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March 30, 2017

Ms. Carlotta Stauffer, Commission Clerk
Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 150190-EI
Florida Power & Light Company's Consummation Report

Dear Ms. Stauffer:

Pursuant to Rule 25-8.009, Florida Administrative Code, and the Commission's Order No. PSC-15-0524-FOF-EI, issued by the Commission on November 4, 2015, enclosed please find one original, one copy and one copy on CD of Florida Power & Light Company's Consummation Report in connection with the Application for Authority to Issue and Sell Securities during 2016 (Docket No. 150190-EI).

If you or your Staff have any questions regarding this filing, please contact me at (561) 304-5170.

Sincerely,

REDACTED

s/ Kevin I.C. Donaldson
Kevin I.C. Donaldson, Esq.
Fla. Bar No. 0833401

Will provide CD by COB. KA

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cc: Margo Leathers, Office of the General Counsel (w/out attachments)
Wesley Taylor, Office of the General Counsel (w/out attachments)

DOCKET NO. 150190-EI
ORDER NO. PSC-15-0524-FOF-EI

FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

CONSUMMATION REPORT

IN CONNECTION WITH

APPLICATION OF
FLORIDA POWER & LIGHT COMPANY
FOR AUTHORITY TO ISSUE AND SELL SECURITIES DURING 2016

Address communications in connection with this Consummation Report to:

Paul I. Cutler
Treasurer
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Telephone (561) 694-6204

Date: March 30, 2017

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF FLORIDA POWER & LIGHT COMPANY
FOR AUTHORITY TO ISSUE AND SELL SECURITIES DURING 2016

CONSUMMATION REPORT

In compliance with the requirements of Rule 25-8.009, Florida Administrative Code, and Order No. PSC-15-0524-FOF-EI, issued by the Commission on November 4, 2015, in the above-captioned matter (Docket No. 150190-EI), the Applicant, Florida Power & Light Company ("FPL"), hereby submits its Consummation Report regarding transactions involving (i) the execution of a loan agreement, dated as of December 1, 2016, between FPL and Lee County Industrial Development Authority, relating to the loan to FPL of the proceeds from the sale of (a) $30 million principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A due December 1, 2046 (the "Lee County Series 2016A Bonds") and (b) $30 million principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B due December 1, 2046 (the "Lee County Series 2016B Bonds" and together with the Lee County Series 2016A Bonds, the "Lee County Series 2016 Bonds"), (ii) the execution of (a) a term loan agreement with a commercial bank for a term loan in the original principal amount of $400 million, which term loan was funded in full in 2016, thereafter reduced to $250 million and converted to a revolving credit facility with $50 million remaining outstanding as of December 31, 2016, (b) a term loan agreement with a commercial bank for a term loan in the original principal amount of $100 million, which term loan was funded in full in 2016 and thereafter converted to a revolving credit

facility, the full amount of which remains outstanding as of December 31, 2016, (c) an amendment to an existing term loan in the original principal amount of $200 million converting the same to a revolving credit commitment in the same amount, the full amount of which remains available for borrowing as of December 31, 2016, (d) an amendment to an existing term loan in the original principal amount of $100 million converting the same to a revolving credit commitment in the same amount, the full amount of which remains outstanding as of December 31, 2016, (e) a revolving credit facility with a commercial bank for a revolving credit commitment in the original principal amount of $150 million, the full amount of which was funded in 2016 and remains outstanding as of December 31, 2016, (f) an amendment to an existing term loan in the original principal amount of $100 million converting the same to a revolving credit commitment in the same amount, the full amount of which remains outstanding as of December 31, 2016, (g) a revolving credit facility with a commercial bank for a revolving credit commitment in the original principal amount of $75 million, the full amount of which was funded in 2016 and remains outstanding as of December 31, 2016, and (h) a revolving credit facility with a commercial bank for a revolving credit commitment in the original principal amount of $25 million, the full amount of which was funded in 2016 and remains outstanding as of December 31, 2016, and (iii) the issuance and sale of commercial paper.

This Consummation Report provides the information required for submission by Rule 25-8.009 of the Florida Administrative Code as follows (all references to proceeds are before expenses):

(1) On December 2, 2016 (the closing date of the transaction), Lee County Industrial Development Authority sold to several underwriters, $60 million principal amount of the Lee County Series 2016 Bonds. The Lee County Series 2016 Bonds were then sold through a

negotiated underwritten public offering by the underwriters, and the proceeds were loaned to FPL pursuant to a loan agreement, dated as of December 1, 2016, between FPL and Lee County Industrial Development Authority. Under the loan agreement, FPL is obligated to make payments on the loan when payments on the Lee County Series 2016 Bonds are required to be made. The proceeds received by FPL on December 2, 2016 were $59,960,133.34, representing the aggregate price to the public minus the aggregate underwriting discount and the underwriters' out-of-pocket expenses. The proceeds from the sale of the Lee County Series 2016 Bonds, together with funds provided by FPL, are being used to (1) finance the cost of acquisition, construction and equipping of certain wastewater facilities and certain solid waste facilities used at FPL's plant operations at the Fort Myers Power Plant and the Okeechobee Clean Energy Center and functionally related and subordinate facilities, (2) fund any necessary reserves for the Lee County Series 2016 Bonds and (3) pay related costs of issuance of the Lee County Series 2016 Bonds.

(2) FPL regularly issues commercial paper for terms up to but not exceeding 270 days from the date of issuance. During 2016, commercial paper was issued pursuant to Commercial Paper Dealer Agreements dated as of August 5, 2005 (each, as amended effective October 20, 2014) with each of Merrill Lynch, Pierce, Fenner & Smith Incorporated (which, as a result of assignment and merger, has replaced the original counterparty Merrill Lynch Money Markets Inc.) and SunTrust Capital Markets, Inc. (now named SunTrust Robinson Humphrey, Inc.) (collectively, the "2005 Commercial Paper Dealer Agreements"), a Commercial Paper Dealer Agreement dated as of September 12, 2008 (as amended effective October 20, 2014) with Citigroup Global Markets Inc. (the "2008 Commercial Paper Dealer Agreement"), and a Commercial Paper Dealer Agreement dated as of June 28, 2011 (as amended effective

October 20, 2014) with Goldman, Sachs & Co. (the "2011 Commercial Paper Dealer Agreement" and collectively with the 2005 Commercial Paper Dealer Agreements and the 2008 Commercial Paper Dealer Agreement, the "Dealer Agreements"). The commercial paper is sold at a discount, including the discount of the commercial paper dealers, at a rate comparable to rates being paid in the commercial paper market by borrowers of similar creditworthiness. Given the frequency of these sales, it is not practicable to provide the details of each issue. However, FPL's 2016 commercial paper activity can be summarized as follows:

2016 Commercial Paper Activity ($ in thousands)

Commercial paper issued:	$14,861,700
Commercial paper matured:	$14,649,700
Daily average outstanding:	$415,410
Weighted average yield:	0.58%
Weighted average term (issued):	13 days

FPL's outstanding revolving credit facilities described in paragraph (3) below (the "Corporate Credit Facilities") provide backup support for its commercial paper program.

