

Schedule 1 to Operations Company Security Agreement  
dated as of September 3, 2015  
by and between KENTUCKYWIRED OPERATIONS COMPANY, LLC  
and  
U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent

Operations Co's mailing address, jurisdiction of organization and organizational ID number  
(Section 4(c))

Historical Matters (Section 4(c))

Address of Operations Co's Chief Executive Office and Principal Place of Business  
(Section 4(a))

All other Locations where Operations Co conducts Business or where Collateral is kept  
(Section 4(a))

Locations of Books, etc. (Section 4(b))

Inventory Matters (Section 4(h))

Intellectual Property (Section 4(i))

Patents

Patent Applications

Patent Licenses

Copyrights

Copyright Applications

Trademarks and Service marks

Trade Names

Applications for Registration of Trademarks, Service Marks and Trade Names

Licenses

Securities Accounts (Section 4(i))

Investment Property (Section 4(j))

Instruments (Section 4(i))

Chattel Paper (Section 4(j))

Letter-of-Credit Rights (Section 4(l))

Commercial Tort Claims (Section 4(m))

B-1

**EXHIBIT B**  
**PLEDGE AGREEMENT**

OPERATIONS CO PLEDGE AGREEMENT

Dated as of September 3, 2015

between

KENTUCKYWIRED OPERATIONS HOLDING COMPANY, LLC, as Pledgor

and

U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent

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THIS PLEDGE AGREEMENT (as amended, supplemented, amended and restated or otherwise modified from time to time, this "Agreement"), dated as of September 3, 2015, is made by and between KENTUCKYWIREED OPERATIONS HOLDING COMPANY, LLC, a Delaware limited liability company ("Pledgor") and U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent (in such capacity, together with its successors in such capacity, "Collateral Agent") for the benefit of the Secured Parties, as hereinafter defined.

### RECITALS

WHEREAS, Pledgor is the sole member of KentuckyWired Operations Company, LLC, a Delaware limited liability company ("Operations Co");

WHEREAS, pursuant to that certain Senior Indenture of Trust, dated as of September 1, 2015 (as amended, supplemented, amended and restated and/or otherwise modified from time to time, the "Senior Indenture") between the Kentucky Economic Development Finance Authority, a public body corporate and politic, constituting an instrumentality of the Commonwealth of Kentucky, as Issuer ("Issuer") and U.S. Bank National Association, as trustee, Issuer has authorized the issuance of \$\_\_\_\_\_ aggregate principal amount of Kentucky Economic Development Finance Authority Senior Revenue Bonds (Next Generation Kentucky Information Highway Project), Series 2015A and Taxable Senior Revenue Bonds (Next Generation Kentucky Information Highway Project), Series 2015B, the proceeds from the sale of which will be loaned to Borrower pursuant to the terms of that certain Senior Loan Agreement (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Senior Loan Agreement"), dated as of September 1, 2015, between Issuer and Borrower, to be used to finance a portion of the costs of the Project, as hereinafter defined;

WHEREAS, pursuant to that certain Subordinate Indenture of Trust, dated as of September 1, 2015 (as amended, supplemented and/or otherwise modified from time to time, the "Subordinate Indenture"), (a) the Issuer has authorized the issuance of not to exceed \$\_\_\_\_\_ Kentucky Economic Development Finance Authority Subordinate Revenue Bonds (Next Generation Kentucky Information Highway Project), Series 2015C, the proceeds from the sale of which will be loaned to the Borrower pursuant to the terms of a Subordinate Loan Agreement (as amended, supplemented and/or otherwise modified from time to time, the "Subordinate Loan Agreement"), dated as of September 1, 2015, between the Issuer and the Borrower, to be used to finance a portion of the costs of the Project and (b) the Subordinate Bonds Trustee, on behalf of the Subordinate Secured Parties, has subordinated the Subordinate Secured Obligations and all liens securing the Subordinate Secured Obligations to the payment in full of the Senior Secured Obligations in the manner and to the extent set forth in this Agreement and the Subordinate Indenture;

WHEREAS, pursuant to that certain Project Implementation Agreement (as amended, supplemented and/or otherwise modified from time to time, the "Implementation Agreement"), dated as of September 3, 2015, Borrower has contracted with Operations Co to, among other things, implement Borrower's obligations with respect to the Project pursuant to the Project Agreement and manage the obligations undertaken by the Design-Builder and the Service Provider, respectively, pursuant to the terms of the Design-Build Agreement and Services Contract, respectively;

WHEREAS, Pledgor, through Operations Co and the Implementation Agreement, will derive substantial direct and indirect benefit from the financing arrangements referenced in these recitals; and

WHEREAS, in consideration for the rights granted to Operations Co pursuant to the Implementation Agreement, and as a condition precedent to the above-described financing transactions, Pledgor has agreed to secure the Secured Obligations (as defined herein) as set forth herein.

### AGREEMENT

NOW THEREFORE, in consideration of the foregoing, and other good and valid consideration, the receipt and adequacy of which are hereby expressly acknowledged, the parties hereto agree as follows:

#### Section 1. Definitions; Interpretation.

(a) Terms Defined in Collateral Agency Agreement. All capitalized terms used in this Agreement but not otherwise defined herein shall have the respective meanings set forth in Exhibit A to the Collateral Agency and Account Agreement dated as of September 1, 2015 among Borrower, the Senior Bonds Trustee, as defined therein, the Subordinate Bonds Trustee, as defined therein, the Securities Intermediary, as defined therein and Collateral Agent (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Collateral Agency Agreement").

(b) Certain Defined Terms. As used in this Agreement, terms defined in the preamble and recitals hereto shall have the meanings set forth therein and the following terms shall have the following meanings:

"Books" means all books, Records and other written, electronic or other documentation in whatever form maintained now or hereafter, including: (i) ledgers; (ii) Records indicating, summarizing, or evidencing assets, business operations or financial condition; (iii) computer programs and software; (iv) computer discs, tapes, files, manuals, and spreadsheets; (v) computer printouts and output of whatever kind; (vi) any other computer prepared or electronically stored, collected or reported information and equipment of any kind; and (vii) any and all other rights now or hereafter arising out of any contract or agreement with any service bureau, computer or data processing company or other Person charged with preparing or maintaining any books or Records or with credit reporting.

"Certificates" means any and all certificates, documents and instruments which evidence Pledged Collateral.

"Instrument" has the meaning given such term in Section 9-102 of the UCC.

"Operations Co Financing Default" has the meaning given to such term in the Collateral Agency Agreement.

"Organizational Documents" means the Certificate of Formation and Limited Liability Company Agreement of Operations Co, as the same may be amended, supplemented, amended and restated or otherwise modified from time to time in accordance with the Financing Documents.

"Payment Intangible" has the meaning given such term in Section 9-102 of the UCC.

"Pledged Collateral" has the meaning set forth in Section 2 of this Agreement.

"Pledged Indebtedness" has the meaning set forth in Section 2 of this Agreement.

"Pledged Interests" has the meaning set forth in Section 2 of this Agreement.

"Proceeds" means all proceeds, as such term is defined in Section 9-102 of the UCC.

"Promissory Note" means any and all promissory notes, as such term is defined in Section 9-102 of the UCC.

"Records" has the meaning given such term in Section 9-102 of the UCC.

"Secured Obligations" means all obligations of Operations Co under the Implementation Agreement, the Financing Documents to which it is a party and the Material Project Contracts to which it is a party.

