatory requirements of, applicable Law, each and every right, power and remedy herein specifically given to the Bank herein and in the Related Documents shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Bank, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

The rights and remedies of the Bank specified herein are for the sole and exclusive benefit, use and protection of the Bank, and the Bank is entitled, but shall have no duty or obligation to the Borrower or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Bank hereunder or under any of the other Related Documents.

Section 7.4. Waivers or Omissions. No delay, failure or omission by the Bank in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Bank or to be acquiescence therein, nor shall any single or partial exercise thereof preclude any other or further exercise of any other power or right. No express or implied waiver by the Bank of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

Section 7.5. Discontinuance of Proceedings. In case the Bank shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Bank shall have the unqualified right so to do and, in such event, the Borrower and the Bank shall be restored to their former positions with respect to the Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Bank hereunder shall continue as if the same had never been invoked.

SECTION 8. CHANGE IN CIRCUMSTANCES.

Section 8.1. Net of Taxes, Etc.

(a) *Payments Free of Taxes.* Any and all payments to the Bank by the Borrower hereunder and under the Bonds shall be made free and clear of and without any reduction, withholding, deduction or setoff for any and all Indemnified Taxes, duties or any other deduction whatsoever. If the Borrower shall be required by law to withhold or deduct any Indemnified Taxes imposed by the United States or any political subdivision thereof from or in respect of any sum payable hereunder to the Bank, then (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 8.1), the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the Borrower shall make any payment under this Section 8.1 to or for the benefit of the Bank with respect to Indemnified Taxes and if the Bank shall claim any credit or deduction for such Indemnified taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States then the Bank shall pay to the Borrower an amount equal to the amount by which such other taxes are actually reduced; *provided*, that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the Borrower with respect to such Indemnified Taxes. In addition, the Borrower agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or any state of the United States from any payment made hereunder or otherwise with respect to this Agreement, excluding, however, taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein, solely as a result of a connection between the Bank and such jurisdiction or political subdivision (hereinafter referred to as “*Other Taxes*”). The Bank shall provide to the Borrower within a reasonable time a copy of any written notification it receives with respect to Indemnified Taxes or Other Taxes owing by the Borrower to the Bank hereunder, including with respect to refunds and credits; *provided*, that the Bank’s failure to send such notice shall not relieve the Borrower of its obligation to pay such amounts hereunder.

(b) The Borrower shall, to the fullest extent permitted by law and subject to the provisions hereof, pay the Bank for the full amount of Indemnified Taxes and Other Taxes including any Indemnified Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 8.1 paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted; *provided*, that the Borrower shall not be obligated to pay the Bank for any penalties, interest or expenses relating to Indemnified Taxes or Other Taxes arising from the Bank’s gross negligence or willful misconduct. The Bank agrees to give notice to the Borrower of the assertion of any claim against the Bank relating to such Indemnified Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided*, that the Bank’s failure to notify the Borrower promptly of such assertion shall not relieve the Borrower of its obligation under this Section 8.1. Payments by the Borrower pursuant to this subsection (b) shall be made within 30 days from the date the Bank makes written demand therefor, which demand shall be

accompanied by a certificate describing in reasonable detail the basis thereof. The Bank agrees to repay to the Borrower any refund or the amount of any credit (including that portion of any interest that was included as part of such refund or credit) with respect to Taxes or Other Taxes paid by the Borrower pursuant to this Section 8.1 received by the Bank for Indemnified Taxes or Other Taxes that were paid by the Borrower pursuant to this Section 8.1 and to contest, with the cooperation and at the expense of the Borrower, any such Indemnified Taxes or Other Taxes which the Bank or the Borrower reasonably believes not to have been properly assessed.

(c) Within 30 days after the date of any payment of Indemnified Taxes by the Borrower, the Borrower shall furnish to the Bank the original or a certified copy of a receipt evidencing payment thereof.

(d) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations contained in this Section shall survive the termination of this Agreement and the payment in full of the Loans, and the obligations of the Borrower thereunder and hereunder.

Section 8.2. Increased Cost.

(a) *Increased Costs Generally.* If, on or after the Closing Date, there occurs any Change in Law which:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or committed to or participated in by, the Bank or any Participant or the respective parent or holding company thereof, if any;

(ii) subject the Bank or any Participant or the respective parent or holding company thereof, if any, to any Taxes (other than Excluded Taxes) of any kind whatsoever with respect to this Agreement, the Bonds or any Loan, or change the basis of taxation of payments to the Bank or any Participant or the respective parent or holding company thereof, if any, in respect thereof (except for Indemnified Taxes covered by Section 8.1 hereof and the imposition of, or any change in the rate of any Excluded Tax payable by the Bank or any Participant or the respective parent or holding company thereof, if any); or

(iii) impose on the Bank or any Participant or the respective parent or holding company thereof, if any, any other condition, cost or expense affecting this Agreement, the Bonds or any Loan, or the issuance or maintenance of the Bonds or any Loan or any security therefor, or reduces any amount receivable by the Bank or any Participant or the respective parent or holding company thereof, if any with respect to this Agreement, the Bonds or any Loans, or requires the Bank or any Participant or the respective parent or holding company thereof, if any to make any payment calculated by reference to any amount received with respect to this Agreement, the Bonds or any Loans, or any funding of any Loan, by an amount deemed material by Bank or the Participant, as the case may be;

and the result of any of the foregoing shall be to increase the cost to the Bank or such Participant or the respective parent or holding company thereof, if any, with respect to this Agreement, the Bonds or any Loans, or of participating the same, or to reduce the amount of any sum received or receivable by the Bank or such Participant or their respective parent or holding company, if any, hereunder, then, upon written request of the Bank or such Participant as set forth in subsection (d) below, the Borrower shall promptly pay to the Bank or such Participant or their respective parent or holding company, if any, as the case may be, such additional amount or amounts as will compensate the Bank or such Participant or its respective parent, holding company or other entity controlling the Bank or such Participant, if any, as the case may be, for such additional costs incurred or reduction suffered but only for so long as such additional costs are being incurred by the Bank or so long as such reduction exists.

(b) If the Bank or any Participant determines the amount of capital or liquidity required or expected to be maintained by the Bank or the Participant or any parent, holding company or entity controlling the Bank or such Participant is increased as a result of (i) a Change in Law or (ii) any change on or after the Closing Date in the Risk-Based Capital Guidelines, then, within 30 days of demand by the Bank or the Participant, the Borrower, to the extent permitted by law, pay such Bank or Participant the amount necessary to compensate for any shortfall in the rate of return (but only for so long as such shortfall of rate of return exists) on the portion of such increased capital or liquidity which the Bank or the Participant determines is attributable to this Agreement or any Loan, as the case may be, hereunder (after taking into account the policies of the Bank or the Participant or the respective parent or holding companies thereof, if any, as to capital adequacy and liquidity).

(c) A certificate of the Bank or any Participant setting forth the amount or amounts necessary to compensate the Bank or such Participant or the Bank's or such Participant's respective parent or holding company, as the case may be, as specified in subsection (a) or (b) above and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay the Bank or such Participant, as the case may be, the amount shown as due on any such certificate within 30 days after receipt thereof.

(d) Failure or delay on the part of the Bank or any Participant to demand compensation pursuant to this Section 8.2 shall not constitute a waiver of the right of such Bank or Participant to demand such compensation; *provided* that the Borrower shall not be required to compensate the Bank pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions or shortfall suffered more than six (6) months prior to the date that the Bank notifies the Borrower of the Change in Law giving rise to such increased costs or reductions or shortfall and of the Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six (6) month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in this Section 8.2 shall survive the termination of this Agreement and the payment in full of the Obligations.

Section 8.3. Lending Offices. The Bank may, at its sole option, elect to make its Loans hereunder at the branch, office or Affiliate specified on the signature page hereof (each a “*Lending Office*”) for each type of Loan available hereunder or at such other of its branches, offices or Affiliates as it may from time to time elect and designate in a written notice from the Bank to the Borrower; *provided, however*, that if such election and designation shall increase any amount payable to the Bank pursuant to Section 8.1 or 8.2 hereof, then such election and designation shall require the Borrower’s written consent.

Section 8.4. Discretion of Bank as to Manner of Funding. Notwithstanding any other provision of this Agreement, the Bank shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it sees fit.

SECTION 9. MISCELLANEOUS.

Section 9.1. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 9.2. Non-Business Day. If any payment of principal or interest on any Loan or of any other Obligation shall fall due on a day which is not a Business Day, interest or fees (as applicable) at the rate, if any, such Loan or other Obligation bears for the period prior to maturity shall continue to accrue on such Obligation from the stated due date thereof to and including the next succeeding Business Day, on which the same shall be payable.

Section 9.3. Right of Setoff. If an Event of Default shall have occurred and be continuing, the Bank and its Affiliates are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or any such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Related Document to the Borrower or its Affiliates, irrespective of whether or not the Borrower or its Affiliates shall have made any demand under

this Agreement or any other Related Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch, office or any such Affiliate different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness. The rights of the Bank and its Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that the Bank or its Affiliates may have. The Bank agrees to notify the Borrower 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.

Section 9.4. Survival of Representations. All representations and warranties made herein or in certificates given pursuant hereto shall survive the execution and delivery of this Agreement and the other Related Documents, and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use or available hereunder. All covenants and agreements of the Borrower contained herein shall continue in full force and effect from and after the date hereof until the Obligations have been fully discharged.