(3) On May 10, 2006, FPL entered into a $250 million resetting revolving credit agreement (referred to as the "2006 Revolving Credit Agreement") which, as amended, provided a $235 million commitment with an expiration date of May 10, 2015. On May 11, 2015, the 2006 Revolving Credit Agreement was further amended reducing the amount of the commitment to $200 million and extending the expiration date to May 10, 2018. Effective as of February 10, 2016, the 2006 Revolving Credit Agreement was further amended reducing the amount of the commitment to $155 million. The proceeds of loans under the 2006 Revolving Credit Agreement are available for FPL's general corporate purposes, including, without limitation, to

provide working capital and to finance capital expenditures. No borrowings were made under the 2006 Revolving Credit Agreement during 2016.

On February 8, 2013, FPL entered into an amended and restated $2.5 billion syndicated revolving credit and letter of credit agreement (as amended, referred to as the "February 2013 Revolving Credit Agreement"). In 2016, FPL exercised options to extend the maturity dates; as of February 8, 2017, approximately $2.315 billion will expire on February 8, 2022, $43.5 million will expire on February 8, 2021, $29.75 million will expire on February 7, 2020, $28.5 million will expire on February 8, 2018 and the balance expired on February 8, 2017. As of December 31, 2016, letters of credit are available under the February 2013 Revolving Credit Agreement up to an aggregate amount of $670 million. While no borrowings were made under the February 2013 Revolving Credit Agreement during 2016, letters of credit with an aggregate nominal value of approximately $3 million were outstanding as of December 31, 2016 under that agreement. Borrowings and issuance of letters of credit under the February 2013 Revolving Credit Agreement are available for general corporate purposes, including, without limitation, to pay any interest or fees owing under that agreement, provide backup for FPL's self-insurance program covering its and its subsidiaries' operating facilities, and fund the cost of the prompt restoration, reconstruction and/or repair of facilities that may be damaged or destroyed due to the occurrence of any man-made or natural disaster or event or otherwise.

On March 31, 2016, FPL entered into a $45 million revolving credit agreement (referred to as the "March 2016 Revolving Credit Agreement") which provided a $45 million revolving loan commitment and expires March 31, 2017. Borrowings are available under the March 2016 Revolving Credit Agreement for general corporate purposes, including, without limitation, to

provide working capital and to finance capital expenditures. No borrowings were made under the March 2016 Revolving Credit Agreement during 2016.

On March 31, 2016, FPL entered into a $400 million term loan with a commercial bank (referred to as the "Bank 1 2016 Term Loan Agreement"), and borrowed the entire amount under the agreement. Proceeds from the borrowing under the Bank 1 2016 Term Loan Agreement provided funding for FPL's general corporate purposes. On September 27, 2016, FPL prepaid $150 million of the loan made available pursuant to the Bank 1 2016 Term Loan Agreement. On September 27, 2016, the Bank 1 2016 Term Loan Agreement was amended and converted to a $250 million revolving loan credit commitment expiring September 27, 2017 (referred to as the "September 2016 Conversion to Revolver"). On November 25, 2016, FPL repaid $200 million, reducing the amount outstanding under the Bank 1 2016 Term Loan Agreement to $50 million. Additional borrowings under the Bank 1 2016 Term Loan Agreement are available for funding FPL's general corporate purposes.

On March 31, 2016, FPL entered into a $100 million term loan with a commercial bank (referred to as the "Bank 2 2016 Term Loan Agreement"), and borrowed the entire amount under the agreement. Proceeds from the borrowing under the Bank 2 2016 Term Loan Agreement provided funding for FPL's general corporate purposes. On August 26, 2016, the Bank 2 2016 Term Loan Agreement was amended and converted to a $100 million revolving loan credit commitment with a maturity date of March 30, 2017 (referred to as the "August 2016 Conversion to Revolver"). After giving effect to such amendment and conversion, the entire $100 million remains outstanding. No repayments or additional borrowings were made by FPL under the Bank 2 2016 Term Loan Agreement during 2016. Any additional borrowings under

the Bank 2 2016 Term Loan Agreement are available for funding FPL's general corporate purposes.

On May 2, 2016, FPL entered into a $500 million syndicated revolving credit agreement (referred to as the "May 2016 Revolving Credit Agreement") which expires May 2, 2019; provided that loans outstanding on such date may be converted to a one-year term loan on the terms and conditions of the May 2016 Revolving Credit Agreement. Borrowings are available under the May 2016 Revolving Credit Agreement for general corporate purposes, including to provide back-up liquidity for FPL's commercial paper program and other short-term borrowings and to provide additional liquidity in the event of a loss to FPL's operating facilities, including a transmission and distribution property loss. No borrowings were made under the May 2016 Revolving Credit Agreement during 2016.

On November 24, 2015, FPL entered into a $200 million term loan with a commercial bank (referred to as the "Bank 1 2015 Term Loan Agreement") and borrowed the entire amount under the agreement. Proceeds from the borrowing under the Bank 1 2015 Term Loan Agreement provided funding for FPL's general corporate purposes. On August 25, 2016, the Bank 1 2015 Term Loan Agreement was amended and converted to a $200 million revolving loan credit commitment with a maturity date of November 24, 2018. On August 31, 2016, FPL repaid $200 million. After giving effect to such amendment, conversion and repayment, the entire $200 million remained available for borrowing as of December 31, 2016. No additional borrowings were made by FPL under the Bank 1 2015 Term Loan Agreement during 2016. Any additional borrowings under the Bank 1 2015 Term Loan Agreement are available for funding FPL's general corporate purposes.

On November 24, 2015, FPL entered into a $100 million term loan with a commercial bank (referred to as the "Bank 2 2015 Term Loan Agreement") and borrowed the entire amount under the agreement. Proceeds from the borrowing under the Bank 2 2015 Term Loan Agreement provided funding for FPL's general corporate purposes. On August 26, 2016, the Bank 2 2015 Term Loan Agreement was amended and converted to a $100 million revolving loan credit commitment with a maturity date of November 23, 2018. After giving effect to such amendment and conversion, the entire $100 million remained outstanding. No repayments or additional borrowings were made by FPL under the Bank 2 2015 Term Loan Agreement during 2016. Any additional borrowings under the Bank 2 2015 Term Loan Agreement are available for funding FPL's general corporate purposes.

On September 27, 2016, FPL entered into a $150 million revolving credit agreement (referred to as the "September 2016 Revolving Credit Agreement") which provided a $150 million commitment with an expiration date of September 27, 2019. The proceeds of loans under the September 2016 Revolving Credit Agreement are available for FPL's general corporate purposes. FPL borrowed the entire amount under the September 2016 Revolving Credit Agreement during 2016.

On November 25, 2015, FPL entered into a $100 million term loan with a commercial bank (referred to as the "Bank 3 2015 Term Loan Agreement") and borrowed the entire amount under the agreement. Proceeds from the borrowing under the Bank 3 2015 Term Loan Agreement provided funding for FPL's general corporate purposes. On November 3, 2016, the Bank 3 2015 Term Loan Agreement was amended and converted to a $100 million revolving loan credit commitment with a maturity date of December 31, 2019. After giving effect to such amendment and conversion, the entire $100 million remained outstanding. No repayments or

additional borrowings were made by FPL under the Bank 3 2015 Term Loan Agreement during 2016. Any additional borrowings under the Bank 3 2015 Term Loan Agreement are available for funding FPL's general corporate purposes.

On November 30, 2016, FPL entered into a $75 million revolving credit agreement (referred to as the "November 2016 Revolving Credit Agreement") which provided a $75 million commitment with an expiration date of May 30, 2018. The proceeds of loans under the November 2016 Revolving Credit Agreement are available for FPL's general corporate purposes, including, without limitation, to provide working capital and to finance capital expenditures. FPL borrowed the entire amount under the November 2016 Revolving Credit Agreement during 2016.