"Securities" means all securities, as such term is defined in Section 8-102 of the UCC, and all stock, shares, partnership interests, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire any of the foregoing.

"Supporting Obligations" means all supporting obligations, as such term is defined in Section 9-102 of the UCC.

"UCC" means the Uniform Commercial Code from time to time in effect in the State of New York or, as the context may require, the State of Delaware or, as the context may require, in effect in the State or States in which any Pledged Collateral is located.

(c) Interpretation. This Agreement and all terms and provisions hereof shall be liberally construed to provide to the Collateral Agent, for the benefit of the Secured Parties, the collateral security provided for herein. For purposes of this Agreement, except as otherwise expressly provided and except where the context otherwise requires: (i) the incorporation by reference of definitions or other terms from other agreements shall survive any termination of such agreements until this Agreement is terminated as provided in Section 26 hereof; (ii) any of the terms defined herein may be used in the singular or the plural, depending on the reference; (iii) references in this Agreement to any Article, Section, Schedule or Exhibit shall be to an Article, Section, Schedule or Exhibit, as the case may be, of this Agreement unless otherwise specifically provided; (iv) the use in this Agreement of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter; (v) the terms lease and license shall include sub-lease and sub-license, as applicable; (vi) all references in this Agreement to provisions of the UCC shall

include all successor provisions under any subsequent version or amendment to the UCC; (vii) the words "herein," "hereof," "hereto," "hereby," "hereunder" and other words of similar import in this Agreement refer to this Agreement as a whole and not to any particular Article, Section or other subdivision; and, if this Agreement has been amended, such words shall refer to this Agreement as so amended; (viii) the term "money" includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder; and (ix) all references to any contract or agreement in this Agreement shall include all amendments, supplements and modifications thereto.

## Section 2. Pledge.

(a) Pledge. As security for the full and prompt payment and performance when due of the Secured Obligations, Pledgor hereby pledges, collaterally assigns, and grants to the Collateral Agent for the benefit of the Secured Parties a lien on and continuing first priority Security Interest in, all of Pledgor's right, title and interest in, to and under the following, whether now owned or hereafter acquired by Pledgor and whether now or hereafter existing and wherever located (all of Pledgor's right, title and interest in, to and under the following, whether now owned or hereafter acquired and whether now or hereafter existing and wherever located, collectively the "Pledged Collateral"):

(i) all of its (A) ownership or profit interests, Securities or shares of capital stock in or issued by Operations Co, of whatever class or character, whether voting or nonvoting and whether or not outstanding on any date of determination, (B) claims, powers, privileges, benefits, remedies, voting rights, options or rights of any nature whatsoever now existing or which hereafter may be issued or granted by Operations Co to Pledgor while this Agreement is in effect, (C) all ownership or profit interests, Securities, shares of capital stock, moneys or property representing dividends or interest on any of the items described in this paragraph, or representing a distribution in respect of the same, or resulting from a split-up, revision, reclassification or other like change of any of the same or otherwise received in exchange therefor, and any warrants, rights or options issued to the holders of, or otherwise in respect of, the same and (D) all options, warrants and rights to acquire, exercisable for or exchangeable or convertible into any of the items described in clause (A), (B), (C) or (D) of this definition and all income, dividends (cash and non-cash), distributions (cash and non-cash), cash, securities, instruments, stock splits, reclassifications, rights, subscription warrants and other property or proceeds from time to time received, receivable or otherwise distributed or issued to the holders of, in respect of, or in exchange for, all or any part of the foregoing and all Certificates evidencing all or any part of the foregoing or ownership of the same, including, as of the date hereof, the shares of stock of Operations Co evidenced by the Certificate issued to Pledgor identified in Schedule 1 hereto, and all Proceeds of all of the foregoing (collectively, the "Pledged Interests"); provided, however, that, without affecting the obligations of Pledgor under any provision prohibiting such action hereunder or under the Financing Documents, in the event of any consolidation or merger in which Operations Co is not the surviving entity, all limited liability company interest or other ownership, membership or profit interests, Securities or shares of capital stock in or issued by the successor entity formed by or resulting from such consolidation or merger, of whatever class or character, whether voting or nonvoting and whether or not outstanding on any date of determination, shall also constitute Pledged Interests under this Agreement;

(ii) any Indebtedness owed to Pledgor by Operations Co from time to time, now existing or hereafter arising, whether as a result of "shareholder loans" or "member loans" or otherwise, including any Instruments or Payment Intangibles evidencing or relating to such Indebtedness (collectively, the "Pledged Indebtedness");

(iii) all right, title and interest of Pledgor in, to and under any policy of insurance payable by reason of loss or damage to the Pledged Interests or Pledged Indebtedness; and

(iv) all Proceeds, products and accessions and additions of and to, and substitutions for, any and all of the property of Pledgor described in the preceding clauses of this Section 2 (including all causes of action, claims and warranties now or hereafter held by Pledgor in respect of any of the items listed above), including whatever is received upon any sale, exchange, collection or other disposition of any of the Pledged Interests, and any property into which any of the Pledged Interests are converted, whether cash or non-cash proceeds, and any and all other amounts paid or payable under or in respect of any of the Pledged Interests, and any and all Proceeds, Certificates, and, to the extent related to any property described in said clauses or such Proceeds, all Books;

provided, however, that any and all amounts paid or distributed to the Pledgor in accordance with the Financing Documents shall be free of the Security Interests granted and created herein upon, from and after such payment or distribution.

(b) Continuing Assignment and Security Interest. This Agreement shall create a continuing assignment of and security interest in the Pledged Collateral and shall (i) remain in full force and effect until the payment and satisfaction in full of the Secured Obligations, (ii) be binding upon Pledgor, its successors and assigns, and (iii) inure, together with the rights and remedies of the Collateral Agent hereunder, to the benefit of the Collateral Agent, for the benefit of the Secured Parties.

(c) Security Interest Absolute. All rights of the Collateral Agent and the security interests hereunder, and all obligations of Pledgor hereunder, shall be absolute and unconditional irrespective of: (i) any lack of validity or enforceability of the Financing Documents or any agreement or instrument relating thereto; (ii) the failure of the Collateral Agent (A) to assert any claim or demand or to enforce any right or remedy against Borrower, any affiliate of Borrower, Operations Co, any Pledgor or any other Person under the provisions of the Financing Documents or otherwise or (B) to exercise any right or remedy against any other guarantor of, or collateral securing, any of the Secured Obligations; (iii) any change in the time, manner or place of payment or performance of, or in any other term of the Secured Obligations (including any increase in the amount thereof), or any other amendment or waiver of or any consent to any departure from the Financing Documents; (iv) any reduction, limitation, impairment or termination of any of the Secured Obligations for any reason other than the payment or performance in full thereof or the written agreement of the Collateral Agent to reduce or terminate the Secured Obligations in full, but including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to, and Pledgor hereby waives any right to or claim of, any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting (other than the repayment or performance in full of), any Secured Obligation; (v) any amendment to, rescission, waiver, or other modification of,

or any consent to departure from, any of the terms of the Financing Documents; (vi) any exchange, surrender, release or non-perfection of any Pledged Collateral, or any release, amendment or waiver or addition of or consent to departure from any security interest held by the Collateral Agent securing any of the Secured Obligations; (vii) any bankruptcy or insolvency of Operations Co, Pledgor or any other Person; or (viii) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Pledgor (other than the defense of payment).