Section 9.5. Survival of Indemnities. All indemnities and all other provisions relative to reimbursement to the Bank of amounts sufficient to protect the yield of the Bank with respect to the Loans, including, but not limited to, Sections 8.1, 8.2, 9.1 and 9.10 hereof, shall survive the termination of this Agreement and the other Related Documents and the payment of the Loans and all other Obligations.

Section 9.6. Notices. Except as otherwise provided herein, any notice required or permitted to be given under this Agreement shall be in writing (which includes communications by telex or telecopier if confirmed by the appropriate answer back and followed by hard copy delivered by United States mail in the manner described herein) addressed:

to the Borrower as follows:

Guam Waterworks Authority

[_____]

Attention: _____

Telephone: _____

Facsimile: _____

Email: _____]

to the Bank as follows:

Royal Bank of Canada

3 World Financial Center, 200 Vesey Street

New York, NY 40281

Attention: Laurent Mastey

Telephone: (212) 428-6534

Email: Laurent.mastey@rbccm.com

Wiring instructions:

Bank: JP Morgan Chase Bank, New York
SWIFT/ABA: CHASUS33 (ABA 021000021)
ABA UID Number: 55253
Beneficiary SWIFT: Royal Bank of Canada - New York (ROYCUS3X)
Beneficiary Account: 20000044930927
Reference: Attn: GLA, _____

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbcnewyorkgla3@rbc.com; junhee.park@rbccm.com

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). The Bank may rely on any notice (including telephone communication) purportedly made by or on behalf of the other, and shall have no duty to verify the identity or authority of the Person giving such notice, unless such actions or omissions would amount to gross negligence or intentional misconduct.

(b) *Bank's Office.* The Bank hereby designates its office located at the address set forth above, or any subsequent office which shall have been specified for such purpose by written notice to the Borrower, as the Bank's Lending Office referred to herein, to which payments due are to be made and at which Loans will be disbursed.

(c) *Change of Address, Etc.* Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

Section 9.7. Counterparts. This Agreement may be executed in any number of counterpart signature pages, and by the different parties on different counterparts, each of which when executed shall be deemed an original but all such counterparts taken together shall constitute one and the same instrument. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the

best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 9.8. Successors and Assigns; Participations.

(a) *Successors and Assigns Generally.* This provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Bank and the Bank may not assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (c) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (d) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (c) of this Section and, to the extent expressly contemplated hereby, the Related Parties of the Bank) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Assignments by the Bank.* The Bank may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); *provided* any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts.* The Commitment subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is entered into or shall not be less than \$5,000,000 unless, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) *Proportionate Amounts.* Each partial assignment shall be made as an assignment of a proportionate part of all the Bank’s rights and obligations under this Agreement with respect to the Commitment and Loans assigned;

(iii) *Required Consents.* No consent shall be required for any assignment except the consent of the Borrower shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or, (2) such assignment is to an Affiliate of the Bank;

(iv) *Assignment and Assumption.* The parties to each assignment shall execute and deliver an Assignment and Assumption agreement in a form reasonably satisfactory to the Bank and its counsel (each an “*Assignment and Assumption*”).

(v) *No Assignment to Natural Persons.* No such assignment shall be made to a natural person.

From and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of the Bank under this Agreement, and the Bank shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the Bank’s rights and obligations under this Agreement, the Bank shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 8.2 and 9.11 hereof with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by the Bank of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by the Bank of a participation in such rights and obligations in accordance with subsection (c) of this Section.

Additionally, the Bank may at any time sell or otherwise transfer all or any portion of the Bonds to a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended.

(c) *Participations.* The Bank may at any time, without the consent of or notice to the Borrower, sell participations to any Person (other than a natural person or the Borrower or any of the Borrower’s Affiliates) (each, a “*Participant*”) in all or a portion of the Bank’s rights and/or obligations under this Agreement, and such Participants shall be entitled to the benefits of this Agreement, including, without limitation, Sections 8.2 and 9.11 hereof, to the same extent as if they were a direct party hereto; provided that (i) the Bank’s obligations under this Agreement shall remain unchanged, (ii) the Bank shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower shall continue to deal solely and directly with the Bank in connection with the Bank’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which the Bank sells such a participation shall provide that the Bank shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 8.2 and 9.10 hereof to the same extent as if it were the Bank; *provided, however*, that no Participant shall be able to impose costs pursuant to Section 9.11(a) hereof in excess of what the Bank would have been able to impose if no such participation would have been undertaken.

(d) *Certain Pledges.* The Bank may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under the Bonds) to secure obligations of the Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury; *provided* that no such pledge or assignment shall release the Bank

from any of its obligations hereunder or substitute any such pledgee or assignee for the Bank as a party hereto.

Section 9.9. Amendments, Waivers and Consents. Any term, covenant, agreement or condition of this Agreement or any of the other Related Documents may be amended or waived by the Bank, and any consent given by the Bank, if, but only if, such amendment, waiver or consent is in writing signed by the Bank, at the direction or with the consent of the Bank and the Borrower; *provided, however*, that no amendment, waiver or consent shall, unless in writing and signed by the Bank, affect the rights or duties of the Bank under this Agreement or any other Related Document.

Section 9.10. Expenses; Indemnity.

(a) *Costs and Expenses.* The Borrower shall pay (i) all actual and reasonable out of pocket expenses incurred by the Bank and its Affiliates (including the actual and reasonable fees, charges and disbursements of counsel for the Bank, plus disbursements), and shall pay all fees and time charges and disbursements for attorneys who may be employees of the Bank, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Related Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all actual and reasonable out of pocket expenses incurred by the Bank (including the fees, charges and disbursements of any counsel for the Bank), and shall pay all fees and time charges for attorneys who may be employees of the Bank, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Related Documents, including its rights under this Section, or (B) in connection with the Loans made, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) *Indemnification by the Borrower.* The Borrower shall indemnify the Bank and its Related Parties (each such Person being called an “*Indemnatee*”) against, and hold each Indemnatee harmless from, and shall pay or reimburse any such Indemnatee for, any and all losses, claims (including, without limitation, any environmental claims), damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnatee), and shall indemnify and hold harmless, each Indemnatee from, and shall pay or reimburse any such Indemnatee for, all fees and time charges and disbursements for attorneys who may be employees of any Indemnatee, incurred by any Indemnatee or asserted against any Indemnatee by any Person (including the Borrower), other than such Indemnatee and its Related Parties, arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) the Bonds, any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any Subsidiary thereof, or any environmental claim related in any way to the Borrower, (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and

regardless of whether any Indemnitee is a party thereto, or (v) any claim (including, without limitation, any environmental claims), investigation, litigation or other proceeding (whether or not the Bank is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Loans, this Agreement, any other Related Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby, including without limitation, reasonable attorneys and consultant's fees, *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any Subsidiary thereof against an Indemnitee for breach which breach constitutes gross negligence or willful misconduct of such Indemnitee of such Indemnitee's obligations hereunder or under any other Related Document, if the Borrower or such Subsidiary has obtained a final and non-appealable judgment in its favor on such claim as determined by a court of competent jurisdiction. The Indemnitee will use commercially reasonable efforts to notify the Borrower within 30 days of its obtaining actual knowledge of any claim or event occurring after the date hereof that would entitle such Indemnitee to indemnification pursuant to this Section; *provided* that the failure of such Indemnitee to notify the Borrower within such 30-day period shall not relieve the Borrower from any liability for payment of such indemnification.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by Applicable Law, the Borrower and the Bank each agree that it shall not assert, and hereby waives, any claim against any Indemnitee in the case of the Borrower and against the Borrower in the case of any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in clause (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby.

(d) *Payments.* All amounts due under this Section shall be payable promptly after demand therefor.

(e) *Survival.* Each party's obligations under this Section shall survive the termination of the Related Documents and payment of the obligations hereunder.

Section 9.11. Headings. Section headings used in this Agreement are for reference only and shall not affect the construction of this Agreement.

Section 9.12. No Implied Waiver; Cumulative Remedies. No course of dealing and no delay or failure of the Bank in exercising any right, power or privilege under this Agreement or the other Related Documents shall affect any other or future exercise thereof or exercise of any right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege

preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of the Bank under this Agreement are cumulative and not exclusive of any rights or remedies which the Bank would otherwise have under any Related Document, at law or in equity.

Section 9.13. Entire Agreement. The Related Documents constitute the entire understanding of the parties thereto with respect to the subject matter thereof and any prior or contemporaneous agreements, whether written or oral, with respect thereto are superseded thereby.

Section 9.14. Construction. The parties hereto acknowledge and agree that neither this Agreement nor the other Related Documents shall be construed more favorably in favor of one than the other based upon which party, drafted the same, it being acknowledged that *all* parties hereto contributed substantially to the negotiation of this Agreement and the other Related Documents.

Section 9.15. Choice of Law; Submission to Jurisdiction. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

(b) EACH PARTY HERETO CONSENTS TO AND SUBMITS TO IN PERSONAM JURISDICTION AND VENUE IN THE STATE OF NEW YORK AND IN THE FEDERAL DISTRICT COURTS WHICH ARE LOCATED IN THE STATE OF NEW YORK. EACH PARTY ASSERTS THAT IT HAS PURPOSEFULLY AVAILED ITSELF OF THE BENEFITS OF THE LAWS OF THE STATE OF NEW YORK. THIS CONSENT TO AND SUBMISSION TO JURISDICTION IS WITH REGARD TO ANY ACTION RELATED TO THIS AGREEMENT. REGARDLESS OF WHETHER THE PARTY'S ACTIONS TOOK PLACE IN THE STATE OF NEW YORK OR ELSEWHERE IN THE UNITED STATES, THIS SUBMISSION TO JURISDICTION IS NONEXCLUSIVE, AND DOES NOT PRECLUDE EITHER PARTY FROM OBTAINING JURISDICTION OVER THE OTHER IN ANY COURT OTHERWISE HAVING JURISDICTION.