On December 20, 2016, FPL entered into a $25 million revolving credit agreement (referred to as the "December 2016 Revolving Credit Agreement") which provided a $25 million commitment with an expiration date of December 20, 2019. The proceeds of loans under the December 2016 Revolving Credit Agreement are available for FPL's general corporate purposes. FPL borrowed the entire amount under the December 2016 Revolving Credit Agreement during 2016.

In addition, FPL has established an uncommitted facility with a bank. The bank may, at its discretion upon the request of FPL, make a short-term loan or loans to FPL in an aggregate amount determined by the bank, which is subject to change at any time. The terms of specific borrowings under the uncommitted credit facility, including maturities, are set at the time borrowing requests are made by FPL. Borrowings under the uncommitted facility may be used

for general corporate purposes. No borrowings were made under the uncommitted facility in 2016.

As of December 31, 2016, FPL had guaranties with an aggregate nominal value of approximately $17.7 million that were outstanding on behalf of an FPL subsidiary which contracts to provide energy efficiency services and installations for FPL customers.

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For terms and conditions of issues: See Exhibits 1(i) through 1(o), as the case may be.

For a consolidated statement of capitalization, statement of pretax interest coverage, together with debt interest: See Exhibit 3(d).

As of December 31, 2016, FPL had no preferred stock outstanding; consequently there were no preferred stock dividend requirements as of that date.

The costs incurred to date by FPL in connection with the Lee County Series 2016 Bonds are tabulated as follows:

	Lee County Series 2016 Bonds
Legal, Accounting, Rating Agency and Trustee Fees	$820,861
Printing & Miscellaneous	$4,425
Underwriters' Discounts and Commissions	$37,500
Total Costs[1]	$862,786

[1] Under the terms of the Trust Indenture set forth as Exhibit 1(b) (the "Trust Indenture"), the holders of the Lee County Series 2016 Bonds are entitled to tender the Lee County Series 2016 Bonds for purchase. FPL has executed a Remarketing Agreement with Morgan Stanley & Co. LLC, to act as remarketing agent for the remarketing of tendered Lee County Series 2016A Bonds and FPL has executed a Remarketing Agreement with SunTrust Robinson Humphrey, LLC, to act as remarketing agent for the remarketing of tendered Lee County Series 2016B Bonds.

The costs incurred to date by FPL in connection with its 2016 commercial paper issuances (in addition to the discount of the commercial paper dealers) include banking fees, legal fees and fees relating to credit ratings. The aggregate of these incurred costs in connection with the 2016 commercial paper issuances is approximately $110,000.

The costs incurred in 2016 by FPL in connection with the Corporate Credit Facilities are tabulated as follows:

	Upfront and Arrangement and Commitment Fees	Legal and Accounting Fees	Total
Bank 1 2016 Term Loan Agreement and September 2016 Conversion to Revolver	$12,917	$9,764	$22,681
Bank 2 2016 Term Loan Agreement and August 2016 Conversion to Revolver	$0	$9,764	$9,764
September 2016 Revolving Credit Agreement	$0	$15,057	$15,057
November 2016 Revolving Credit Agreement	$0	$6,327	$6,327
December 2016 Revolving Credit Agreement	$0	$7,370	$7,370

Under the terms of each agreement, FPL pays each remarketing agent a fee for its services equal to 0.07% per annum of the weighted average principal amount of the applicable Lee County Series 2016 Bonds outstanding during each annual period that the Lee County Series 2016 Bonds bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Commercial Paper Term Rate (each, as defined in the Trust Indenture) and in an amount to be agreed to by FPL and such remarketing agent if the Lee County Series 2016 Bonds bear interest at a Long-Term Interest Rate or at an alternate interest rate as may be established pursuant to the Trust Indenture.

There are other miscellaneous costs which have not been reported to FPL as of this date, but it is the belief of FPL that any costs not so reported would be minor.

Exhibit Index (Corresponds to sections of Rule 25-8.009)

1 (a)* Mortgage and Deed of Trust dated as of January 1, 1944 (the "Mortgage"), between FPL and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company), the Trustee, and One Hundred and Twenty-Four Supplements thereto were filed with the Florida Public Service Commission (FPSC) as follows: Exhibit D, Docket No. 3417-EU; Exhibit D-1, Docket No. 3758-EU; Exhibit D-1A, Docket No. 4147-EU; Exhibit D-1B, Docket No. 4685-EU; Exhibit D-1C, Docket No. 4922-EU; Exhibit D-1D, Docket No. 5057-EU; Exhibit D-1E, Docket No. 5315-EU; Exhibit D-1F, Docket No. 5745-EU; Exhibit D-1G, Docket No. 5872-EU; Exhibit D-1H, Docket No. 6659-EU; Exhibit D-1I, Docket No. 7427-EU; Exhibit D-1J, Docket No. 7831-EU; Exhibit D-1K, Docket No. 8308-EU; Exhibit D-1L, Docket No. 8738-EU; Exhibit D-1M, Docket No. 9097-EU; Exhibit D-1N, Docket No. 9676-EU; Exhibit D-1O, Docket No. 9892-EU; Exhibit D-IP, Docket No. 69262-EU; Exhibit D-IQ, Docket No. 70255-EU; Exhibit D-1R, Docket No. 70565-EU; Exhibit D-1S, Docket No. 71363-EU; Exhibit D-1T, Docket No. 72281-EU; Exhibit D-1U, Docket No. 72685-EU; Exhibit D-1V, Docket No. 73428-EU; Exhibit D-1W, Docket No. 73743-EU; Exhibit D-1X, Docket No. 74249-EU; Exhibit D-1Y, Docket No. 750108-EU; Exhibit D-1Z, Docket No. 750201-EU; Exhibit D-2A, Docket No. 750439-EU; Exhibit D-3A, Docket No. 760335-EU; Exhibit D-3B, Docket No. 770929-EU (F1); Exhibit D-3C, Docket No. 770928-EU (F1); Exhibit D-3D, Docket No. 790592-EU; Exhibit D-3E, Docket No. 790830-EU; Exhibit D-3F, Docket No. 800082-EU (MC); Exhibit D-3G, Docket No. 800319-EU; Exhibit D-3H, Docket No. 800591-EU; Exhibits D-3I, D-3J, D-3K and D-3L, Docket No. 800755-EU(SS), Reports of Consummation Nos. 1, 3, 5 and 6 respectively; Exhibits (a)-3, (a)-4, Docket No. 810421-EU (SS), Reports of Consummation Nos. 1, 3 and 5 respectively; Exhibits (a)-3, Docket No. 820403-EU, Reports of Consummation Nos. 2 and 4, respectively; Exhibit (a)-4, Docket No. 830491-EI, Report of Consummation No. 3; Exhibits (a)-3, Docket No. 830445-EU, Reports of Consummation Nos. 1 and 4, respectively; Exhibits (a)-2A, (a)-2B and (a)-2A, Docket No. 840353-EI, Reports of Consummation Nos. 1, 2 and 3, respectively; Exhibits (a)-2A and