Section 3. Security for Secured Obligations. The Security Interest granted under this Agreement secures, and the Pledged Collateral is collateral security for, the prompt and complete payment and performance in full when due of all of the Secured Obligations now existing or hereafter arising.

Section 4. Representations and Warranties. Pledgor hereby represents and warrants as of the date hereof and as of the Financial Close as follows:

(a) Pledged Interests; Pledged Indebtedness; Ownership. As of the date of this Agreement, the Pledged Interests evidenced by the Certificates identified in Schedule 1 hereto constitute, and from and after the date hereof, the Pledged Interests pledged hereunder will at all times constitute, all of the issued and outstanding shares of stock or other ownership interests of any class or character of Operations Co and constitute all of Pledgor's interest in Operations Co. The Pledged Interests as of the date of this Agreement are described on Schedule 1 attached hereto. Pledgor is the record and beneficial owner of the Pledged Interests as of the Closing Date. There is no Pledged Indebtedness as of the Closing Date.

(b) No Outstanding Warrants, Options, Etc. There are no outstanding warrants, options or other rights to purchase, or other agreements outstanding with respect to, or property that is now or hereafter convertible into, or that requires the issuance or sale of, any Pledged Interests.

(c) Creation; Perfection.

(i) This Agreement creates a valid and enforceable Security Interest in the Pledged Collateral securing the Secured Obligations. Upon the delivery to Collateral Agent pursuant to this Agreement of the Certificates evidencing the Pledged Interests, together with stock or transfer powers relating thereto duly executed in blank, the Security Interest granted pursuant to this Agreement will constitute a perfected first priority Security Interest on and security interest in the Pledged Interests enforceable as such against all creditors of Pledgor and any Persons purporting to purchase any Pledged Interests from Pledgor. The Pledged Collateral is not subject to any Security Interests other than the Security Interest created by this Agreement and Permitted Security Interests. Pledgor has requested that the pledge and grant of a security interest in the Pledged Collateral be duly registered on the books and records of Operations Co, and Operations Co has duly registered such pledge and grant of a security interest on its books and records.

(ii) On the date hereof and at all times hereafter, the Pledged Interests will constitute securities governed by Article 8 of the UCC.

(iii) On the date hereof, for purposes of "control" under UCC Section 9-106(a) and UCC Section 8-106(b)(1), the Pledged Interests are a "certificated security in registered form" as defined in UCC Section 8-102(4) and (13), and have been delivered to the Collateral Agent, together with an undated stock or transfer power covering each such Certificate duly executed in blank in the form of Exhibit B attached hereto.

(d) Organization, Etc. Pledgor is a limited liability company duly formed, validly existing, and in good standing under the laws of the State of Delaware, and has all requisite power and authority to own its assets and to transact the business in which it is now engaged or proposed to be engaged in.

(i) Schedule 2 attached hereto correctly sets forth Pledgor's full and correct legal name, type of organization, jurisdiction of organization, organizational number, if any, and chief executive office as of the date hereof.

(ii) Pledgor has not previously (except as permitted hereunder) (A) changed its location (as defined in Section 9-307 of the UCC), (B) changed its name, or (C) become a "new debtor" (as defined in the UCC) with respect to a currently effective security agreement entered into by another Person.

(e) Power to Pledge. Pledgor has the full power and authority to pledge all of the Pledged Collateral pursuant to this Agreement and to execute and deliver this Agreement and perform its obligations hereunder.

(f) Enforceability. The execution, delivery and performance by Pledgor of this Agreement have been duly authorized by all necessary action of Pledgor. This Agreement has been duly executed and delivered by Pledgor and constitutes the legal, valid and binding obligation of Pledgor, enforceable against Pledgor in accordance with its terms, except as the enforceability hereof may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by the application of general principles of equity (regardless of whether such proceeding is considered in a proceeding in equity or at law).

(g) No Governmental Approvals; No Other Approvals. Other than (x) the filing of financing statements in the office of the Delaware Secretary of State with respect to the perfection of the security interest created hereunder, (y) the approval of the members of Pledgor, which have been obtained as of the date hereof and (z) any consent of the Authority or the Borrower to the extent required by the Project Agreement and/or the Implementation Agreement in respect of any such matters, no consent, authorization, approval, or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or any other Person (including, without limitation, any stockholder or creditor of Pledgor or Operations Co) is required for (i) the grant by Pledgor of the Security Interest granted hereby, (ii) the perfection of the Security Interest created hereby, (iii) the execution, delivery or performance by Pledgor of this Agreement and the transactions contemplated hereby or (iv) the exercise by the Collateral Agent of the rights and remedies hereunder including, without limitation, the assignment and transfer by Pledgor of any of the Collateral to, or at the direction of, Collateral Agent or the subsequent transfer thereof by Collateral Agent pursuant to the terms hereof.

(h) No Conflicts. The execution, delivery, and performance by Pledgor of this Agreement and the transactions contemplated hereby do not and will not (i) contravene the certificate of formation or limited liability company agreement of Pledgor or the Organizational Documents; (ii) violate or cause Pledgor to violate any Law in effect on the date hereof; (iii) cause or result in a breach of or constitute a default under any indenture or loan or credit agreement or any other agreement, lease, or instrument to which Pledgor or Operations Co is a party or by which either of them or their properties may be bound or affected, except as could not reasonably be expected to have a Material Adverse Effect; or (iv) result in, or require, the creation or imposition of any Security Interest upon or with respect to any of the properties now owned or hereafter acquired by Pledgor (except the Security Interests created by this Agreement and Permitted Security Interests).

(i) No Proceedings. There is no pending or, to the knowledge of Pledgor after due inquiry, threatened action or proceeding at law or in equity against or affecting Pledgor or Operations Co before any court, arbitrator or any other Governmental Authority which may, individually or in the aggregate, materially adversely affect the ability of Pledgor to perform its obligations under this Agreement.

(j) Organizational Documents; Certificates. The Organizational Documents, true and correct copies of which have been certified to Collateral Agent by Operations Co on the date hereof, contain the entire agreement of Operations Co with respect to the subject matter thereof. Other than the Certificates which have been delivered to Collateral Agent by Pledgor hereunder, as of the date hereof, there exist no certificates, instruments or writings representing any Pledged Interests. On the date hereof, the Pledged Interests evidenced by the Certificate issued to Pledgor and identified in Schedule 1 hereto are, and during the term hereof all other Pledged Interests will be, duly authorized, validly issued, fully paid and non-assessable.

Section 5. Further Assurances; Covenants. In furtherance of the grant of the pledge and security interest pursuant to Section 2 hereof, Pledgor hereby agrees with the Collateral Agent until the payment and satisfaction in full of the Secured Obligations as follows:

(a) Pledgor shall, if any interests, shares, securities, monies, property, options, rights or other assets required to be pledged by Pledgor under Section 2 hereof are received by Pledgor and are "certificated securities" as defined in UCC Section 8-102(4), forthwith (i) immediately transfer and deliver to the Collateral Agent such interests, shares of stock or securities so received by Pledgor (together with delivery of the Certificates for any such membership interests, shares and securities, each duly endorsed in blank or accompanied by undated stock or transfer powers or assignments of membership interest, as applicable, duly executed in blank), all of which thereafter shall be held by the Collateral Agent in accordance with the terms hereof as part of the Pledged Collateral, (ii) if requested by the Collateral Agent, file a financing statement(s) in the office of the Delaware Secretary of State with respect to the perfection of the security interest in such Pledged Collateral, and (iii) take such other action as the Collateral Agent shall deem necessary or shall reasonably deem appropriate in order to ensure the validity, perfection and first priority of the Security Interest created hereunder in such interests, shares, securities, monies, property, options, rights or other assets referred to in such Section 2.