Section 9.16. Waiver of Venue. The Borrower and the Bank irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Related Document in any court referred to in clause (a) of this section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

Section 9.17. Waiver of Jury Trial. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

(b) The covenants and waivers made pursuant to Section 9.16, 9.17 and this Section 9.18 shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any

subsequent amendments, renewals, supplements or modifications of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

Section 9.18. USA PATRIOT Act Notice. The Bank hereby notifies the Borrower that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Bank to identify the Borrower in accordance with the Patriot Act. The Borrower hereby agrees that it shall promptly provide such information upon request by the Bank.

The Borrower shall (a) ensure that neither the Borrower nor any of its officers and directors is or will be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control (“OFAC”) or the Department of the Treasury or included in any Executive Order that prohibits or limits the Bank from providing any funding or extending any credit to the Borrower or from otherwise conducting business with the Borrower and (b) ensure that the proceeds of any advance or extension of credit hereunder will not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

Section 9.19. Reversal of Payment. To the extent the Borrower makes a payment or payments to the Bank or the Bank receives any payment or proceeds which payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or proceeds repaid, the Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or proceeds had not been received by the Bank.

Section 9.20. Prior Understandings. This Agreement and the other Related Documents supersede all other prior understandings and agreements, whether written or oral, among the parties hereto relating to the transactions provided for herein and therein.

Section 9.21. Treatment of Certain Information; Confidentiality. The Bank agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Related Parties (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 required or requested by, or required to be disclosed to, any rating agency, or regulatory or similar authority purporting to have jurisdiction over such Person or its Related Parties (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, in connection with the exercise of any remedies under this Agreement, under any other Related Document, or any action or proceeding relating to this Agreement, any other Related 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 and obligations

under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder; provided that any such assignee, Participant, prospective assignee, prospective Participant, or actual or prospective party (or Related Party) will be informed of the confidential nature of such Information and instructed to keep such Information confidential in accordance with the terms of this Section; (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or this Agreement or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to this Agreement; (h) with the consent of the Borrower; (i) to Gold Sheets and other similar bank trade publications, such information to consist of deal terms and other information customarily found in such publications, *provided* that such disclosure shall only be made with the consent of the Borrower; (j) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Bank or any of its respective Affiliates on a nonconfidential basis from a source other than the Borrower; or (k) to governmental regulatory authorities in connection with any regulatory examination of the Bank or in accordance with the Bank's regulatory compliance policy if the Bank deems necessary for the mitigation of claims by those authorities against the Bank or any of its subsidiaries or Affiliates. For purposes of this Section, "Information" means all information received from the Borrower or any Subsidiary thereof relating to the Borrower or any Subsidiary thereof or any of their respective businesses, other than any such information that is available to the Bank on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary thereof; *provided* that, in the case of information received from the Borrower or any Subsidiary thereof after the date hereof, such information is clearly identified at the time of delivery as confidential. 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.

Section 9.22. EMMA Postings. In the event the Borrower files with EMMA, this Agreement, any other Related Document, or any description of the material terms hereof or thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, either voluntarily or as required pursuant a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule 15c2-12*") (each such posting, an "*EMMA Posting*"), the Borrower shall (i) provide the Bank with a copy of each EMMA Posting prior to submitting or posting on EMMA and (ii) shall not file or permit the filing of any EMMA Posting that includes Confidential Information. The Borrower acknowledges and agrees that although the Bank may request review, edits or redactions of such materials prior to filing, the Bank is not responsible for the Borrower's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule 15c2-12.

Section 9.23. US QFC Stay Rules.

(a) *Recognition of U.S. Resolution Regimes.* In the event that any party that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of

this Agreement or any other Related Document (and any interest and obligation in or under this Agreement or any other Related Document and any property securing this Agreement) from such Covered Entity will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement or any other Related Document (and any such interest, obligation and property) were governed by the laws of the United States or a state of the United States. In the event that any party that is a Covered Entity or a BHC Act Affiliate of such party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights against such party with respect to this Agreement or any Related Document are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement or such Related Document were governed by the laws of the United States or a state of the United States. The requirements of this paragraph (a) apply notwithstanding the provisions of paragraph (b).

(b) *Limitation on the Exercise of Certain Rights Related to Affiliate Insolvency Proceedings.* Notwithstanding anything to the contrary in this Agreement or any other Related Document, but subject to the requirements of paragraph (a), no party to this Agreement shall be permitted to exercise any Default Right against a party that is a Covered Entity with respect to this Agreement or any other Related Document that is related, directly or indirectly, to a BHC Act Affiliate of such Covered Entity becoming subject to Insolvency Proceedings, except to the extent the exercise of such Default Right would be permitted under 12 C.F.R. § 252.84, 12 C.F.R. § 47.5, or 12 C.F.R. § 382.4, as applicable. After a BHC Act Affiliate of a party that is a Covered Entity has become subject to Insolvency Proceedings, any party that seeks to exercise a Default Right against such Covered Entity with respect to this Agreement shall have the burden of proof, by clear and convincing evidence, that the exercise of such Default Right is permitted hereunder.

(c) *Defined Terms.* As used in this Section 9.23:

“*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.

“*Insolvency Proceeding*” means a receivership, insolvency, liquidation, resolution, or similar proceeding.

“*U.S. Special Resolution Regime*” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

Section 9.25. No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Related Document), the Borrower acknowledges and agrees that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Related Documents provided by the Bank or any Affiliate of the Bank are arm’s length commercial transactions between the Borrower on the one hand, and the Bank and any Affiliate of the Bank on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and the Related Documents; (b)(i) the Bank and each Affiliate of the Bank is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any other Person and (ii) neither the Bank nor any Affiliate of the Bank has any obligation to the Borrower with respect to the transactions contemplated by this Agreement and the Related Documents, except those obligations expressly set forth herein; and (c) the Bank and each Affiliate of the Bank may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, and neither the Bank nor any Affiliate of the Bank has any obligation to disclose any of such interests to the Borrower. To the fullest extent permitted by Applicable Laws, the Borrower hereby waives and release any claims that it may have against the Bank and each Affiliate of the Bank with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of the transactions contemplated by this Agreement and the Related Documents.

[Signature Page to Follow]

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

GUAM WATERWORKS AUTHORITY

By: _____
Name: _____
Title: _____

ROYAL BANK OF CANADA

By: _____

Name: _____

Title: _____

EXHIBIT A

FORM OF NOTICE OF BORROWING

Date: _____, _____

Royal Bank of Canada
3 World Financial Center, 200 Vesey Street
New York, NY 40281
Attention: Laurent Mastey
Telephone: (212) 428-6534
Email: Laurent.mastey@rbccm.com

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbcnewyorkgla3@rbc.com; junhee.park@rbccm.com

Ladies and Gentlemen:

This irrevocable Notice of Borrowing is delivered to you pursuant to Section 2.4 of that certain Revolving Credit Agreement dated as of September [___], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Guam Waterworks Authority(the “*Borrower*”) and Royal Bank of Canada, acting through a branch now located at 200 Vesey Street, New York, New York (together with its successors or assigns, the “*Bank*”). Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Credit Agreement. The Borrower requests that the Bank make Loans to the Borrower as specified below:

1. The Business Day of the proposed borrowing is _____, ____.
2. The aggregate amount of the proposed borrowing is \$_____.
3. The Loan is to be comprised of \$_____ of **[Daily Simple SOFR Loans][Base Rate Loans]**.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed borrowing, before and after giving effect thereto and to the application of the proceeds therefrom:

- (a) the representations and warranties contained in Section 4 of the Credit Agreement are true and correct in all material respects; and
- (b) no Default or Event of Default shall have occurred and be continuing on the date hereof or after giving effect to the Loans to be made on the date hereof.

WITNESS my hand on this ____ day of _____, 20__.

GUAM WATERWORKS AUTHORITY

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF NOTICE OF ACCOUNT DESIGNATION

Dated as of: _____, ____

Royal Bank of Canada
3 World Financial Center, 200 Vesey Street
New York, NY 40281
Attention: Laurent Mastey
Telephone: (212) 428-6534
Email: Laurent.mastey@rbccm.com

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbccnewyorkgla3@rbc.com; junhee.park@rbccm.com

Ladies and Gentlemen:

This Notice of Account Designation is delivered to you pursuant to that certain Revolving Credit Agreement dated as of September [], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Guam Waterworks Authority(the “*Borrower*”) and Royal Bank of Canada, acting through a branch now located at 200 Vesey Street, New York, New York (together with its successors or assigns, the “*Bank*”). Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Credit Agreement.

1. The Bank is hereby authorized to disburse proceeds from Loans into the following account(s):

ABA Routing Number: _____
Account Number: _____
[City, State]

2. This authorization shall remain in effect until revoked or until a subsequent Notice of Account Designation is provided to the Bank.

WITNESS my hand on this ____ day of _____, 20__.