(a)-2B, Docket No. 850664-EI, Reports of Consummation Nos. 1, 2, 4 and 5, respectively; Exhibits (a)-2A, Docket No. 861209-EI, Reports of Consummation Nos. 2 and 3, respectively; Exhibits (a)-2A, Docket No. 870952-EI, Reports of Consummation Nos. 1, 2 and 3, respectively; Exhibit (a)-2A, Docket No. 881158-EI, Reports of Consummation Nos. 1 and 2, respectively; Exhibit (a)-2A and Exhibit (a)-2B, Docket No. 891104-EI, Report of Consummation No. 2; Exhibit (a)-2A, Docket No. 891104-EI, Report of Consummation No. 3; Exhibit (a)-2A, Exhibit (a)-2B, Exhibit (a)-2C and Exhibit (a)-2D, Docket No. 900736-EI, Report of Consummation No. 2; Exhibit (a)-2A, Docket No. 900736-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 2; Exhibit (a)-2B, Docket No. 910904-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 5; Exhibit (a)-2A, Docket No. 910904-EI, Report of Consummation No. 7; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2C, Docket No. 920955-EI, Report of Consummation No. 3, Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 3; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2C, Docket No. 920955-EI, Report of Consummation No. 4; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 6; Exhibit (a)-2B, Docket No. 920955-EI, Report of Consummation No. 6; Exhibit (a)-2A, Docket No. 920955-EI, Report of Consummation No. 7; Exhibit (a)-2A, Docket No. 930855-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 940912-EI, Report of Consummation No. 1; Exhibit (a)-2A, Docket No. 971304-EI, Report of Consummation; Exhibit (a)-3, Docket No. 981242-EI, Report of Consummation; Exhibit (a)-3D, Docket No. 991287-EI, Report of Consummation; Exhibit (a)-3E, Docket No. 991287-EI, Report of Consummation; Exhibit (a)-3, Docket No. 011340-EI, Report of Consummation; Exhibit (a)-3B, Docket No. 021084-EI, Report of Consummation; Exhibit (a)-3C, Docket No. 021084-EI, Report of Consummation; Exhibit (a)-3, Docket No. 031000-EI, Report of Consummation; Exhibit (a)-4, Docket No. 031000-EI, Report of Consummation; Exhibit (a)-3, Docket No. 041086-EI, Report of Consummation; Exhibit (a)-4, Docket No. 041086-EI, Report of Consummation; Exhibits (a)-3 and (a)-4, Docket No. 050700-EI, Report of Consummation; Exhibits (a)-3 and Exhibit (a)-4, Docket No. 060723-EI, Report of

Consummation; Exhibit 1(b), Docket No. 070660-EI, Consummation Report; Exhibit 1(b), Docket No. 080621-EI, Consummation Report; Exhibit 1(b), Docket No. 090494-EI, Consummation Report; Exhibit 1(c), Docket No. 090494-EI, Consummation Report; Exhibit 1(b), Docket No. 100405-EI, Consummation Report; Exhibit 1(c), Docket No. 100405-EI, Consummation Report; Exhibit 1(b), Docket No. 110273-EI, Consummation Report; Exhibit 1(c), Docket No. 110273-EI, Consummation Report; Exhibit 1(b), Docket No. 130062-EI, Consummation Report; Exhibit 1(b), Docket No. 130237-EI, Exhibit 1(c), Docket No. 130237-EI and Consummation Report; Exhibit 1(c), Docket No. 140159-EI.

1 (b) Trust Indenture, dated as of December 1, 2016, between Lee County Industrial Development Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, with respect to the Lee County Series 2016 Bonds.

1 (c) Loan Agreement, dated as of December 1, 2016, between FPL and Lee County Industrial Development Authority, with respect to the Lee County Series 2016 Bonds.

1 (d) Official Statement and Appendices thereto dated November 21, 2016 with respect to the Lee County Series 2016 Bonds

1 (e)* Commercial Paper Issuer Information Memorandum dated October 2014 of Citigroup Global Markets Inc. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 1(g) of Consummation Report.

1 (f)* U.S. Commercial Paper Information Memorandum dated October 2014 of SunTrust Robinson Humphrey, Inc. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 1(i) of Consummation Report.

1 (g)* Private Placement Memorandum dated October 2014 of Merrill Lynch, Pierce, Fenner & Smith Incorporated was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 1(k) of Consummation Report.

1 (h)* Commercial Paper Offering Memorandum dated October 2014 of Goldman, Sachs & Co. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 1(m) of Consummation Report.

1 (i) Term Loan Agreement between FPL and a commercial bank dated as of March 31, 2016 (Bank 1 2016 Term Loan Agreement).

1 (j)	Amendment No. 1 to Bank 1 2016 Term Loan Agreement (Conversion to Revolver) between FPL and a commercial bank dated as of September 27, 2016 (September 2016 Conversion to Revolver).
1 (k)	Term Loan Agreement between FPL and a commercial bank dated as of March 31, 2016 (Bank 2 2016 Term Loan Agreement).
1 (l)	Amendment No. 1 to Bank 2 2016 Term Loan Agreement (Conversion to Revolver) between FPL and a commercial bank dated as of August 26, 2016 (August 2016 Conversion to Revolver 1).
1 (m)	Revolving Credit Agreement between FPL and a commercial bank dated as of September 27, 2016 (September 2016 Revolving Credit Agreement).
1 (n)	Revolving Credit Agreement between FPL and a commercial bank dated as of November 30, 2016 (November 2016 Revolving Credit Agreement).
1 (o)	Revolving Credit Agreement between FPL and a commercial bank dated as of December 20, 2016 (December 2016 Revolving Credit Agreement).
2 (a)	Signed opinions of FPL's legal counsel with respect to the legality of the loan agreement executed by FPL in connection with the Lee County Series 2016 Bonds.
2 (b)	Signed opinion of FPL's legal counsel with respect to the legality of the Bank 1 2016 Term Loan Agreement.
2 (c)	Signed opinion of FPL's legal counsel with respect to the legality of the September 2016 Conversion to Revolver.
2 (d)	Signed opinion of FPL's legal counsel with respect to the legality of the Bank 2 2016 Term Loan Agreement.
2 (e)	Signed opinion of FPL's legal counsel with respect to the legality of the August 2016 Conversion to Revolver 1.
2 (f)	Signed opinion of FPL's legal counsel with respect to the legality of the September 2016 Revolving Credit Agreement.
2 (g)	Signed opinion of FPL's legal counsel with respect to the legality of the November 2016 Revolving Credit Agreement.
2 (h)	Signed opinion of FPL's legal counsel with respect to the legality

	of the December 2016 Revolving Credit Agreement.
2 (i)*	Signed opinions of FPL's legal counsel with respect to the legality of the issuance of the commercial paper under the Dealer Agreements were filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 2(f) of Consummation Report.
3 (a)	Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016.
3 (b)	Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016.
3 (c)	Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016.
3 (d)	Annual Report on Form 10-K for the year ended December 31, 2016.
4 (a)	Underwriting Agreement, dated December 1, 2016, with respect to the Lee County Series 2016A Bonds.
4 (b)	Underwriting Agreement, dated December 1, 2016, with respect to the Lee County Series 2016B Bonds.
4 (c)	Letter of Representation, dated December 1, 2016, with respect to the Lee County Series 2016A Bonds.
4(d)	Letter of Representation, dated December 1, 2016, with respect to the Lee County Series 2016B Bonds.
4 (e)	Remarketing Agreement, dated December 2, 2016, with respect to the Lee County Series 2016A Bonds.
4(f)	Remarketing Agreement, dated December 2, 2016, with respect to the Lee County Series 2016B Bonds.
4 (g)	Tender Agreement, dated as of December 1, 2016, with respect to the Lee County Series 2016A Bonds.
4(h)	Tender Agreement, dated as of December 1, 2016, with respect to the Lee County Series 2016B Bonds.
4 (i)*	Commercial Paper Dealer Agreement dated as of August 5, 2005 between FPL and Merrill Lynch Money Markets Inc. (now assigned to Merrill Lynch, Pierce, Fenner & Smith Incorporated)