(b) Without limiting the provisions of any Financing Document or of the Organizational Documents requiring ownership interests in Operations Co to be certificated, Pledgor shall, if any interests, shares, securities, monies, property, options, rights or other assets required to be pledged by Pledgor under Section 2 hereof are received by Pledgor and

are "uncertificated securities" as defined in UCC Section 8-102(18), forthwith either (i) enter into an agreement whereby Operations Co agrees to comply with instructions originated by the Collateral Agent without further consent by Pledgor, for purposes of control under UCC Section 8-106(c)(2), (ii) "deliver" the uncertificated security to the Collateral Agent pursuant to UCC Section 8-301(b)(1) by having Operations Co register the Collateral Agent as the registered owner of such security for purposes of control under UCC Section 8-106(c)(1), or (iii) take such other action as the Collateral Agent shall reasonably deem appropriate in order to ensure the validity, perfection and first priority of the Security Interest created hereunder in such interests, shares, securities, monies, property, options, rights or other assets referred to in such Section 2.

(c) From time to time, at the expense of Pledgor, Pledgor will promptly execute and deliver all further instruments and documents, and take all further action, that the Collateral Agent may reasonably request, in order to perfect, ensure the continued perfection of and protect the pledge, assignment and security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to the Pledged Collateral. Without limiting the generality of the foregoing, Pledgor will (i) if any Pledged Collateral shall be evidenced by a promissory note or other instrument, deliver and pledge to the Collateral Agent hereunder such note or instrument duly endorsed or accompanied by duly executed instruments of transfer or assignment, all in form and substance reasonably satisfactory to the Collateral Agent; and (ii) execute and file such financing or continuation statements, or amendments thereto, and such other instruments, endorsements or notices as the Collateral Agent may reasonably request in order to perfect and preserve the assignment and security interest granted or purported to be granted hereby, including, upon the occurrence and during the continuance of an Operations Co Financing Default, causing any or all of the Pledged Collateral to be transferred of record into the name of the Collateral Agent or its nominee.

(d) Pledgor shall keep full and accurate records relating to the Pledged Collateral, which records shall be maintained at its chief executive office set forth on Schedule 2 hereto.

(e) Pledgor shall, promptly upon request, provide to the Collateral Agent all information and evidence that the Collateral Agent may reasonably request concerning the Pledged Collateral to enable the Collateral Agent to enforce the provisions of this Agreement.

(f) Pledgor hereby authorizes the Collateral Agent to file one or more financing or continuation statements, and amendments thereto, or similar documents, relating to all or any part of the Pledged Collateral without the signature of Pledgor in the office of the Delaware Secretary of State and in any other jurisdictions and with any other filing offices as the Collateral Agent may, in its reasonable discretion, determine are necessary or advisable to perfect the security interest granted herein. Such financing statements may describe the Pledged Collateral in the same manner as described herein or may contain an indication or description of Pledged Collateral that describes such property in any other manner as the Collateral Agent may, in its reasonable discretion, determine is advisable or prudent to ensure the perfection of the security interest in the Pledged Collateral granted herein.

(g) Pledgor shall pay all filing, registration and recording fees or refiling, re-registration and re-recording fees, and all expenses incident to the execution and acknowledgment of this Agreement, and all federal, state, county and municipal stamp taxes and other taxes, duties, imports, assessments and charges arising out of or in connection with

the execution and delivery of this Agreement, any agreement supplemental hereto and any instruments or documents delivered pursuant to or in connection with this Agreement.

(h) Pledgor shall permit representatives of the Collateral Agent, upon reasonable notice to (i) inspect and make abstracts from its Books and Records pertaining to the Pledged Collateral, and (ii) except for those relating to dividends, distributions and capital contributions made in accordance with the Collateral Agency Agreement, receive copies of all communications and remittances relating to the Pledged Collateral, all in such manner as the Collateral Agent may reasonably require.

(i) Without the prior express written consent of the Collateral Agent, Pledgor shall not consent to any amendment or repeal of the Organizational Documents, or to the admission of any new stockholder of Operations Co unless (i) in each case, the same is not prohibited by the Organizational Documents or the Project Documents and is not materially adverse to the Secured Parties and (ii) in the case of the admission of a new stockholder, such new stockholder shall become a party to, and agree to be bound by, this Agreement with respect to its respective ownership interests in Operations Co and any of its other assets which would constitute Pledged Collateral hereunder if then held by Pledgor). The Pledgor shall promptly notify the Collateral Agent in writing if for any reason the Pledged Interests shall cease to be Securities for purposes of the UCC in any applicable jurisdiction.

Section 6. Special Provisions Relating to the Pledged Collateral. Pledgor hereby further agrees with the Collateral Agent until the payment and satisfaction in full of the Secured Obligations as follows:

(a) Except as may otherwise be permitted by the Financing Documents, Pledgor shall not cause, suffer or permit the sale, assignment, conveyance, pledge or other transfer of all or any portion of Pledgor's ownership interests in Operations Co or any other portion of the Pledged Collateral. Pledgor shall provide the Collateral Agent with at least fifteen (15) Business Days' prior written notice of any permitted sale, assignment, conveyance, pledge or other transfer of all or any portion of Pledgor's shares of stock in Operations Co or any other portion of the Pledged Collateral. In connection with, and as a condition to the effectiveness of, any permitted sale, assignment, conveyance, pledge or other transfer of all or any portion of Pledgor's shares of stock in Operations Co or any other portion of the Pledged Collateral, the transferee shall execute and deliver to the Collateral Agent a counterpart of this agreement with respect to the Pledged Collateral transferred to it, together with the original membership interest certificate issued to such transferee and duly executed documents in the forms of Exhibit A and Exhibit B hereto.

(b) So long as no Operations Co Financing Default shall have occurred and be continuing, Pledgor shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Pledged Collateral for all purposes, provided that Pledgor agrees that it will not vote the Pledged Collateral, exercise rights or take any other action in any manner that would impair the Security Interest of the Collateral Agent in the Pledged Collateral or the rights of the Collateral Agent therein or with respect thereto or that is inconsistent with the terms of this Agreement or the Financing Documents.

(c) Unless and until an Operations Co Financing Default has occurred and is continuing, Pledgor shall be entitled to receive and retain any and all dividends, distributions, Proceeds and other cash amounts payable under or in respect of the Pledged Collateral in each case to the extent permitted by the Financing Documents.

(d) If any Operations Co Financing Default shall have occurred, then so long as such Operations Co Financing Default shall continue, and whether or not the Collateral Agent exercises any available right to declare any of the Secured Obligations due and payable or seeks or pursues any other relief or remedy available to it under applicable Law or under this Agreement or the Financing Documents, all dividends, distributions, Proceeds and other cash amounts payable under or in respect of the Pledged Collateral received after such Operations Co Financing Default has occurred shall be paid directly to the Collateral Agent and retained by it as part of the Pledged Collateral.