GUAM WATERWORKS AUTHORITY

By: _____

Name: _____

Title: _____

EXHIBIT C

FORM OF NOTICE OF PREPAYMENT

Royal Bank of Canada
3 World Financial Center, 200 Vesey Street
New York, NY 40281
Attention: Laurent Mastey
Telephone: (212) 428-6534
Email: Laurent.mastey@rbccm.com

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbcnewyorkgla3@rbc.com; junhee.park@rbccm.com

Ladies and Gentlemen:

This irrevocable Notice of Prepayment is delivered to you pursuant to Section 2.5(c) of that certain Revolving Credit Agreement dated as of September [], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Guam Waterworks Authority(the “*Borrower*”) and Royal Bank of Canada, acting through a branch now located at 200 Vesey Street, New York, New York (together with its successors or assigns, the “*Bank*”). Capitalized terms used herein and not defined herein shall have the meanings assigned thereto in the Credit Agreement.

1. The Borrower hereby gives notice that on _____, _____ it will make a prepayment under the Credit Agreement in the aggregate principal amount of _____ Dollars (\$_____).

2. The Loans and the amounts of such Loans to be prepaid are **[check each applicable box and fill in the amount of each Loan being prepaid]**

☐ Daily Simple SOFR Loans (\$_____)

☐ Base Rate Loans (\$_____)

WITNESS my hand on this ____ day of _____, 20__.

GUAM WATERWORKS AUTHORITY

By: _____

Name: _____

Title: _____

EXHIBIT D

FORM OF NOTICE OF CONVERSION

Dated as of: _____

Royal Bank of Canada
3 World Financial Center, 200 Vesey Street
New York, NY 40281
Attention: Laurent Mastey
Telephone: (212) 428-6534
Email: Laurent.mastey@rbccm.com

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbcnewyorkgla3@rbc.com; junhee.park@rbccm.com

Ladies and Gentlemen:

This irrevocable Notice of Conversion (this “*Notice*”) is delivered to you pursuant to Section 2.4(c) of that certain Revolving Credit Agreement dated as of September [], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between Guam Waterworks Authority (the “*Borrower*”) and Royal Bank of Canada, acting through a branch now located at 200 Vesey Street, New York, New York (together with its successors or assigns, the “*Bank*”). Capitalized terms used but not defined herein shall have the respective meanings assigned thereto in the Credit Agreement.

This Notice is submitted for the purpose of: (Check one and complete applicable information in accordance with the Credit Agreement)

- ☐ CONVERTING ALL OR A PORTION OF A BORROWING OF DAILY SIMPLE SOFR LOANS AS BASE RATE LOANS
- ☐ CONVERTING ALL OR A PORTION OF A BORROWING OF BASE RATE LOANS AS DAILY SIMPLE SOFR LOANS¹

¹ Subject to Section 2.10 of the Credit Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Notice of Conversion on
_____, ____.

GUAM WATERWORKS AUTHORITY

By: _____
Name: _____
Title: _____

EXHIBIT E

FORM OF COMPLIANCE CERTIFICATE
[___ QUARTER 20___] [FISCAL YEAR END 20___]

Royal Bank of Canada
3 World Financial Center, 200 Vesey Street
New York, NY 40281
Attention: Laurent Mastey
Telephone: (212) 428-6534
Email: Laurent.mastey@rbccm.com

with a copy to:

Royal Bank of Canada
155 Wellington Street W
Toronto, Ontario M5V 3K7
Attn: Junhee Park
Email: rbcnewyorkgla3@rbc.com; junhee.park@rbccm.com

I am the chief financial officer of Guam Waterworks Authority (the “*Borrower*”) and under the terms of that certain Revolving Credit Agreement dated as of September [___], 2025 (as amended, restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), between the Bank and the Borrower, I certify that:

1. The attached financial statements of the Borrower from _____, 20__ through _____, 20__ are true and correct and have been accurately prepared in accordance with GAAP **[and are fairly stated in all material respects (subject to normal year-end audit adjustments) consistently with the Borrower’s most recent annual financial statement]**; and

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his/her supervision, a review of the transactions and condition (financial or otherwise) of the Borrower during the accounting period covered by the attached financial statements.

3. A review of the activities of the Borrower during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the Borrower performed and observed all its Obligations under the Related Documents, and

[select one:]

[to the best knowledge of the undersigned during such fiscal period, the Borrower performed and observed each covenant and condition of the Related Documents applicable to it, and no Default or Event of Default has occurred and is continuing.]

--or--

[the following covenants or conditions have not been performed or observed and the following is a list of each such Default or Event of Default and its nature and status:]

4. The representations and warranties of the Borrower contained in Section 4 of the Agreement are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this Certificate, the representations and warranties contained in Section 4.4 of the Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 6.1(i)(a) of the Agreement, including the statements in connection with which this Certificate is delivered.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (*e.g.* “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____,
_____.

GUAM WATERWORKS AUTHORITY

By: _____
Its: _____

ATTACHMENT B

GUAM WATERWORKS AUTHORITY

and

BANK OF GUAM,
as Trustee,

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Co-Trustee

THIRTEENTH SUPPLEMENTAL INDENTURE

Dated as of [September] 1, 2025

Relating to

Up to \$75,000,000

Guam Waterworks Authority
Water and Wastewater System Revenue Bonds
Series 2025B

[Revolving Credit Agreement, dated as of September __, 2025]

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THIS THIRTEENTH SUPPLEMENTAL INDENTURE, made and entered into and dated as of [September] 1, 2025, by and among the GUAM WATERWORKS AUTHORITY, a duly organized public corporation of the government of Guam (the “Authority”), BANK OF GUAM, a domestic banking corporation duly organized and existing under and by virtue of the laws of Guam, having a corporate trust office in Guam, and being qualified to accept and administer the trusts hereby created and to do business within Guam, as trustee (the “Trustee”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America and qualified to accept and administer the trusts hereby created, as co-trustee (the “Co-Trustee”),

W I T N E S S E T H:

WHEREAS, pursuant to Article 2, Chapter 14 of Title 12 of the Guam Code Annotated (the “Act”), the Authority is authorized to issue and sell revenue bonds to raise funds for the purpose of acquiring, constructing, improving, equipping, maintaining, repairing, renewing, replacing, reconstructing or insuring the System (as defined in the Indenture), or any part thereof, or for the purpose of refunding any such bonds or any other prior obligations of the Authority, or for any combination of such purposes;

WHEREAS, the Authority has determined to issue revenue bonds for such purposes and to that end has duly entered into that certain Indenture, dated as of December 1, 2005 (the “Indenture”), between the Authority and the Trustee, to secure the payment of the principal thereof and the interest and premium, if any, thereon, and the observance of the covenants and conditions therein contained;

WHEREAS, Article 2, Chapter 14, Title 12 of the Guam Code Annotated and Public Law No. 37-103 (together, the “Act”) authorizes the Authority to obtain financial assistance from commercial banks in one or more series of loans pursuant to one or more credit agreements to fund Authority project costs, as well we to provide liquidity and/or credit support in connection with the issuance of commercial paper or other instruments of indebtedness, in accordance with and subject to the requirements and limitations set forth in the Act; and

WHEREAS, the Authority intends to enter into the Revolving Credit Agreement (the “Credit Agreement”), between the Authority and Royal Bank of Canada, acting through a branch located at 200 Vesey Street, New York, New York (the “Bank”); and

WHEREAS, the Authority intends that its repayment obligations under the credit Agreements be secured by a pledge of Revenues (as defined under the Indenture) on a parity basis to the Bonds;

WHEREAS, the Authority desires to designate the Credit Agreement as a Parity Payment Agreement (as defined in the Indenture) under the Indenture;

WHEREAS, it is now desirable and necessary and in the best interests of the Authority to authorize the issuance of not exceed \$75,000,000 aggregate principal amount of Bonds further designated as “Series 2025B Bonds” (the “Series 2025B Bonds”) issued pursuant to the Indenture and the Credit Agreement to raise funds for the purposes of financing the Series 2025B Project (as defined herein), making a deposit into the Bond Reserve Fund, and paying costs of issuance;

WHEREAS, pursuant to and subject to the terms and conditions set forth in Public Law No. 37-103, the Legislature of Guam, as required by the GEDA Law (as defined herein) approved the terms and conditions of the execution and delivery of the Credit Agreement;

WHEREAS, the Guam Economic Development Authority has approved the execution and delivery of the Credit Agreement and related matters as required by the GEDA Law;

WHEREAS, all acts, conditions and things required by the laws of the United States of America and the laws of Guam to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of the Credit Agreement exist, have happened, and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to issue said Bonds for the purpose, in the manner and upon the terms herein provided;

WHEREAS, no Event of Default (as defined in the Indenture) has occurred or is now occurring; and

NOW, THEREFORE, THIS THIRTEENTH SUPPLEMENTAL INDENTURE WITNESSETH, in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Series 2025B Bonds by the owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee and the Co-Trustee as follows:

ARTICLE LVII

DEFINITIONS

SECTION 57.01 Definitions. Unless the context otherwise requires, the terms defined in the Indenture shall, for all purposes of this Supplemental Indenture and of any certificate, opinion or other document herein mentioned, have the meanings specified in the Indenture.

In addition, unless the context otherwise requires, the terms defined in this Section shall for all purposes of the Indenture and this Supplemental Indenture and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Bond Reserve Fund Amendments” shall have the meaning given such term in the Twelfth Supplemental Indenture.

[bond terms to be revised]

“Bond Year” means, with respect to the Series 2025B Bonds, the period of twelve consecutive months ending on August 6 of each year if Series 2025B Bonds are or will be Outstanding in such twelve-month period. The first Bond Year shall commence on the date of delivery of the Series 2025B Bonds and end on _____, 2026.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Final Transition Date” shall have the meaning given such term in the Twelfth Supplemental Indenture.

“GEDA Law” means Section 50103(k) of Title 12, Guam Code Annotated, as in effect as of the dated date hereof and as may be amended from time to time.