	was filed with the FPSC in connection with Docket No. 041086-EI as Exhibit (d)-6 of Report of Consummation.
4 (j)*	First Amendment to Commercial Paper Dealer Agreement, dated as of October 10, 2014, and effective as of October 20, 2014, between FPL and Merrill Lynch, Pierce, Fenner & Smith Incorporated was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 4(d) of Consummation Report..
4 (k)*	Commercial Paper Dealer Agreement dated as of August 5, 2005 between FPL and SunTrust Capital Markets, Inc. (now named SunTrust Robinson Humphrey, Inc.) was filed with the FPSC in connection with Docket No. 041086-EI as Exhibit (d)-7 of Report of Consummation.
4 (l)*	First Amendment to Commercial Paper Dealer Agreement, dated as of October 10, 2014, and effective as of October 20, 2014, between FPL and SunTrust Robinson Humphrey, Inc. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 4(f) of Consummation Report.
4 (m)*	Commercial Paper Dealer Agreement dated as of September 12, 2008 between FPL and Citigroup Global Markets Inc. was filed with the FPSC in connection with Docket No. 070660-EI as Exhibit 4(e) of Consummation Report.
4 (n)*	First Amendment to Commercial Paper Dealer Agreement, dated as of October 10, 2014, and effective as of October 20, 2014, between FPL and Citigroup Global Markets Inc. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 4(h) of Consummation Report.
4 (o)*	Commercial Paper Dealer Agreement dated as of June 28, 2011 between FPL and Goldman, Sachs & Co. was filed with the FPSC in connection with Docket No. 100405-EI as Exhibit 4(f) of Consummation Report.
4 (p)*	First Amendment to Commercial Paper Dealer Agreement, dated as of October 10, 2014, and effective as of October 20, 2014, between FPL and Goldman, Sachs & Co. was filed with the FPSC in connection with Docket No. 130237-EI as Exhibit 4(j) of Consummation Report.
5	Statement as to Underwriters' Fees.

5(a) See Exhibit 1(d), Page 40 (as to Underwriters and fee) of the Official Statement with respect to the Lee County Series 2016 Bonds.

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road NE, 11th Floor
Atlanta, Georgia 30326

5 (b) Merrill Lynch, Pierce, Fenner & Smith Incorporated, SunTrust Robinson Humphrey, Inc., Citigroup Global Markets Inc. and Goldman, Sachs & Co. act as private placement agents and/or dealers with respect to the commercial paper in return for which they receive fees based on the differential between the bid and ask price for the commercial paper.

Citigroup Global Markets Inc.	390 Greenwich Street, 4th Floor, New York, NY 10013
Merrill Lynch, Pierce, Fenner & Smith Incorporated	One Bryant Park, 8th Floor, New York, NY 10036
SunTrust Robinson Humphrey, Inc.	3333 Peachtree Road NE, 11th Floor Atlanta, GA 30326
Goldman, Sachs & Co.	200 West Street, New York, NY 10282

Commercial paper dealers' agreements, and the use of placement agents/dealers in public company commercial paper programs, are standard practice, and the fees charged are consistent with fees charged to companies of similar creditworthiness for commercial paper transactions. The services provided by the placement agents/dealers are described in Exhibits 4(i) through 4(p).

5 (c) No affiliation.

5 (d) None.

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*Incorporated by reference.

Respectfully submitted this 30 day of March, 2017.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

Exhibit l (b)

Trust Indenture, dated as of December 1, 2016, between Lee County Industrial Development Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, with respect to the Lee County Series 2016 Bonds.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
Trustee

TRUST INDENTURE

Dated as of December 1, 2016

Relating to

$30,000,000 **LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BONDS (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2016A**	**$30,000,000** **LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BONDS (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2016B**

(This Table of Contents is not part of the Trust Indenture
but is for convenience of reference only.)

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TRUST INDENTURE

THIS TRUST INDENTURE, made and entered into as of the 1st day of December, 2016, is by and between LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public body corporate and politic duly created and existing under the laws of the State of Florida (the "Issuer"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association having a corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under this Indenture being herein called the "Trustee").

WITNESSETH:

WHEREAS, the Issuer pursuant to Parts II, III and VI, Chapter 159, Florida Statutes, Part I, Chapter 163, Florida Statutes, and other applicable provisions of law (collectively, the "Act") is authorized to finance and refinance capital projects including industrial and manufacturing plants and solid waste and sewage facilities or devices with appurtenant facilities, for the purpose of promoting effective and efficient solid waste disposal and sewerage treatment; to issue revenue bonds payable solely from revenues derived from the sale, operation or leasing of such capital projects or other payments received under financing agreements with respect thereto; and to provide for the issuance of revenue refunding bonds for the purpose of refunding any bonds or notes then outstanding which shall have been issued under the provisions of the Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds or notes and for constructing improvements, additions, extensions, or enlargements of the project in connection with which the bonds to be refunded shall have been issued and for paying the cost of any additional project; and

WHEREAS, in order to finance the cost of acquisition, construction and equipping of certain wastewater facilities and solid waste facilities, including functionally related and subordinate facilities in Lee and Okeechobee Counties, Florida of Florida Power & Light Company (the "Borrower"), the Borrower has requested the Issuer to issue, pursuant to the Act and this Indenture, its $60,000,000 aggregate principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Projects), Series 2016 consisting of (a) Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Projects), Series 2016A, in the aggregate principal amount of $30,000,000 (the "Series 2016A Bonds") and (b) Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Projects), Series 2016B, in the aggregate principal amount of $30,000,000 (the "Series 2016B Bonds," and together with the Series 2016A Bonds, the "Series 2016 Bonds"); and

WHEREAS, concurrently with the issuance of the Series 2016 Bonds, the Borrower and the Issuer have entered into the Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), whereby the Issuer has agreed to lend the proceeds of the

Bonds (as defined herein) to the Borrower, and the Borrower has agreed to make Loan Repayments under and defined in the Loan Agreement equal to the principal of and interest and any premium on the Bonds and the Issuer will assign its right, title and interest in the Loan Agreement (except for certain reserved rights described below) to the Trustee for the benefit of the holders of the Series 2016 Bonds; and

WHEREAS, the Series 2016 Bonds are being issued to (i) finance all or a portion of the costs of the acquisition, construction and equipping of the Projects (as defined herein), (ii) fund any necessary reserves for the Series 2016 Bonds and (iii) pay certain costs associated with the issuance of the Series 2016 Bonds; and

WHEREAS, the Issuer has determined that the Bonds to be issued initially hereunder and the certificate of authentication by the Registrar (hereinafter identified) to be endorsed on all such Bonds shall be, respectively, substantially in the form attached hereto as EXHIBIT A, with such variations, omissions and insertions as are required or permitted by this Indenture; and

WHEREAS, the execution and delivery of this Indenture and the Loan Agreement have been duly authorized by a resolution of the Issuer; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of Florida to happen, exist and be performed precedent to and in the execution and delivery of this Indenture and the Loan Agreement have happened, exist and have been performed as so required in order to make this Indenture a valid and binding trust indenture for the security of the Bonds in accordance with its terms and in order to make the Loan Agreement a valid and binding loan agreement in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this Indenture and in evidence thereof has joined in the execution hereof.