(e) In furtherance of the security interest provided for in this Agreement, Pledgor shall execute and deliver to the Collateral Agent a proxy in the form attached hereto as Exhibit A and a stock or transfer power in the form attached hereto as Exhibit B with respect to the Pledged Interests, provided that such proxy may only be exercised by the Collateral Agent following an Operations Co Financing Default.

(f) All Pledged Interests in which Pledgor shall hereafter grant a security interest pursuant to Section 2 of this Agreement shall be duly authorized, validly issued, and fully paid.

**Section 7. Affirmative Covenants.** Pledgor agrees that, until the payment and satisfaction in full of the Secured Obligations:

(a) Compliance with Laws. Pledgor will comply in all material respects with all applicable Laws except where the failure to do so would not reasonably be expected to adversely affect the existence, validity, perfection or priority of the Security Interest created hereunder, the enforceability of this Agreement or the rights of the Collateral Agent under this Agreement.

(b) Taxes. Pledgor shall timely pay and discharge all Taxes before they become delinquent unless they are being contested in good faith by appropriate proceedings and Pledgor has provided adequate reserves which are maintained in accordance with GAAP or unless the failure to pay and discharge would not reasonably be expected to adversely affect the existence, validity, perfection or priority of the Security Interest created hereunder, the enforceability of this Agreement or the rights of the Collateral Agent under this Agreement.

(c) Ownership. Pledgor shall, until the payment and satisfaction in full of the Secured Obligations, defend its title to the Pledged Collateral and the interest of the Collateral Agent in the Pledged Collateral against the claims and demands of all persons whomsoever.

**Section 8. Negative Covenants.** Pledgor agrees that, until the payment and satisfaction in full of the Secured Obligations:

(a) Security Interests; Subordination. Pledgor will not create, incur, assume or suffer to exist any Security Interest, other than Permitted Security Interests and the Security Interests contemplated hereby, upon any of the Pledged Collateral. Except to the extent permitted by the Financing Documents, Pledgor will not permit any Pledged Indebtedness to be subordinated in right of payment to any other indebtedness.

(b) Name, Location and Other Changes. Except upon twenty (20) days' prior written notice to Collateral Agent and Collateral Agent's receipt of copies of all additional filed financing statements and other executed and, where applicable, filed documents as may

be necessary or reasonably requested by Collateral Agent to maintain the validity, perfection and priority of the security interests provided for herein, Pledgor shall not (i) change its name, identity or organizational structure, (ii) change the location of its chief executive office from that specified on Schedule 2 hereto or (iii) reorganize, reincorporate or re-form under the laws of another jurisdiction.

(c) Asset Dispositions. Except as permitted by the Senior Loan Agreement, Pledgor will not dispose of, lease, contribute or otherwise convey, or grant options, warrants or other rights with respect to any Pledged Collateral (including its ownership interests in Operations Co) to any Person.

Section 9. Collateral Agent Appointed Attorney-in-Fact. Pledgor hereby irrevocably appoints the Collateral Agent as Pledgor's attorney-in-fact (which appointment as attorney-in-fact shall be coupled with an interest), with full authority in the place and stead of Pledgor and in the name of Pledgor or otherwise, from time to time in the Collateral Agent's discretion to take any action and to execute any instrument that the Collateral Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Pledged Collateral, to elect remedies under the Pledged Collateral, receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection therewith, to vote, demand, receive and enforce Pledgor's rights with respect to the Pledged Collateral, to give appropriate receipts, releases and satisfaction for and on behalf of and in the name of Pledgor or, at the option of the Collateral Agent, in the name of the Collateral Agent, with the same force and effect as Pledgor could do if this Agreement had not been made, to file any claims or take any action or institute any proceedings that the Collateral Agent may deem necessary or desirable for the collection thereof or to enforce compliance with the terms and conditions of this Agreement and to act pursuant to (and in accordance with) Section 2.11(b) of the Collateral Agency Agreement; provided, however, that the Collateral Agent shall not exercise any of the aforementioned rights unless an Event of Default has occurred and is continuing. This power of attorney is a power coupled with an interest and cannot be revoked. Notwithstanding the foregoing, the Collateral Agent shall not be obligated to exercise any right or duty as attorney-in-fact, and shall have no duties to Pledgor in connection therewith. Pledgor also hereby acknowledges and consents to the authorization and direction of the Senior Bonds Trustee and the Subordinate Bonds Trustee on behalf of the Secured Parties with respect to the Collateral Agent pursuant to Section 2.01 of the Collateral Agency Agreement.

Section 10. Collateral Agent May Perform. If Pledgor fails to perform any agreement contained herein, the Collateral Agent may, but shall not be obligated to, itself perform or cause performance of this Agreement and the expenses of the Collateral Agent incurred in connection therewith shall be payable by Pledgor within ten (10) Business Days after demand for all such fees, costs and expenses.

Section 11. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Pledged Collateral and shall not impose any duty upon the Collateral Agent or any of its designated agents to exercise any such powers. Except for the safe custody of any Pledged Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Pledged Collateral and no implied duties or obligations shall be read into this Agreement against the Collateral Agent. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if the Pledged

Collateral is accorded treatment that is substantially equivalent to that which the Collateral Agent accords its own property, it being expressly agreed, to the maximum extent permitted by applicable Laws, that the Collateral Agent shall have no responsibility for (a) taking any necessary steps to preserve rights against any parties with respect to any Pledged Collateral, or (b) taking any action to protect against any diminution in value of the Pledged Collateral, but, in each case, the Collateral Agent may do so and all expenses reasonably incurred in connection therewith shall be part of the Secured Obligations. The provisions of Section 9.10 of the Collateral Agency Agreement ("Collateral Agent's Rights") are incorporated herein by reference as if such Section were set forth herein in its entirety.

#### Section 12. Rights and Remedies.

(a) Without limiting the provisions of Section 6(d) of this Agreement, if and for so long as any Operations Co Financing Default shall have occurred and be continuing, all payments thereafter received by Pledgor under or in connection with the Pledged Collateral shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other funds of Pledgor and shall be forthwith paid over to the Collateral Agent in the same form as so received (with any necessary endorsement).

(b) Without limiting the provisions of Section 6(d) of this Agreement, if and for so long as any Operations Co Financing Default shall have occurred and be continuing, (i) the Collateral Agent shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Pledged Collateral and (ii) all payments thereafter made to Pledgor in respect of the Pledged Collateral and received by the Collateral Agent in accordance with the provisions of this Agreement or otherwise, and all proceeds of the Pledged Collateral received by the Collateral Agent pursuant to paragraph (c) below, may (x) be held by the Collateral Agent as collateral for the Secured Obligations and/or (y) then or at any time thereafter during the continuance of such Operations Co Financing Default, be applied thereto in accordance with the provisions of the Financing Documents.