“Interim Transition Date” shall have the meaning given such term in the Twelfth Supplemental Indenture.

“Series 2025B Bonds” means the not to exceed \$75,00,000 aggregate principal amount of Guam Waterworks Authority Water and Wastewater System Revenue Bonds, Series 2025B.

“Series 2025B Construction Account” means the account by such name as established by Section 55.03(a) hereof.

“Series 2025B Costs of Issuance Account” means the account by such name as established by Section 55.03(a) hereof.

“Series 2025B Project” means, with respect to the Series 2025B Bonds, the acquisition, construction, improvement, equipping, maintenance, repair, renewal, replacement and reconstruction of those certain parts of the System to be funded with proceeds of the Series 2025B Bonds.

“Series 2025B Rebate Account” means the account by such name as established by Section 56.01 hereof.

“Series 2025B Serial Bonds” means the Series 2025B Bonds designated as Serial Bonds by Section 54.02, and for which no Mandatory Sinking Account Payments are provided.

“Series 2025B Term Bonds” means the Series 2025B Bonds designated as Term Bonds by Section 54.02, and for which Mandatory Sinking Account Payments are provided.

“Twelfth Supplemental Indenture” means the Twelfth Supplemental Indenture (2025 Prospective General Indenture), dated as of August 1, 2025, among the Authority, the Trustee and the Co-Trustee, which Twelfth Supplemental Indenture amends and restates the Indenture to the extent provided therein (a) in part, as of the Interim Transition Date and (b) in full, from and after the Final Transition Date.

ARTICLE LVIII

AUTHORIZATION AND TERMS OF THE SERIES 2025B BONDS

SECTION 58.01 Authorization of Series 2025B Bonds. One Series of Bonds further designated as the “Guam Waterworks Authority Water and Wastewater System Revenue Bonds Series 2025B” is hereby authorized and created under the Act to raise funds for the Project Costs of the Series 2025B Project, including to pay the Costs of Issuance of the Series 2025B Bonds, and to make a deposit into the Bond Reserve Fund. The aggregate principal amount of Series 2025B Bonds which may be issued and Outstanding under this Supplemental Indenture shall not exceed \$75,000,000. The Series 2025B Bonds shall be treated as a single Series under the Indenture.

SECTION 58.02 Terms of Series 2025B Bonds; Appointments; Designations.

[bond terms to be modified]

(a) The Series 2025B Bonds shall be issued as fully registered Bonds without coupons in the denominations of \$5,000 or any integral multiple thereof. The Series 2025B Bonds shall be dated their date of delivery, and interest thereon (based on a 360-day year of twelve thirty-day months) shall be payable on January 1 and July 1 of each year, commencing _____ 1, 20__ (each, an “Interest Payment Date” for the Series 2025B Bonds).

(b) The Series 2025B Bonds shall mature on the dates and in the amounts and shall bear interest at the rates per annum specified in the following table:

Maturity Date (July 1)	Principal Amount	Interest Rate
---------------------------	---------------------	------------------

(c) The Series 2025B Bonds maturing on July 1, 20__ and July 1, 20__ are Term Bonds.

(d) The Principal Payment Period for the Series 2025B Bonds shall be the twelve calendar months next preceding each maturity date or Mandatory Sinking Account Payment date for such Bonds.

(e) The Record Date for all scheduled payments of principal of and interest on the Series 2025B Bonds shall be the 15th day of the calendar month next preceding the date each such payment is due, whether or not such 15th day is a Business Day.

(f) The Co-Trustee is hereby appointed Paying Agent for the Series 2025B Bonds and Registrar for the Series 2025B Bonds, and the Co-Trustee's corporate trust office in Los Angeles, California, is hereby designated as the Principal Office of the Co-Trustee, except that for surrender and payment of Series 2025B Bonds, the Principal Office of the Paying Agent shall be in St. Paul, Minnesota. The Trustee is hereby appointed Depositary for the Series 2025B Construction Account and the Series 2025B Costs of Issuance Account.

(g) The principal of and premium, if any, on each Series 2025B Bond shall be payable in lawful money of the United States of America to the Owner of such Bond, upon the surrender of such Bond at the Principal Office of any Paying Agent for such Bond. The interest on each Series 2025B Bond shall be payable in like lawful money to the person whose name appears on the bond registration books of the Registrar for such Bond as the Owner of such Bond as of the close of business on the Record Date for such Bond preceding the Interest Payment Date, whether or not such Record Date is a Business Day, such interest to be paid by check or mailed by first class mail to such Owner at such address as appears on such registration books or at such address as such Owner may have filed with the Registrar for that purpose. Upon the written request of a registered owner of one million dollars (\$1,000,000) or more in aggregate principal amount of Series 2025B Bonds, payment of interest on and principal (including Redemption Price) of such Bonds shall be made by wire transfer from the Paying Agent to the registered owner of such Bonds. Any such principal payment by wire transfer shall nevertheless be subject to prior surrender of the Series 2025B Bonds

with respect to which such payment is made. Each payment of interest or principal on Series 2025B Bonds, whether by check, draft or wire transfer, shall be accompanied by information specifying for each maturity of such Bonds with respect to which such payment is being made, the amount and the CUSIP number (if available).

(h) Each Series 2025B Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the Record Date preceding any Interest Payment Date to the Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before _____ 15, 20__, in which event it shall bear interest from its date of delivery; provided, however, that if, at the time of authentication of any Series 2025B Bond, interest is in default on Outstanding Bonds of such Series, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the Outstanding Bonds of such Series.

(i) The Series 2025B Bonds shall be subject to redemption as provided in Section 54.03.

(j) The Registrar for the Series 2025B Bonds shall assign each Series 2025B Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof which shall be available to the Authority for inspection.

(k) The Series 2025B Bonds, the Registrar's certificate of authentication and registration and the form of assignment to appear thereon shall be in substantially the forms set forth in Exhibit A hereto, with necessary or appropriate variations, omissions and insertions as permitted or required by this Indenture.

(l) The Credit Agreement is hereby designated as a Parity Payment Agreement under the Indenture relating to the Series 2025B Bonds.

SECTION 58.03 Terms of Redemption of the Series 2025B Bonds.

[to be modified]

(a) Extraordinary Optional Redemption. The Series 2025B Bonds are subject to redemption on any date prior to their respective stated maturities, as a whole, or in part so that the reduction in Annual Debt Service for the Series 2025B Bonds for each Bond Year after such redemption shall be as nearly proportional as practicable, from and to the extent of proceeds received by the Authority due to a governmental taking of the System or portions thereof by eminent domain proceedings, if such amounts are not used for additions, improvements or extensions to the System, under the circumstances and upon the conditions and terms set forth in the Indenture, at the greater of par or Amortized Value, plus accrued interest to the date fixed for redemption, without premium. "Amortized Value" means on any interest payment date, the then current value of the bond amortizing the original issue premium over the period ending on the first call date using the constant yield method.

(b) Optional Redemption. The Series 2025B Bonds maturing on or after July 1, 20__ are subject to redemption prior to their respective stated maturities, at the option of the Authority, from any source of available moneys, on any date on or after July 1, 20__, as a whole, or in part by such maturities or portions of maturities as shall be determined by the Authority (or by lot within a maturity in the absence of such a determination), at a redemption price equal to the principal amount

of each Series 2025B Bond called for redemption plus interest accrued to the date fixed for redemption, without premium.

(c) Mandatory Sinking Account Redemption. The Series 2025B Bonds maturing on July 1, 20__ are subject to redemption prior to their stated maturity in part, by lot, from Mandatory Sinking Account Payments, commencing July 1, 20__, at a redemption price equal to their principal amount, plus accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the amounts, as set forth below:

<u>Date</u>	<u>Amount</u>
-------------	---------------

†Final maturity.

(d) Mandatory Sinking Account Redemption. The Series 2025B Bonds maturing on July 1, 20__ are subject to redemption prior to their stated maturity in part, by lot, from Mandatory Sinking Account Payments, commencing July 1, 20__, at a redemption price equal to their principal amount, plus accrued interest thereon to the date fixed for redemption, without premium, on the dates and in the amounts, as set forth below:

<u>Date</u>	<u>Amount</u>
-------------	---------------

†Final maturity.

SECTION 58.04 Special Covenants as to Book-Entry Only System for Series 2025B Bonds.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 58.04, all of the Series 2025B Bonds initially issued shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), or such other nominee as DTC shall request pursuant to the Representation Letter. Payment of the interest on any Series 2025B Bond registered in the name of Cede & Co. shall be made on each interest payment date for such Series 2025B Bonds to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) The Series 2025B Bonds initially shall be issued in the form of a single authenticated fully registered bond for each stated maturity of such Series 2025B Bonds, representing the aggregate principal amount of the Series 2025B Bonds of such maturity. Upon initial issuance, the ownership of the Series 2025B Bonds shall be registered in the registration records maintained by the Registrar pursuant to Section 2.05 hereof in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee, the Co-Trustee, the Registrar, the Authority and any paying agent may treat DTC (or its nominee) as the sole

and exclusive owner of the Series 2025B Bonds registered in its name for the purposes of payment of the principal or redemption price of and interest on such Series 2025B Bonds, selecting the Series 2025B Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondowners hereunder, registering the transfer of Series 2025B Bonds, obtaining any consent or other action to be taken by Bondowners of the Series 2025B Bonds and for all other purposes whatsoever; and the Trustee, the Co-Trustee, the Registrar, the Authority and any paying agent shall not be affected by any notice to the contrary. Neither the Trustee, the Co-Trustee, the Authority nor any paying agent shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 58.04, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the Series 2025B Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Bondowner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Series 2025B Bonds, (iii) any notice which is permitted or required to be given to Holders of Series 2025B Bonds hereunder, (iv) the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 2025B Bonds, or (v) any consent given or other action taken by DTC as Holder of Series 2025B Bonds. The Paying Agent shall pay all principal of and premium, if any, and interest on the Series 2025B Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the principal of and premium, if any, and interest on the Series 2025B Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee and Co-Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Series 2025B Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section 58.04.