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the holders thereof, and also for and in consideration of the sum of One Dollar ($1.00) to the Issuer in hand paid by the Trustee at or before the execution and delivery of this Indenture, the receipt of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and in order to secure the payment of the principal of all the Bonds at any time issued and outstanding hereunder and the premium, if any, and interest thereon according to their tenor, purport and effect, and in order to secure the performance and observance of all the covenants, agreements and conditions therein and herein contained, the Issuer has executed and delivered this Indenture and has pledged and assigned and does hereby

pledge and assign to the Trustee the Issuer's rights under the Loan Agreement (except its rights under Sections 5.1(c) and 9.4 of the Loan Agreement to payment of certain costs and expenses and under Section 7.3 of the Loan Agreement to indemnification), including its rights to the Loan Repayments and other moneys to the extent provided in this Indenture and under the Loan Agreement, and has granted and does hereby grant a security interest in the Bond Fund, all as security for the payment of the Bonds and the premium, if any, and interest thereon and as security for the satisfaction of any other obligation assumed by it in connection with such Bonds, and it is so mutually agreed and covenanted by and between the parties hereto;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee, its successors in trust and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit and security, except as otherwise hereinafter expressly provided, of all and singular the present and future holders of the Bonds issued and to be issued under this Indenture, without preference, priority or distinction as to lien or otherwise, except as otherwise hereinafter expressly provided, of any one Bond over any other Bond, by reason of priority in the issue, sale or negotiation thereof or otherwise; and

PROVIDED, HOWEVER, that if, after the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall have ceased, terminated and become void in accordance with Article XIII hereof, the principal of and premium, if any, and interest on all of the Bonds shall have been paid to the Bondholders or shall have been paid to the Borrower pursuant to Section 505 hereof, then this Indenture and all covenants, agreements and other obligations of the Issuer hereunder shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge this Indenture and shall execute and deliver to the Issuer and the Borrower such instruments in writing prepared by or on behalf of the Issuer or the Borrower as shall be required to evidence the discharge hereof; otherwise this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said Loan Repayments, revenues and other income and moneys hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective holders and owners, from time to time, of the Bonds, or any part thereof, as follows:

ARTICLE I
DEFINITIONS

SECTION 101 MEANING OF WORDS AND TERMS.

(a) When used in this Indenture (except as otherwise expressly provided or unless the context otherwise requires), the following terms shall have the meanings specified in the foregoing recitals:

Act
Borrower
Issuer
Loan Agreement
Series 2016 Bonds
Series 2016A Bonds
Series 2016B Bonds
Trustee

(b) All words and terms defined in Article I of the Loan Agreement shall have the same meanings in this Indenture, unless otherwise specifically defined herein. In addition, the following words and terms as used in this Indenture shall have the following meanings unless some other meaning is plainly intended:

"Alternate Long-Term Interest Rate Index" shall mean, if for any reason, the Long-Term Interest Rate for Bonds is not so determined for the Long-Term Interest Rate Period by the relevant Remarketing Agent on or prior to the first day of such Long-Term Interest Rate Period, then such Bonds shall bear interest at the Weekly Interest Rate as provided in Section 201(e) hereof, and shall continue to bear interest at a Weekly Interest Rate determined in accordance with Section 201(e) hereof until such time as the interest rate on such Bonds shall have been adjusted to another Interest Rate Period as provided herein, and the Bonds shall continue to be subject to mandatory purchase as described in Section 202(d) hereof.

"Authorized Borrower Representative" shall mean each person at the time designated to act on behalf of the Borrower by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by the Chairman or any Vice Chairman of the Board, the President, any Senior or Administrative Vice President, any Vice President, the Treasurer or any Assistant Treasurer of the Borrower. Such certificate may designate an alternate or alternates who shall have the same authority, duties and powers as the Authorized Borrower Representative.

"Authorized Denominations" shall mean: (i) with respect to any Long-Term Interest Rate Period, $5,000 and any integral multiple thereof; (ii) with respect to any

Daily Interest Rate Period or Weekly Interest Rate Period, $100,000 and any integral multiple of $5,000 in excess thereof; and (iii) with respect to any Commercial Paper Interest Rate Period, $100,000 and any integral multiple of $1,000 in excess of $100,000.

"Bond Counsel" means Nabors, Giblin & Nickerson, P.A. or other counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds and acceptable to the Borrower, the Trustee and the Issuer.

"Bond Fund" means the fund created by Section 501 hereof.

"Bonds" means collectively the Bonds authorized to be issued under Sections 201 and 211 of this Indenture for the purpose of financing the cost of acquisition, construction and equipping of the Projects.

"Borrower" means Florida Power & Light Company, a corporation duly organized and validly existing under the laws of the State of Florida, and its successors or assigns and any surviving, resulting or transferee corporation as provided in Section 7.2 of the Loan Agreement.

"Business Day" shall mean any day other than (i) a Saturday or Sunday and (ii) a day on which banks located in the cities in which the Principal Offices of the Trustee, the relevant Remarketing Agent or the Tender Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Chair" shall mean the person at the time occupying the office of Chairman of the Issuer or any successor to the principal functions thereof.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time. References to the Code and Sections of the Code include relevant applicable regulations and proposed regulations thereunder and under the Internal Revenue Code of 1954, as amended to the date of enactment of the Tax Reform Act of 1986, and any successor provisions to those Sections, regulations or proposed regulations and, in addition, all revenue rulings, announcements, notices, procedures and judicial determinations under the foregoing applicable to the Bonds.

"Commercial Paper Interest Rate Period" shall mean each period, comprised of Commercial Paper Terms, during which Commercial Paper Term Rates are in effect.

"Commercial Paper Term" shall mean, with respect to any Bond, each period established in accordance with Section 201(g) hereof during which such Bond shall bear interest at a Commercial Paper Term Rate.

"Commercial Paper Term Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established periodically in accordance with Section 201(g) hereof.

"Completion Bonds" means the Bonds authorized pursuant to Section 211 hereof.

"Construction Fund" means the fund created by Section 401 hereof.

"Cost of Issuance Account" means the account created within the Construction Fund pursuant to Section 401 hereof.

"Daily Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(d) hereof.

"Daily Interest Rate Period" shall mean each period during which a Daily Interest Rate is in effect.

"Defeasance Obligations" means (i) Government Obligations and (ii) evidences of ownership of a proportionate interest in specified Government Obligations, which Government Obligations are held by a bank or trust company in the capacity of custodian.

"DTC" shall mean The Depository Trust Company, its successors and their assigns.

"Favorable Opinion of Bond Counsel" shall mean an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"Government Obligations" means obligations issued or unconditionally guaranteed as to the timely payment of principal and interest by the United States.

"Interest Accrual Date" shall mean (i) with respect to any Daily or Weekly Interest Rate Period, the first day thereof and, thereafter, the first Business Day of each month, (ii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof and (iii) with respect to each Commercial Paper Term, the first day thereof.

"Interest Payment Date" shall mean (i) with respect to any Daily or Weekly Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Long-Term Interest Rate Period, the fifth day of the calendar month that is six months after the calendar month in which the adjustment to any Long-Term Interest Rate

Period occurs and the fifth day of the calendar month every six months after each such payment date thereafter until the end of such Long-Term Interest Rate Period (iii) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, (iv) with respect to each Interest Rate Period, the day next succeeding the last day thereof and (v) the Maturity Date.

"Interest Rate Period" shall mean any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period or any Long-Term Interest Rate Period.