(c) If (i) any Operations Co Financing Default shall have occurred and be continuing and (ii) any of the Secured Obligations shall have been declared to be, or shall have become, due and payable then, in addition to any other rights and remedies provided for herein or that may otherwise be available, the Collateral Agent may, without any further demand, advertisement or notice (except as expressly provided for below in this Section 12(c)), exercise all the rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Pledged Collateral), and in addition, (x) may apply the moneys, if any, then held by it as part of the Pledged Collateral, for the purposes and in the order provided in the Financing Documents and (y) if there shall be no such moneys or the moneys so applied shall be insufficient to satisfy in full all Secured Obligations, may sell the Pledged Collateral, or any part thereof, as hereinafter provided in this Section 12(c) and otherwise to the fullest extent permitted by law. The Pledged Collateral may be sold in one or more sales, at public or private sale, conducted by any officer or agent of, or auctioneer or attorney for, the Collateral Agent, at the Collateral Agent's place of business or elsewhere, for cash, upon credit or for other property, for immediate or future delivery, and at such price or prices and on such terms as the Collateral Agent shall deem commercially reasonable. The Collateral Agent or any Secured Party may be the purchaser of any or all of the Pledged Collateral so sold at a public sale and, to the extent permitted by law, at a private sale, and thereafter hold the same, absolutely, free from any right or claim of whatsoever kind, and, prior to the payment and satisfaction in full of the Secured Obligations, the obligations of Pledgor to the Collateral Agent may be applied as a credit against the purchase price. The Collateral Agent may at any such sale restrict the prospective bidders

or purchasers as to their number, nature of business and investment intention; provided that Operations Co and/or Pledgor may bid and purchase the Pledged Collateral at such sale. Upon any public or private sale the Collateral Agent shall have the right to deliver, assign and transfer to the purchaser thereof the Pledged Collateral so sold. Each purchaser (including the Collateral Agent or any Secured Party) at any sale shall hold the Pledged Collateral so sold, absolutely free from any claim or right of whatsoever kind, including any equity or right of redemption, of Pledgor, and Pledgor hereby specifically waives, to the full extent it may lawfully do so, all rights of redemption, stay or appraisal that it has or may have under any rule of law or statute now existing or hereafter adopted. The Collateral Agent shall give Pledgor at least ten (10) days' notice (which shall constitute reasonable notification) of any such public or private sale. Such notice shall state the time and place fixed for such sale. Any sale shall be held at such time or times within ordinary business hours as the Collateral Agent shall fix in the notice of such sale. At any such sale the Pledged Collateral may be sold in one lot as an entirety or in separate parcels. The Collateral Agent shall not be obligated to make any sale pursuant to any such notice. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for such sale, and any such sale may be made at any time or place to which the same may be so adjourned without further notice or publication. In case of any sale of all or any part of the Pledged Collateral on credit or for future delivery, the Pledged Collateral so sold may be retained by the Collateral Agent until the full selling price is paid by the purchaser thereof, but the Collateral Agent shall not incur any liability in case of the failure of such purchaser to take up and pay for the Pledged Collateral so sold, and, in case of any such failure, such Pledged Collateral may again be sold pursuant to the provisions hereof. All cash proceeds of any such sale, and any other realization upon all or any part of the Pledged Collateral, shall be held or applied by the Collateral Agent in the manner provided in the Financing Documents.

(d) Pledgor hereby agrees that in respect of any sale of the Pledged Collateral pursuant to the terms hereof, the Collateral Agent is hereby authorized to comply with any limitation or restriction in connection with such sale as it may deem necessary in order to avoid any violation of applicable Laws, or in order to obtain any required approval of the sale or of the purchase by any Governmental Authority or official, and Pledgor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Collateral Agent be liable or accountable to Pledgor for any discount allowed by reason of the fact that such Pledged Collateral is sold in compliance with any such limitation or restriction.

(e) Instead of exercising the power of sale provided in Section 12(c) above, the Collateral Agent, acting in accordance with the Financing Documents, may proceed by a suit or suits at law or in equity to foreclose the pledge and security interest under this Agreement and sell the Pledged Collateral or any portion thereof under a judgment or decree of a court or courts of competent jurisdiction; provided that Operations Co and/or Pledgor may bid for and purchase the Pledged Collateral at such sale.

(f) The Collateral Agent as attorney-in-fact pursuant to Section 9 of this Agreement may, in the name and stead of Pledgor, make and execute all conveyances, assignments and transfers of the Pledged Collateral sold pursuant to Section 12(c) or Section 12(e) above, and Pledgor hereby ratifies and confirms all that the Collateral Agent, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, Pledgor shall, if so requested by the Collateral Agent, ratify and confirm any sale or sales by executing and delivering to the Collateral Agent, or to such purchaser or purchasers, all such instruments as may, in the reasonable judgment of the Collateral Agent, be advisable for the purpose.

(g) The receipt of the Collateral Agent for the purchase money paid at any sale made by it shall be a sufficient discharge therefor to any purchaser of the Pledged Collateral, or any portion thereof, sold as aforesaid; and no such purchaser (or the representatives or assigns of such purchaser), after paying such purchase money and receiving such receipt, shall be bound to see to the application of such purchase money or any part thereof or in any manner whatsoever be answerable for any loss, misapplication or non-application of any such purchase money, or any part thereof, or be bound to inquire as to the authorization, necessity, expediency or regularity of any such sale.

(h) The Collateral Agent shall incur no liability as a result of the manner of sale of the Pledged Collateral, or any part thereof, at any private sale conducted in a commercially reasonable manner. So long as a sale is conducted in a commercially reasonable manner, Pledgor hereby waives, to the full extent permitted by applicable law, any claims against the Collateral Agent arising by reason of the fact that the price at which the Pledged Collateral, or any part thereof, may have been sold at private sale was less than the price that might have been obtained at a public sale or was less than the aggregate amount of the Secured Obligations, even if the Collateral Agent accepts the first offer received that the Collateral Agent in good faith deems to be commercially reasonable under the circumstances and does not offer the Pledged Collateral to more than one offeree. To the fullest extent permitted by law, Pledgor shall have the burden of proving that any such sale of the Pledged Collateral was conducted in a commercially unreasonable manner.

(i) Each and every right and remedy of the Collateral Agent shall, to the extent permitted by law, be cumulative and shall be in addition to any other remedy given hereunder or under the Financing Documents or now or hereafter existing at law or in equity or otherwise.

(j) All costs and expenses (including reasonable attorneys' fees and expenses) incurred by the Collateral Agent in connection with exercising any actions taken under this Section 12 shall constitute Secured Obligations secured by the Pledged Collateral and shall be payable in accordance with Section 7.01 of the Collateral Agency Agreement.

(k) For the avoidance of doubt, any action by Collateral Agent under this Section 12 shall be taken at the direction of the Instructing Trustee (acting in accordance with Section 2.19 of the Collateral Agency Agreement) in good faith, in a commercially reasonable manner and in compliance with the applicable terms of the UCC.

### Section 13. Certain Waivers.

(a) No delay or omission to exercise any right, power or remedy accruing to the Collateral Agent upon the occurrence and during the continuance of any Operations Co Financing Default shall impair any such right, power or remedy of the Collateral Agent, nor shall it be construed to be a waiver of any such Operations Co Financing Default or similar breach or default thereafter occurring or an acquiescence therein, nor shall any waiver of any other breach or default under this Agreement or any other Financing Document be deemed a waiver of any other breach or default theretofore or thereafter occurring. Each and every Operations Co Financing Default shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises and every power and remedy given by this Agreement may be exercised from time to time, and as often as shall be deemed expedient, by the Collateral Agent.