(c) In the event that the Authority elects to discontinue the book-entry system for any Series 2025B Bonds, the Trustee shall, upon the written instruction of the Authority, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of bond certificates. In such event, such Series 2025B Bonds will be transferable in accordance with subsection (f) of this Section 58.04. DTC may determine to discontinue providing its services with respect to the Series 2025B Bonds at any time by giving written notice of such discontinuance to the Authority or the Trustee and Co-Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, the Series 2025B Bonds will be transferable in accordance with subsection (f) of this Section 58.04. Whenever DTC requests the Authority, the Trustee and the Co-Trustee to do so, the Trustee, the Co-Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the Series 2025B Bonds then Outstanding. In such event, the Series 2025B Bonds will be transferable to such securities depository in accordance with subsection (f) of this Section 58.04, and thereafter, all references in this Supplemental Indenture to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Supplemental Indenture to the contrary, so long as all Series 2025B Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on each such Series 2025B Bond and all notices with respect to each such Series 2025B Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Co-Trustee is hereby authorized and requested to execute and deliver the Representation Letter and, in connection with any successor nominee for DTC or any successor

depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Supplemental Indenture.

(f) In the event that any transfer or exchange of Series 2025B Bonds is authorized under subsection (b) or (c) of this Section 58.04, such transfer or exchange shall be accomplished upon receipt by the Registrar from the registered owner thereof of the Series 2025B Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Sections 2.03 and 2.04 of the Indenture. In the event Series 2025B Bond certificates are issued to Holders other than Cede & Co., its successor as nominee for DTC as holder of all the Series 2025B Bonds, another securities depository as holder of all the Series 2025B Bonds, or the nominee of such successor securities depository, the provisions of Sections 2.03 and 2.04 of the Indenture shall also apply to, among other things, the registration, exchange and transfer of the Series 2025B Bonds and the method of payment of principal of, premium, if any, and interest on the Series 2025B Bonds.

SECTION 58.05 Waiver of Brokerage Confirmations. The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or another applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Co-Trustee shall furnish the Authority and the Trustee periodic cash transaction statements which shall include detail for all investment transactions made by the Co-Trustee.

ARTICLE LIX

ISSUANCE OF SERIES 2025B BONDS; APPLICATION OF PROCEEDS; FUNDS AND ACCOUNTS

SECTION 59.01 Issuance of Series 2025B Bonds. At any time after the execution and delivery of this Thirteenth Supplemental Indenture, the Authority may sell and execute and the Registrar for the Series 2025B Bonds shall authenticate and, upon the Order of the Authority, deliver the Series 2025B Bonds in an aggregate principal amount not to exceed \$75,000,000.

SECTION 59.02 Application of Proceeds of Series 2025B Bonds and Other Moneys. The net proceeds received by the Authority from the sale of the Series 2025B Bonds in the amount of \$_____, together with a cash contribution from the Authority in the amount of \$563,070.00, shall be deposited with the Trustee, who shall forthwith transfer or apply such proceeds and cash contribution in the following manner, as directed by a Request of the Authority:

(a) The Trustee shall deposit in the Series 2025B Construction Account the amount of \$_____;

(b) the Trustee shall deposit in the Series 2025B Costs of Issuance Account proceeds of the Series 2025B Bonds in the amount of \$_____ plus the Authority's cash contribution in the amount of \$_____;

(c) the Trustee shall transfer to the Co-Trustee, for deposit in the Bond Reserve Fund, the amount of \$_____, which shall bring the total amount on deposit therein to at least \$_____, such amount being equal to the Bond Reserve Requirement.

SECTION 59.03 Establishment of Funds and Accounts for Series 2025B Bonds;
Debt Service Fund; Bond Reserve Fund.

(a) *Series 2025B Construction Account; Series 2025B Costs of Issuance Account.*

(i) To ensure the proper application of such portion of proceeds from the sale of the Series 2025B Bonds to be applied to pay Project Costs of the Series 2025B Project, there is hereby established within the Construction Fund the “Series 2025B Construction Account” which shall be held by the Trustee as Depositary therefor. The monies set aside and placed in the Series 2025B Construction Account to be applied to the Project Costs of the Series 2025B Project shall be expended for the purposes of the Series 2025B Project and shall not be used for any other purpose whatsoever.

(ii) To ensure the proper application of such portion of proceeds from the sale of the Series 2025B Bonds to be applied to pay Costs of Issuance of the Series 2025B Bonds, there is hereby established within the Series 2025B Construction Account the “Series 2025B Costs of Issuance Account” which shall be held by the Trustee as Depositary therefor. Any funds that remain on deposit in the Series 2025B Costs of Issuance Account 180 days after the Closing Date shall be transferred and deposited or otherwise allocated to the Series 2025B Construction Account and applied to Project Costs of the Series 2025B Project, and thereafter the Series 2025B Costs of Issuance Account shall be closed.

(iii) Except as otherwise provided herein, before any payment from the Series 2025B Construction Account or the Series 2025B Costs of Issuance Account therein shall be made by the Depositary, the Authority shall file or cause to be filed with the Depositary a requisition of the Authority (each a “Requisition”), such Requisition to be signed by the Chairperson or the General Manager or by any other officer of the Authority duly authorized by resolution of the Board for that purpose and to include (1) the item number of such payment; (2) the name and address of the person to whom each such payment is due, which may be the Authority in the case of reimbursement for costs theretofore paid by the Authority; (3) the respective amounts to be paid; (4) the purpose by general classification for which each obligation to be paid was incurred; and (5) that obligations in the stated amounts have been incurred by the Authority and are presently due and payable and that each item thereof is a proper charge against the Series 2025B Construction Account or the Series 2025B Costs of Issuance Account, as specified, and has not been previously paid from said Account.

(iv) When the Authority determines that the Series 2025B Project has been completed, a Certificate of the Authority shall be delivered to the Depositary by the Authority stating: (1) the fact and date of such completion; (2) that all of the Project Costs of the Series 2025B Project have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the Series 2025B Construction Account is to be maintained in the full amount of such claims until such dispute is resolved); and (3) that the Depositary is to transfer the remaining balance in the Series 2025B Construction Account, less the amount of any such retention, to the Co-Trustee for deposit to the Bond Reserve Fund, to the extent of any deficiency therein, and then to the Debt Service Fund.

(b) *Debt Service Fund; Bond Reserve Fund.* As provided in Section 5.05 of the Indenture, the Series 2025B Bonds shall be payable from the Debt Service Fund, and, in accordance with Section 5.06 of the Indenture, the Series 2025B Bonds shall be secured by the Bond Reserve Fund. Pursuant to Section 5.06 of the Indenture, to the extent that moneys in the Bond Reserve Fund exceed the Bond Reserve Fund Requirement, income derived from the investment of the proceeds of the Series 2025B Bonds in the Bond Reserve Fund prior to the completion of the Series 2025B Project shall be deposited in the Series 2025B Construction Account; otherwise such income shall be transferred and deposited in the Revenue Fund.

(c) The Series 2025B Rebate Account shall be established as provided in Section 56.01 hereof.

ARTICLE LX

TAX COVENANTS

SECTION 60.01 Series 2025B Rebate Account.

(A) The Trustee, as Depositary for the Revenue Fund, shall establish and maintain within the Rebate Fund a separate subaccount designated as the “Series 2025B Rebate Account.” There shall be deposited in the Series 2025B Rebate Account from amounts in the Operation and Maintenance Fund or other lawfully available moneys such amounts as are required to be deposited therein pursuant to the Tax Certificate delivered by the Authority in connection with the issuance of the Series 2025B Bonds. All money at any time deposited in the Series 2025B Rebate Account shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement for the Series 2025B Bonds (as defined in such Tax Certificate), for payment to the United States of America, and the United States of America is hereby granted a first lien on such money until such payment. All amounts required to be deposited into or on deposit in the Series 2025B Rebate Account shall be governed exclusively by this Section and by such Tax Certificate (which is incorporated herein by reference).

In the event that the amount in the Series 2025B Rebate Account exceeds the Rebate Requirement for the Series 2025B Bonds, upon the Request of the Authority, the Trustee shall transfer the excess from the Series 2025B Rebate Account to the Revenue Fund.

(B) Notwithstanding any provisions of this Section, if the Authority shall provide to the Trustee an opinion of Bond Counsel that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on any Series of Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section, and, notwithstanding Article IX of the Indenture, the covenants hereunder shall be deemed to be modified to that extent.

SECTION 60.02 Tax Covenants for Series 2025B Bonds. (A) The Authority intends that interest on the Series 2025B Bonds be excluded from gross income for federal income tax purposes, that the Series 2025B Bonds and the interest thereon be exempt from taxation by any state or political subdivision or the District of Columbia and that interest on the Series 2025B Bonds not be treated as a specific preference item for purposes of the federal individual and corporate alternative minimum taxes. The Authority reserves the right to determine the desired tax status of any additional Series of Bonds.