"Investment Obligations" means: (i) certificates of deposit issued by, or time deposits with, or bankers' acceptances drawn on and accepted by, foreign, national or state banks, including the Trustee, which have combined capital and surplus of at least $10,000,000; (ii) bonds and other obligations issued by, or by authority of, any state of the United States, any territory or possession of the United States, including the Commonwealth of Puerto Rico and agencies thereof, or any political subdivision of any of the foregoing; (iii) commercial paper; (iv) other corporate debt securities; (v) repurchase agreements (including repurchase agreements with the Trustee) fully secured by any of the foregoing obligations; (vi) Government Obligations; or (vii) any other obligations or securities which may lawfully be purchased by the Trustee. The Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments.

"Lee Project" means the acquisition, construction, installation and equipping of: (a) industrial wastewater facilities used for collection, transfer, treatment, processing, recycling and disposal of equipment drainage, floor drainage, process drainage, chemical and oily wastes, storm water, sanitary wastes, and other plant effluents including, but not limited to, drains, piping, sewers, sumps, curbs and dikes, collection systems, ponds and impoundments, lift stations, treatment systems, conveyance systems, and disposal equipment; (b) solid waste facilities used for the collection, transfer, storage, processing, remediation, disposal or recycling of solid wastes resulting from plant operations including, but not limited to, collection equipment, storage equipment, handling systems, processing equipment, disposal and recycling systems, remediation equipment, earthen cap, ground water monitoring systems, soil caps and covers, reclamation components, loading and transportation equipment; and (c) functionally related and subordinate facilities necessary to the operation of the foregoing facilities described in (a) and (b) above including, but not limited to, mechanical and electrical auxiliaries, controls and instrumentation, plant utilities, related building and structures, associated site development, and other functionally related and subordinate facilities located at the Borrower's existing power plant site in Lee County, Florida.

"Letter of Representations" shall mean any letter of representations with DTC with respect to Bonds deposited with DTC in its book-entry system.

"Long-Term Interest Rate" shall mean, with respect to each Bond, a fixed, non-variable interest rate on such Bond established in accordance with Section 201(f) hereof.

"Long-Term Interest Rate Period" shall mean each period during which a Long-Term Interest Rate is in effect.

"Maturity Date" shall mean December 1, 2046.

"No Call Period" means the period during a Long-Term Interest Rate Period during which the Bonds are not subject to optional redemption by the Issuer at the direction of the Borrower pursuant to Section 301(c)(ii) hereof.

"Okeechobee Project" acquisition, construction, installation and equipping of (a) industrial wastewater facilities used for collection, transfer, treatment, processing, recycling and disposal of equipment drainage, floor drainage, process drainage, chemical and oily wastes, storm water, sanitary wastes, and other plant effluents; those facilities include, but are not limited to, drains, piping, sewers, sumps, curbs and dikes, collection systems, ponds and impoundments, lift stations, treatment systems, conveyance systems, yard grading, pumps, tanks, oil-water separators, PH adjustment equipment, monitoring equipment, and disposal equipment; (b) solid waste facilities used for the collection, transfer, storage, processing, remediation, disposal or recycling of solid wastes resulting from plant operations; those facilities include, but are not limited to, collection equipment, storage equipment, handling systems, processing equipment, disposal and recycling systems, remediation equipment, earthen cap, ground water monitoring systems, soil caps and covers, reclamation components, loading and transportation equipment, asphalt and related monitoring equipment; and (c) functionally related and subordinate facilities necessary to the operation of the foregoing facilities described in (a) and (b) above including, but not limited to, mechanical and electrical auxiliaries, controls and instrumentation, plant utilities, related building and structures, associated site development, and other functionally related and subordinate facilities located at the Borrower's Okeechobee Clean Energy Center to be located in Okeechobee County, Florida.

"Outstanding" or **"outstanding"** means all Bonds which have been authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds paid or redeemed or delivered to or acquired by the Trustee for cancellation;

(b) Bonds deemed to have been paid in accordance with Article XIII hereof;

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture; and

(d) Undelivered Bonds;

provided, however, that in determining whether the holders of the requisite principal amount of outstanding Bonds have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by the Issuer or the Borrower or any other obligor upon the Bonds or the Loan Agreement or any Affiliate of the Borrower or such other obligor shall be disregarded and deemed not to be outstanding (unless all of the outstanding Bonds are then owned by the Borrower or any other obligor upon the Bonds or the Loan Agreement or any Affiliate of the Borrower or such other obligor), except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer or the Borrower or any other obligor upon the Bonds or the Loan Agreement or any Affiliate of the Borrower or such other obligor. "Affiliate of the Borrower or such other obligor" as used in this definition means any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Borrower or such other obligor. For the purposes of this definition, "control" when used with respect to the Borrower or such other obligor means the power to direct the management and policies of the Borrower or such other obligor, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of this definition, "Responsible Officer" means any vice president, assistant vice president or other officer of the Trustee within the corporate trust office specified in Section 1502 (or any successor corporate trust office) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the corporate trust office specified in Section 1502 because of such person's knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Indenture.

"Paying Agent" shall mean the initial and any successor paying agent or agents appointed in accordance with Section 917 hereof. "Principal Office" of the Paying Agent shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the relevant Remarketing Agent.

"Pledge Agreement" means a Pledge Agreement to be entered into by and between the Borrower and the Trustee, in the event additional collateral is pledged as collateral security for the payment of the principal of and interest on the Bonds, as provided in Section 5.3 of the Loan Agreement.

"Principal Office" in the case of the Trustee or Tender Agent, means the office at which, at the time in question, its corporate trust activities relating to the Bonds are principally conducted, and, in the case of the relevant Remarketing Agent, means the office at which, at the time in question, its remarketing activities relating to the Bonds are principally conducted.

"Projects" means collectively, the Lee Project and the Okeechobee Project.

"Purchase Fund" shall mean the fund created by Section 1401 hereof.

"Rating Category" shall mean a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Record Date" shall mean (a) with respect to any Interest Payment Date in respect of any Daily or Weekly Interest Rate Period, Business Day next preceding each Interest Payment Date, (b) with respect to any Interest Payment Date in respect of any Commercial Paper Term, the Business Day immediately preceding such Interest Payment Date, and (c) with respect to any Interest Payment Date in respect of any Long-Term Interest Rate Period, the 15th day (whether or not a Business Day) immediately preceding such Interest Payment Date or, in the event that an Interest Payment Date shall occur less than 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Registrar" shall mean the registrar or registrars appointed in accordance with Section 206 hereof. "Principal Office" of the Registrar shall mean the Principal Office of the Tender Agent or such other office thereof designated in writing to the Issuer, the Trustee, the Tender Agent and the relevant Remarketing Agent.

"Remarketing Agent" shall mean (a) with respect to the Series 2016A Bonds, the initial and any successor remarketing agent appointed in accordance with Section 1401(a)(i) hereof and (b) with respect to the Series 2016B Bonds, the initial and any and any successor remarketing agent appointed in accordance with Section 1401(a)(ii) hereof "Principal Office" of the relevant Remarketing Agent shall mean (a) with respect to the Series 2016A Bonds, Morgan Stanley & Co. LLC, 1585 Broadway, New York, New York 10036, Attention: Municipal Short Term Products and (b) with respect to the Series 2016B Bonds, SunTrust Robinson Humphrey, Inc., 3333 Peachtree Road, 11th Floor, Atlanta, Georgia 30326, Attention: Dara Smith, or such other office thereof designated in writing to the Issuer, the Trustee and the Tender Agent.