(b) Pledgor hereby waives and relinquishes, to the maximum extent permitted by applicable Law, all rights and remedies accorded to pledgors, sureties or guarantors and agrees not to assert or take advantage of any such rights or remedies, including: (i) any right to require the Collateral Agent at any time to pursue any other remedy in the Collateral Agent's power before proceeding against Pledgor; (ii) any defense that may arise by reason of the incapacity, lack of power or authority, dissolution, merger, termination or disability of Pledgor, Operations Co, Borrower or any other Person or the failure of the Collateral Agent to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of Pledgor, Operations Co, Borrower or any other Person; (iii) any right to require the Collateral Agent to give any notices of any kind, including notices of nonpayment, nonperformance, protest, dishonor, default, delinquency or acceleration, or to make any presentments, demands or protests, except as set forth herein or in the other Financing Documents; (iv) any right under any law purporting to reduce Pledgor's obligations hereunder if the Secured Obligations are reduced other than as a result of payment of such Secured Obligations; (v) any defense based on the repudiation of any Financing Document by Borrower, Operations Co or any other Person, the failure by the Collateral Agent to enforce any claim against Pledgor, Operations Co, Borrower or any other Person or the unenforceability in whole or in part of any Financing Document; (vi) any right to insist upon, plead or in any manner whatever claim or take the benefit or advantage of, any appraisal, valuation, stay, extension, marshaling of assets, redemption or similar law, or exemption, whether now or at any time hereafter in force, which may delay, prevent or otherwise affect the performance by Pledgor of its obligations under, or the enforcement by the Collateral Agent of, this Agreement; (vii) any defense based upon an election of remedies by the Collateral Agent, including an election to proceed by non-judicial rather than judicial foreclosure, which destroys or otherwise impairs the subrogation rights of Pledgor, the right of Pledgor to proceed against Operations Co or Borrower or the failure by Operations Co or Borrower to do any act or thing or to observe or perform any covenant, condition or agreement to be observed or performed by it under the Financing Documents; (viii) any defense, setoff or counterclaim which may at any time be available to or asserted by Operations Co or Borrower against the Collateral Agent or any other Person under the Financing Documents; (ix) any duty on the part of the Collateral Agent to disclose to Pledgor any facts the Collateral Agent may now or hereafter know about Operations Co or Borrower, regardless of whether the Collateral Agent has reason to believe that any such facts materially increase the risk beyond that which Pledgor intends to assume, or has reason to believe that such facts are unknown to Pledgor, or has a reasonable opportunity to communicate such facts to Pledgor; and (x) any defense based on any change in the time, manner or place of any payment under, or in any other term of, the Financing Documents or any other amendment, renewal, extension, acceleration, compromise or waiver of or any consent or departure from the terms of the Financing Documents.

(c) To the extent permitted by Law, Pledgor waives the posting of any bond otherwise required of the Collateral Agent in connection with any judicial process or proceeding to obtain possession of, replevy, attach, or levy upon any Pledged Collateral, to enforce any judgment or other security for the Secured Obligations, to enforce any judgment or other court order entered in favor of the Collateral Agent, or to enforce by specific performance, temporary restraining order, preliminary or permanent injunction, this Agreement or any other agreement or document between Pledgor and the Collateral Agent. Pledgor further agrees that upon the occurrence and during the continuation of an Operations Co Financing Default, the Collateral Agent may elect to non-judicially or judicially foreclose against any real or personal property security it holds for the Secured Obligations or any part thereof, or to exercise any other remedy against Operations Co, Borrower or any other Person, any security or any guarantor, in each case in accordance with the Financing Documents, even if the effect of that action is to deprive

Pledgor of the right to collect reimbursement from Operations Co, Borrower or any other Person for any sums paid by Pledgor to the Collateral Agent for the benefit of the Secured Parties.

(d) Until the payment and satisfaction in full of the Secured Obligations, (i) Pledgor shall have no right of subrogation and Pledgor waives all rights to enforce any remedy which the Collateral Agent may now have or hereafter have against Operations Co or Borrower, and waives the benefit of, and all rights to participate in, any security now or hereafter held by the Collateral Agent from Operations Co and Borrower and (ii) Pledgor waives any claim, right or remedy which Pledgor may now have or hereafter acquire against Operations Co or Borrower that arises hereunder and/or from the performance of Pledgor's contribution, indemnification, or participation in any claim, right or remedy of the Collateral Agent against Operations Co or Borrower, or any security which the Collateral Agent now has or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise. Any amount paid to Pledgor on account of any such subrogation rights prior to the payment and satisfaction in full of the Secured Obligations shall be held in trust for the benefit of the Collateral Agent and shall immediately thereafter be paid to the Collateral Agent for the benefit of the Secured Parties.

**Section 14. Addresses for Notices.**

(a) All notices or other communications to the Collateral Agent hereunder shall be given in the manner and to the addresses specified in the Collateral Agency Agreement. All such notices and other communications to the Collateral Agent shall be effective as and when specified in the Collateral Agency Agreement.

(b) All notices and other communications provided to Pledgor hereunder shall be in writing and addressed, delivered or transmitted to Pledgor at its "Address for Notices" specified below Pledgor's name on the signature pages hereof or at such other address or facsimile number as may be designated by Pledgor from time to time in a written notice to the Collateral Agent. Any notice to Pledgor (other than a facsimile) shall be sent by pre-paid nationally recognized overnight courier service and shall be deemed given when received; any notice, if transmitted by facsimile, shall be deemed given when transmitted (if confirmed); provided, however, that any notice delivered by facsimile shall be effective (i) if received before 2:00 p.m. (recipient's time), as of the Business Day on which it is received, (ii) if received on or after 2:00 p.m. (recipient's time) on any day, as of the next succeeding Business Day, and (iii) if a copy of such notice is mailed by pre-paid nationally recognized overnight courier service and received on the following day by the recipient thereof.

**Section 15. Captions.** The headings of the several articles and sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

**Section 16. Survival of Provisions.** All representations and warranties contained herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the parties hereto and shall survive the execution and delivery of this Agreement. All statements contained in any certificate or other instrument delivered by or on behalf of Pledgor pursuant to this Agreement shall be deemed representations and warranties of Pledgor under this Agreement.

**Section 17. No Waiver; Cumulative Remedies.** No failure on the part of the Collateral Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder

shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies under this Agreement are cumulative and not exclusive of any rights, remedies, powers and privileges that may otherwise be available to the Collateral Agent.

Section 18. Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns and shall bind any Person who becomes bound as a debtor to this Agreement.

Section 19. Governing Law; Consent to Jurisdiction. Reference is made to Section 5-1401 of the New York General Obligations Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws principles thereof that would result in the application of any law other than the law of the State of New York, except as required by mandatory provisions of law relating to the law governing perfection or the effect of perfection of the security interests hereunder. Each of the parties hereto hereby (i) irrevocably consents and submits to the non-exclusive jurisdiction of any New York state court sitting in New York County, New York or any federal court of the United States sitting in the Southern District of New York, as any party may elect, in any suit, action or proceeding arising out of or relating to this Agreement and (ii) waives, to the fullest extent permitted by law, the right to move or dismiss or transfer any action brought in such court on the basis of any objection to personal jurisdiction, venue or inconvenient forum.

Section 20. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR RELATING TO OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR EACH PARTY TO ENTER INTO THIS AGREEMENT.

Section 21. Amendment or Waiver. Except as otherwise provided herein, neither this Agreement nor any of the terms hereof may be amended, changed or waived unless such amendment, change or waiver is in writing and signed by Pledgor and the Collateral Agent and then any such waiver or consent shall be effective only in the specific instance and for the specified purpose for which given.

Section 22. Entire Agreement. This Agreement, including any agreement, document or instrument attached hereto or referred to herein, integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations and prior agreements and understandings of the parties hereto in respect to the subject matter hereof.