(B) The Authority shall not use or permit the use of any proceeds of the Series 2025B Bonds or any other funds of the Authority, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the Authority in any manner, and shall not take or permit to be taken any other action or actions, which would cause any such Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(C) The Authority shall at all times do and perform all acts and things permitted by law and this Indenture which are necessary or desirable in order to assure that interest paid on the Series 2025B Bonds (or on any of them) shall be excluded from gross income for federal income tax purposes

and that interest paid on the Series 2025B Bonds shall not be treated as a specific preference item for purposes of the federal individual and corporate alternative minimum taxes.

IN WITNESS WHEREOF, the GUAM WATERWORKS AUTHORITY has caused this Thirteenth Supplemental Indenture to be signed in its name by its duly authorized officers; and BANK OF GUAM and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of their acceptance of the respective trusts created hereunder, and being hereby appointed by the GUAM WATERWORKS AUTHORITY to such trusts, have caused this Thirteenth Supplemental Indenture to be signed in their respective corporate names by one of their authorized officers, all as of the day and year first above written.

GUAM WATERWORKS AUTHORITY

By _____
Chairperson of the Board

By _____
General Manager

Thirteenth Supplemental Indenture – Guam Waterworks Authority

BANK OF GUAM, as Trustee

By _____
Authorized Officer

Thirteenth Supplemental Indenture – Guam Waterworks Authority

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Co-Trustee

By _____
Authorized Officer

Thirteenth Supplemental Indenture – Guam Waterworks Authority

The undersigned U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, hereby accepts and agrees to perform the duties and obligations of Registrar and Paying Agent under this Eleventh Supplemental Indenture.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Registrar and Paying Agent

By _____
Authorized Officer

The undersigned ROYAL BANK OF CANADA, by its purchase of the Series 2025B Bonds, hereby agrees and gives its consent that on and after the Interim Transition Date and until (but not including) the Final Transition Date, the terms and conditions of the Twelfth Supplemental Indenture except for the Bond Reserve Fund Amendments shall control, and on and after the Final Transition Date, the terms and conditions of the Twelfth Supplemental Indenture shall constitute a full amendment and complete restatement of the Indenture, subject to the terms and limitations of the Twelfth Supplemental Indenture (including Section 11.16(B) thereof).

ROYAL BANK OF CANADA

By: _____

Name: _____

Title: _____

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Thirteenth Supplemental Indenture – Guam Waterworks Authority

The undersigned BANK OF GUAM, hereby accepts and agrees to perform the duties and obligations of Depositary for the Series 2025B Construction Account and the Series 2025B Costs of Issuance Account under this Thirteenth Supplemental Indenture.

BANK OF GUAM, as Depositary

By _____
Authorized Officer

Thirteenth Supplemental Indenture – Guam Waterworks Authority

EXHIBIT A

FORM OF BOND

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-_____ \$ _____

GUAM WATERWORKS AUTHORITY
WATER AND WASTEWATER SYSTEM REVENUE BOND
SERIES 2025B

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
_____%	July 1, 20__	_____, 2025	40065F__

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

The GUAM WATERWORKS AUTHORITY, a duly organized public corporation of the government of Guam (herein called the "Authority"), for value received, hereby promises to pay (but only out of the Revenues pledged therefor as hereinafter mentioned) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter mentioned), the principal sum specified above in lawful money of the United States of America; and to pay interest thereon, in like lawful money and solely from said Revenues, from the Interest Payment Date next preceding the date of authentication of this Bond unless this Bond is authenticated as of a day during the period from the Record Date preceding any Interest Payment Date to the Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or before _____ 15, 202_, in which event it shall bear interest from its date of delivery, until payment of such principal sum shall be discharged as provided in the indenture hereinafter mentioned, at the interest rate specified above per annum, payable on January 1 and July 1 in each year, commencing _____ 1, 20__; provided, however, that if, at the time of authentication of this Bond, interest is in default hereon, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment. The principal (or redemption price) hereof is payable upon surrender hereof at the Principal Office of U.S. Bank Trust Company, National Association (herein called the "Paying Agent") in St. Paul, Minnesota (or such other office as may be subsequently designated), and the interest hereon is payable by check or draft mailed by first class mail to the person in whose name this Bond is registered at the close of business on the fifteenth day of the month immediately preceding an interest payment date, at such person's address as it appears on the bond registration books of U.S. Bank Trust Company, National Association (herein called the "Registrar"). Upon the written request of a registered owner of \$1,000,000 or more in aggregate principal amount of Series 2025B Bonds, payment of interest on and principal (including redemption price) of such Bonds will be made by wire transfer as provided in the Indenture; provided that any such principal payment shall nevertheless be subject to prior surrender of the Series 2025B Bonds with respect to which such payment is made.

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Guam Waterworks Authority Water and Wastewater System Revenue Bonds" (herein called the

“Bonds”), unlimited in aggregate principal amount, except as otherwise provided in the laws of the United States of America and the government of Guam and in the Indenture hereinafter mentioned, which issue of Bonds consists or may consist of one or more Series of varying dates, maturities, interest rates, and redemption and other provisions, all issued or to be issued pursuant to Article 2, Chapter 14 of Title 12 of the Guam Code Annotated, as amended, and that certain Indenture, dated as of December 1, 2005 (as heretofore and hereafter supplemented and amended, the “Indenture”), by and between the Authority, Bank of Guam, as trustee (herein called the “Trustee”) and U.S. Bank Trust Company, National Association, as co-trustee (herein called the “Co-Trustee”). This Bond is also one of a duly authorized series of Bonds additionally designated “Series 2025B” (herein called the “Series 2025B Bonds”), in the aggregate principal amount of not to exceed Seventy-Five Million Dollars (\$75,000,000), all issued under the provisions of the Indenture and the Thirteenth Supplemental Indenture, dated as of [September] 1, 2025, by and among the Authority, the Trustee and the Co-Trustee. Reference is hereby made to the Indenture (a copy of which is on file at said office of the Trustee), including all indentures supplemental thereto, for a description of the rights thereunder of the registered owners of the Bonds, of the nature and extent of the security and provisions for payment of the Bonds, of the rights, duties and immunities of the Trustee and other fiduciaries and of the rights and obligations of the Authority thereunder, to all the provisions of which Indenture the registered owner of this Bond, by acceptance hereof, assents and agrees. Any capitalized term used but not separately defined in this Bond shall have the meaning given such term in the Indenture.

The Bonds and the interest thereon (to the extent set forth in the Indenture) are payable solely from Revenues (as that term is defined in the Indenture) pledged as provided in the Indenture. Subject only to the provisions of the Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth therein, said Revenues are pledged under the Indenture to secure the payment of the principal of, premium, if any, and interest on the Bonds in accordance with their terms and the provisions of the Indenture and the payment of Credit Agreement Payments and Parity Payment Agreement Payments in accordance with their terms.

The Series 2025B Bonds are subject to redemption on any date prior to their respective stated maturities, as a whole, or in part so that the reduction in Annual Debt Service for the Series 2025B Bonds for each Bond Year after such redemption shall be as nearly proportional as practicable, from and to the extent of proceeds received by the Authority due to a governmental taking of the System or portions thereof by eminent domain proceedings, if such amounts are not used for additions, improvements or extensions to the System, under the circumstances and upon the conditions and terms set forth in the Indenture, at the greater of par or Amortized Value, plus accrued interest to the date fixed for redemption, without premium. “Amortized Value” means on any interest payment date, the then current value of the bond amortizing the original issue premium over the period ending on the first call date using the constant yield method.

The Series 2025B Bonds maturing on or after July 1, 20__ are subject to redemption prior to their respective stated maturities, at the option of the Authority, from any source of available moneys, on any date on or after July 1, 20__, as a whole, or in part by such maturities or portions of maturities as shall be determined by the Authority (or by lot within a maturity in the absence of such a determination), at a redemption price equal to the principal amount of each Series 2025B Bond called for redemption plus interest accrued to the date fixed for redemption, without premium.

The Series 2025B Bonds maturing on July 1, 20__ and July 1, 20__ are subject to redemption prior to their stated maturity in part, by lot, from Mandatory Sinking Account Payments, commencing July 1, 20__ and July 1, 20__, respectively, on the dates and at a redemption price equal to the Mandatory Sinking Account Payment amount for such date set forth in the Indenture, plus accrued interest thereon to the date fixed for redemption, without premium.

Notice of any redemption, identifying the Bonds or portions thereof to be redeemed, shall be given by the Registrar not less than 30 nor more than 60 days before the date fixed for redemption by first class mail to each of the registered owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Registrar on the date the Bonds to be redeemed are selected. Receipt of such notice by such registered owners shall not be a condition precedent to such redemption.

If this Bond is called for redemption and payment is duly provided herefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Series 2025B Bonds are issuable only in fully registered form in denominations of \$5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, this Bond may be exchanged, at the Principal Office of the Registrar, in St. Paul, Minnesota, or such other office as the Registrar shall designate, for a new fully registered Bond or Bonds, of the same Series, maturity and tenor and of any authorized denomination or denominations and for the aggregate principal amount of this Bond then remaining outstanding.

This Bond is transferable by the registered owner hereof, in person or by its attorney duly authorized in writing, at said office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds, of the same Series and maturity and of any authorized denomination or denominations and for the same aggregate principal amount of this Bond then remaining outstanding, will be issued to the transferee in exchange therefor. The Registrar shall not be required to register the transfer of this Bond during the period established by the Trustee for the selection of Bonds for redemption or at any time after selection of this Bond for redemption.

