



October 15, 2019

ADDENDUM TO MEMBER DIRECTIVE

WHEREAS, on February 22, 2019 the City of Lake Worth Beach, formerly known as the City of Lake Worth (the "City"), issued a directive (the "Directive") to authorize Florida Gas Utility ("FGU") to sell natural gas, bundled with firm FGT transportation capacity to Peninsula Energy Services Company ("PESCO") on behalf of the City under the terms and conditions contained therein (the "Transaction"); and

WHEREAS, PESCO desires to assign the Transaction to Gas South, LLC effective as soon as practicable (the "Assignment"), and per the terms of the Transaction, has requested that FGU consent to such Assignment; and

WHEREAS, Gas South, LLC is willing to accept the terms of the Transaction, including the credit support requirements contained therein, pursuant to which it has posted an irrevocable letter of credit issued by Sun Trust Bank and effective as of the date of the Assignment ("Letter of Credit"); and

WHEREAS, FGU and the City agree and accept the Letter of Credit, which is issued in an amount sufficient to cover (i) two full calendar months of FGU's contract exposure to Gas South, LLC plus (ii) six-months of FGT FTS-2 reservation charges for the City's FGT capacity, in satisfaction of the credit support requirements of the Transaction; and

WHEREAS, the City desires to add to its Directive the authorization for FGU to consent to the Assignment; and

WHEREAS, the City acknowledges that, other than the obligation to pay for natural gas delivered to PESCO prior to the effective date of the Assignment, the obligations of PESCO to perform under the Transaction will be discharged upon the effective date of the Assignment and neither PESCO nor its parent company Chesapeake Utilities Corporation will have any further obligations under the Transaction;

NOW THEREFORE, the City hereby issues this Addendum to its February 22, 2019 Directive for the purpose of authorizing FGU to consent to and execute the Assignment as described herein.

\_\_\_\_\_  
Authorized Signature – Lake Worth Beach

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

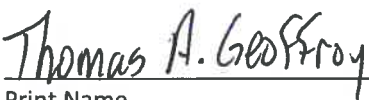
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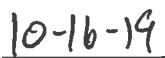
\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

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Date

  
Authorized Signature - FGU  
*DAW*

  
Print Name

  
Date