Section 23. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

Section 24. Counterparts. This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts, and/or by facsimile or electronic mail, and all of said counterparts taken together shall be deemed to constitute one and the same

instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. A facsimile or "pdf" signature page shall constitute an original for purposes hereof.

Section 25. No Inconsistent Requirements. The Pledgor acknowledges that this Agreement and the other Financing Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and agrees that all such covenants, terms and provisions are cumulative and each shall be performed and satisfied in accordance with its respective terms.

Section 26. Termination. Upon payment and performance in full of all Secured Obligations (other than contingent indemnification and other reimbursement obligations to the extent that no claim giving rise thereto has been asserted), the Collateral Agent shall promptly execute and deliver to Pledgor such documents and instruments reasonably requested by Pledgor as shall be necessary to evidence termination of all security interests and proxies given by Pledgor to the Collateral Agent hereunder and shall return any Pledged Collateral in its possession to Pledgor.

Section 27. Reinstatement. Following the Termination Date, this Agreement, the Security Interest created hereunder and the obligations of Pledgor hereunder shall continue to be effective or be automatically reinstated, as the case may be, if and to the extent that for any reason any payment by or on behalf of Pledgor in respect of the Secured Obligations is rescinded or must otherwise be restored by any holder of the Secured Obligations, whether as result of any proceedings in bankruptcy or reorganization or otherwise.

Section 28. Limitation of Liability. No claim shall be made by Pledgor against the Collateral Agent or any of its affiliates, directors, employees, attorneys or agents for any loss of profits, business or anticipated savings, special or punitive damages or any indirect or consequential loss whatsoever in respect of any breach or wrongful conduct (whether or not the claim therefor is based on contract, tort or duty imposed by law), in connection with, arising out of or in any way related to the transactions contemplated by this Agreement or the other Financing Documents or any act or omission or event occurring in connection therewith; and Pledgor hereby waives, releases and agrees not to sue upon any such claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. Additionally:

(a) No covenant, agreement or obligation contained herein or in any Operations Co Security Document shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of Operations Co in his or her individual capacity so long as such person does not act fraudulently, and no such director, officer, employee or agent thereof shall be subject to any liability under this Agreement or with respect to any other action taken by such person provided that they do not act fraudulently.

(b) Except as otherwise expressly set forth in the Financing Documents, the Secured Parties will have full recourse to Operations Co and all of its assets and properties for the respective liabilities and obligations of Operations Co under the Financing Documents, but in no event will the Authority or any Affiliates of Operations Co or any officer, director or holder of any interest in Operations Co, the Authority or any Affiliates of Operations Co be liable or obligated for such liabilities and obligations of Operations Co, other than to the extent arising directly as a result of Pledgor's pledge of its ownership interests in Operations Co pursuant to

this Agreement and the Pledgor and each Sponsors' obligations under the Capital Contribution Agreement, as applicable.

(c) Notwithstanding anything in paragraph (b) above of this Section 28, nothing in said paragraph (b) above shall limit or affect or be construed to limit or affect the obligations and liabilities of the Authority or any Affiliate of Operations Co (1) arising under any Financing Document or Project Contract to which the Authority or such Affiliate of Operations Co is a party, or (2) arising from any liability pursuant to any applicable Law for such fraudulent actions, bad faith or willful misconduct of the Authority or any Affiliate of Operations Co.

Section 29. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to confer upon, or to give to, any Person other than the Collateral Agent, for the benefit of the Secured Parties, and Pledgor and the respective successors and permitted assigns of the foregoing, any right, remedy or claim under or by reason of this Agreement or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements contained in this Agreement are and shall be for the sole and exclusive benefit of the parties hereto and their respective successors and permitted assigns; provided, however, that, subject to Section 6.04 of the Collateral Agency Agreement, the Secured Parties shall be express third party beneficiaries of this Agreement.

Section 30. PATRIOT Act Notification. The Collateral Agent hereby notifies Pledgor that pursuant to the requirements of the USA PATRIOT ACT, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), the Collateral Agent may be required to obtain, verify and record information that identifies Pledgor, which information includes the name, address, tax identification number and other information regarding Pledgor that will allow the Collateral Agent to identify Pledgor in accordance with the PATRIOT Act.

*[Remainder of page intentionally left blank; signatures follow.]*

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

PLEDGOR:

KENTUCKYWIRED OPERATIONS HOLDING  
COMPANY, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address for Notices:

\_\_\_\_\_

\_\_\_\_\_

Facsimile: \_\_\_\_\_

With a copy to:

\_\_\_\_\_

\_\_\_\_\_

Facsimile: \_\_\_\_\_

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U.S. BANK NATIONAL ASSOCIATION, as  
Collateral Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT A

IRREVOCABLE PROXY

The undersigned hereby (i) appoints U.S. BANK NATIONAL ASSOCIATION, as Collateral Agent (in such capacity, the "Collateral Agent") for the benefit of the Secured Parties (as defined in the Pledge Agreement) under the Pledge Agreement, (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Pledge Agreement") dated as of September \_\_, 2015 by and between KENTUCKYWIRE OPERATIONS HOLDING COMPANY, LLC ("Pledgor") and the Collateral Agent, to act as proxy following the occurrence and during the continuance of an Operations Co Financing Default (as defined in the Pledge Agreement), with full power of substitution, and (ii) authorizes the Collateral Agent, following the occurrence and during the continuance of such Operations Co Financing Default, to represent and vote all of the membership and other interests in KENTUCKYWIRE OPERATIONS COMPANY, LLC, a Delaware limited liability company, owned by the undersigned on the date of exercise hereof, at any meeting or at any time chosen by the Collateral Agent in its sole discretion.

Date: \_\_\_\_\_, 2015

PLEDGOR:

KENTUCKYWIRE OPERATIONS HOLDING  
COMPANY, LLC

By: \_\_\_\_\_  
Name:  
Title:

EXHIBIT B

TRANSFER POWER

FOR VALUE RECEIVED, the undersigned (the "Assignor") hereby assigns, conveys, sells and transfers unto

\_\_\_\_\_  
(Please insert taxpayer identification number of Assignee)

\_\_\_\_\_  
(Please print name and address of Assignee)

all rights and interests of the Assignor in KENTUCKYWIRE OPERATIONS COMPANY, LLC, a Delaware limited liability company ("Operations Co") held by it and represented by Certificate Number \_\_\_\_, and does hereby irrevocably constitute and appoint \_\_\_\_\_ as its attorney-in-fact to transfer such rights and interests on the books of Operations Co with full power of substitution in the premises

Dated: \_\_\_\_\_

KENTUCKYWIRE OPERATIONS HOLDING COMPANY, LLC

By: \_\_\_\_\_  
Name:  
Title:

Schedule 1

Pledged Interests

Issuer: KENTUCKYWIRED OPERATIONS COMPANY, LLC, a  
Delaware limited liability company

Certificate No.: 1

Percentage Ownership: 100% of the ownership interests of KENTUCKYWIRED  
OPERATIONS COMPANY, LLC, a Delaware limited liability  
company

Registered Owner: KENTUCKYWIRED OPERATIONS HOLDING COMPANY, LLC

Schedule 2

Organization of Pledgor

Pledgor's Legal Name:

KENTUCKYWIRED OPERATIONS HOLDING COMPANY, LLC

Type, Jurisdiction of Organization and Organizational Number, if any:

Limited Liability Company

Delaware

Organizational Number: 5791144

Chief Executive Office:

[ADDRESS]