The Authority, the Trustee, the Paying Agent and the Registrar may treat the registered owner hereof as the absolute owner hereof for all purposes, and neither the Authority, the Paying Agent nor the Registrar shall be affected by any notice to the contrary.

The Indenture and the rights and obligations of the Authority, the registered owners of the Bonds, the Trustee, the Registrar and other fiduciaries may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, provided that no such modification or amendment shall (a) extend the fixed maturities of the Bonds, or extend the time for making any Mandatory Sinking Account Payments, or reduce the rate of interest thereon, or extend the time of payment of interest, or reduce the amount of principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the Owner of each Bond so affected, (b) reduce the aforesaid percentage of Owners of Bonds whose consent is required for the execution of any amendment or modification of this Indenture or permit the creation of any lien on the Revenues prior to or on a parity with the lien created by this Indenture or deprive the Owners of the Bonds of the lien created by this Indenture upon such Revenues, without in each case the consent of the Owners of all of the Bonds then Outstanding.

The Bonds are limited obligations of the Authority, payable solely from and secured by a pledge of the Revenues as provided in the Indenture. The Bonds are not a legal or equitable pledge, charge, lien or encumbrance upon any property of the Authority or upon any of its income, receipts or revenues except the Revenues pledged to the payment thereof as provided in the Indenture.

Neither the Government of Guam nor any political subdivision thereof is obligated to pay the principal of, Redemption Price, if applicable, or interest on the Bonds, except from Revenues, and

neither the Authority, the Government of Guam nor any political subdivision thereof has pledged its faith or credit to the payment of the principal of, redemption price, if applicable, or interest on the Bonds.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Registrar.

It is hereby certified and recited that any and all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by the laws of the United States of America and the government of Guam, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by such laws, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

The Owners of the Series 2025B Bonds by their purchase of the Series 2025B Bonds agree and give their consent that on and after the Interim Transition Date (as defined in that certain Twelfth Supplemental Indenture (2025 Prospective General Indenture), dated as of [September] 1, 2025, among the Authority, the Trustee and the Co-Trustee (the “Twelfth Supplemental Indenture”)) and until (but not including) the Final Transition Date (as defined in the Twelfth Supplemental Indenture), the terms and conditions of the Twelfth Supplemental Indenture except for the Bond Reserve Fund Amendments (as defined in the Twelfth Supplemental Indenture) shall control, and on and after the Final Transition Date, the terms and conditions of the Twelfth Supplemental Indenture shall constitute a full amendment and complete restatement of the Indenture, subject to the terms and limitations of the Twelfth Supplemental Indenture (including Section 11.16(B) thereof). Notwithstanding Section 9.01 of the Indenture, no notice of the proposed execution of the Twelfth Supplemental Indenture need be mailed or otherwise provided to any such Owner.

IN WITNESS WHEREOF, the GUAM WATERWORKS AUTHORITY has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of the Chairman of the Consolidated Commission on Utilities and the Chief Financial Officer of the Authority, all as of the dated date first set forth above.

GUAM WATERWORKS AUTHORITY

By _____
Chairman of the Board of Directors

By _____
Chief Financial Officer

[FORM OF] CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Indenture, which has been registered as of _____.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Registrar

By _____
Authorized Officer

[FORM OF] ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) attorney, to transfer the same on the books of the Registrar with full power of substitution in the premises.

Dated: _____

NOTICE: The signature on this Assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Social Security Number, Taxpayer Identification Number or other Identifying Number of Assignee:

Notice: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Note: Transfer fees must be paid to the Registrar in order to transfer or exchange this bond as provided in the within-mentioned Indenture.

Guam Waterworks Authority
Preliminary Revolving Credit Facility Term Sheet – Subject to Change



This Summary of Terms and Conditions (this “Summary”) has been prepared for convenience of discussion and reference purposes only. This Summary is not an exhaustive description of the terms and conditions, which will be set out in the Revolver. In the event of a conflict between this Summary and the Revolver, the latter shall govern.

This Summary has not been credit approved and does not represent a commitment to finance. Any commitment will be subject to credit, business, and legal approval and the Bank shall have no commitment hereunder until such time as the Bank provides a definitive commitment letter or Royal Bank of Canada shall enter into the hereinafter defined Facility. The terms and conditions of this proposal are not intended to be a comprehensive list of those the Bank may reasonably require and the Bank reserves the right, in its sole discretion, to modify or supplement terms considered reasonable and customary for transactions of this nature. This Summary is for the confidential use of Guam Waterworks Authority, its advisors, legal counsel, and Royal Bank of Canada and is not to be disclosed or distributed to or summarized for in whole or in part, to any third party without the prior consent of Royal Bank of Canada.

Borrower:	Guam Waterworks Authority (“GWA” or the “Borrower”).
Purpose:	Proceeds will be used for short-term financing of various capital projects.
Credit Facility:	Revolving line of credit facility (“Revolver”, “Facility”).
Facility Provider:	Royal Bank of Canada (“RBC” or the “Bank”).
Commitment Amount:	From \$XX,000,000 to \$75,000,000 under which the Bank will make one or more loans to the Borrower (the “Loans”). Final amount of Revolver TBD based on final due diligence and credit approval by the Bank.
Facility Term:	2 years (the “Maturity Date”). All draws outstanding are due at the 2 year maturity of the Revolver.
Term Out:	None.
Security:	Security for the Revolver shall be a senior lien of GWA revenues on parity with other bonds.
Facility Fee:	75bps at GWA’s current rating of Baa2/A-/BBB. Should GWA’s rating fall to BBB+ by S&P, the Facility Fee will be increased by an additional 15bps. A downgrade to BBB by S&P will result in an additional 15bps increase in the Facility Fee. A downgrade to BBB- by S&P will result in an additional 25bps increase in the Facility Fee. An Event of Default will occur if either: (1) any rating (Moody’s S&P, or Fitch) is downgraded to below Baa3, BBB-, or BBB-; (2) if all 3 ratings fall to Baa3, BBB-, BBB-. In addition, should the rating assigned to any rating be withdrawn or suspended or should an Event of Default occur under the Facility, the Facility Fee shall increase to the Default Interest Rate.
Interest Rate on Loans:	SOFR + 125bps at GWA’s current rating of Baa2 / A- / BBB. Should GWA’s rating fall to BBB+ by S&P, the Interest Rate will be increased by an additional 25bps. A downgrade to BBB by S&P will result in an additional 25bps increase in the Interest Rate. A downgrade to BBB- by S&P will result in an additional 50bps increase in the Interest Rate. An Event of Default will occur if either: (1) any rating (Moody’s S&P, or Fitch) is downgraded to below Baa3, BBB-, or BBB-; (2) if all 3 ratings fall to Baa3, BBB-, BBB-. Should the rating by any of the rating agencies be withdrawn or suspended for credit related reasons or should an event of default occur under the Revolver, the Interest Rate on the Loans will increase to the Default Rate. RBC upon receipt of a draw, may deliver a written notice (a “<i>Delayed Funding Notice</i>”) to GWA of its intention to fund the related Advance (such amount, the “<i>Delayed Amount</i>”) on a date (the date of such funding, the “<i>Delayed Funding Date</i>”) that is on or before the thirty (31st) day following the date of such Advance Request.

Drawing Fee:	\$500. Drawing Fees are payable on the date of drawing and shall be payable with respect to each Draw under the Revolving Credit Facility.
Base Rate:	Base rate equals the highest of: (i) RBC's publicly announced Prime Rate; (ii) the Federal Funds Rate + 3.0%; and (iii) 9.0%.
Default Interest Rate:	The Base Rate plus 4.0%.
Financial Covenants:	GWA shall at all times fix, prescribe and collect rates, fees and charges in connection with the services furnished by the System which will be sufficient to yield the sum of Net Revenues during each Fiscal Year equal to at least 1.25 times the Aggregate Annual Debt Service for such Fiscal Year (including, without limitation, all outstanding obligations under the Revolver other than the obligation to pay the purchase price of the Bonds on the Mandatory Tender Date but including the obligation to pay the redemption price of the Bonds on the Mandatory Tender Date if the purchase price is not paid on such date) and to yield Revenues during each Fiscal Year equal to at least the aggregate amount of all transfers required by Section 5.02(A) through (E) of the Indenture for such Fiscal Year. GWA shall not issue or incur any Senior Bonds, any Parity Payment Agreements or any Credit Agreement Payments unless such issuance or incurrence of such Senior Bonds, Parity Payment Agreements and/or Credit Agreement Payments, as applicable, complies with the terms and conditions of the Indenture (including, without limitation, Sections 3.04 and 3.05 of the Indenture) and on or prior to the date on which Debt secured by the Revenues is to be issued or incurred, RBC shall receive certification from GWA as to compliance with the rate covenant set forth in the Revolver after giving effect to the issuance of such Debt.
CPs / Covenants / EoDs / R&Ws / Other T&Cs:	The Revolver will contain the terms and conditions outlined in RBC's response to GWA's request for proposals as well as the Bank's standard provisions for a facility of this type. RBC reserves the right to request additional terms and conditions to be mutually agreed upon with GWA. The Bank will require additional specific terms with respect to the ongoing Core Tech International litigation related to the Northern District wastewater treatment plant.
Remedies:	Remedies for Events of Default shall be those customary for transactions of this nature, including termination of the Facility, termination of the commitment, causing a mandatory tender of the Bonds, which must be redeemed in full if the purchase price of the Bonds is not paid in full on the Mandatory Tender Date. The Bank will retain any other available remedies at law, in equity or by contract.
Expiry of Term Sheet:	[June 9] , 2025, as may be extended by RBC in its sole discretion.
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