"Secretary" shall mean the person at the time occupying the office of Secretary of the Issuer.

"SIFMA Index" means the Securities Industry and Financial Markets Association Municipal Swap Index, which is an index compiled from the weekly interest

rate resets of tax-exempt variable rate issues included in a database maintained by Bloomberg which meet specific criteria established from time to time by SIFMA and issued on Wednesday of each week, or if any Wednesday is not a Business Day, the next succeeding Business Day.

"Special Record Date" shall mean, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 203 hereof.

"Tender Agent" shall mean the initial and any successor tender agent appointed in accordance with Section 1401(b) hereof. "Principal Office" of the Tender Agent shall mean The Bank of New York Mellon Trust Company, N.A., 10161 Centurion Parkway, 2nd Floor, Jacksonville, Florida 32256, or such other office thereof designated in writing to the Issuer, the Trustee and the relevant Remarketing Agent.

"Tender Agreement" shall mean (a) with respect to the Series 2016A Bonds, the Series 2016A Tender Agreement, dated as of December 1, 2016, between the Trustee, the Borrower, the relevant Remarketing Agent for the Series 2016A Bonds and the Tender Agent, as supplemented or amended in accordance with the provisions thereof, and (b) with respect to the Series 2016B Bonds, the Series 2016B Tender Agreement, dated as of December 1, 2016, between the Trustee, the Borrower, the relevant Remarketing Agent for the Series 2016B Bonds and the Tender Agent, as supplemented or amended in accordance with the provisions thereof.

"Undelivered Bonds" shall mean any Bond so designated in accordance with the provisions of Section 202(f) hereof.

"Weekly Interest Rate" shall mean a variable interest rate on the Bonds established in accordance with Section 201(e) hereof.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

SECTION 102 RULES OF CONSTRUCTION. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the words "holder" or "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the registered owner of one or more Bonds at the time issued and outstanding hereunder.

(b) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or connote payment of Bonds at their stated maturity.

(c) The captions or headings in this Indenture are for convenience only and in no way limit the scope or intent of any provision or section of this Indenture.

(d) All reference herein to particular articles or sections are references to articles or sections of this Indenture unless some other reference is indicated.

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ARTICLE II
FORM, EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS

SECTION 201 ISSUANCE OF BONDS.

(a) (i) Limitations on Issuance. No Bonds may be issued under the provisions of this Indenture except in accordance with the provisions of this Article. There shall be issued under and secured by this Indenture the Series 2016 Bonds of the Issuer in the aggregate principal amount of Sixty Million Dollars ($60,000,000) to (A) finance all or a portion of the costs of the acquisition, construction and equipping of the Projects, (B) fund any necessary reserves, and (C) pay certain costs associated with the issuance of the Series 2016 Bonds. The Series 2016A Bonds shall initially be issued in the aggregate principal amount of $30,000,000 and shall be designated "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A" and shall be dated their date of original issuance. The Series 2016B Bonds shall initially be issued in the aggregate principal amount of $30,000,000 and shall be designated "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B" and shall be dated their date of original issuance. Each series of Bonds issued hereunder shall mature, subject to the right of prior redemption as hereinafter set forth, on the Maturity Date and shall bear interest at the rate or rates determined as hereinafter provided. The amounts, maturities, redemption provisions, interest rate or rates, may differ between each Series of Bonds issued hereunder and as provided in each such series of Bonds.

(ii) Form of Bonds. The Bonds are issuable as registered Bonds without coupons in Authorized Denominations and shall initially be issued and held under the book-entry system maintained by DTC; provided, however, that the Borrower may at any time elect to discontinue the use of such book-entry system. The Bonds shall be substantially in the form set forth as EXHIBIT A hereto, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

(b) (i) The Bonds bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date immediately preceding the date of authentication thereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on the Bonds has been paid in full or duly provided for or the date of initial authentication of the Bonds, from such date of authentication and each Bond bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of

transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds hereunder.

(ii) For any Daily Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Interest Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on the Bonds shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on the Bonds shall be payable for the final Interest Rate Period to the date on which the Bonds shall have been paid in full.

(iii) Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed.

(c) In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at the Daily Interest Rate, the Weekly Interest Rate, Commercial Paper Term Rates or Long-Term Interest Rates. The first Interest Rate Period shall commence on the date of issuance and delivery of the Bonds and shall be a Daily Interest Rate Period. The Bonds shall initially bear interest at the rates per annum determined in accordance with the provisions hereof as set forth in the acceptance of their respective appointments as Remarketing Agent signed by Morgan Stanley & Co. LLC with respect to the Series 2016A Bonds, and SunTrust Robinson Humphrey, Inc. with respect to the Series 2016B Bonds, on the date of issuance and delivery of the Bonds. Notwithstanding any other provision hereof, except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Daily, Weekly, Commercial Paper or Long-Term Interest Rate shall not exceed 15% per annum.

(d) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, the relevant series of Bonds shall bear interest at the Daily Interest Rate,

which shall be determined by the relevant Remarketing Agent on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the relevant Remarketing Agent (based on the examination of tax-exempt obligations comparable to such Bonds known by the relevant Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bonds, would enable the relevant Remarketing Agent to sell such Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. The Daily Interest Rate for a day that is not a Business Day shall be the same as the Daily Interest Rate for the immediately preceding Business Day. If for any reason, the Daily Interest Rate cannot be determined for any Business Day by the relevant Remarketing Agent as hereinbefore provided, then (1) the Daily Interest Rate for such day shall be the same as the Daily Interest Rate for the immediately preceding day if the Daily Interest Rate for such preceding day was determined by the relevant Remarketing Agent or (2) if no Daily Interest Rate for the immediately preceding day was determined by the relevant Remarketing Agent or if the Daily Interest Rate determined by the relevant Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such day shall be equal to 100% of the SIFMA Index, made available for such day, or if such index is no longer available, or no such index was so made available for such day, 70% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* or *The Bond Buyer* on the day the Daily Interest Rate would otherwise be determined as provided herein for such Daily Interest Rate Period.

(ii) Adjustment to Daily Interest Rate. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that any series of the Bonds shall bear interest at a Daily Interest Rate. Such direction shall specify (A) the particular series of Bonds affected by such adjustment, (B) the effective date of such adjustment to a Daily Interest Rate, which shall be (1) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (2) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (3) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (C) the name and Principal Office of the relevant Remarketing

Agent while the Bonds bear interest at the Daily Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Weekly Interest Rate Period or a Commercial Paper Interest Rate Period. During each Daily Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(iii) Notice of Adjustment to Daily Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Daily Interest Rate Period to the Owners of the applicable series of Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily Interest Rate Period. The Borrower shall cause the form of such notice to be provided to the Registrar. Such notice shall state (A) that the interest rate on the Bonds will be adjusted to a Daily Interest Rate, (B) the effective date of such Daily Interest Rate Period, (C) that the Bonds are subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, and (D) the procedures of such purchase.

(e) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, the relevant series of the Bonds shall bear interest at the Weekly Interest Rate, which shall be determined by the relevant Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the relevant Remarketing Agent (based on the examination of tax-exempt obligations comparable to such Bonds known by the relevant Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bonds, would enable the relevant Remarketing Agent to sell such Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Weekly Interest Rate cannot be determined for any week by the relevant Remarketing Agent as hereinbefore provided, then (A) the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such immediately preceding week was determined by the relevant Remarketing Agent or (B) if no Weekly Interest Rate for the immediately preceding week was determined by the relevant Remarketing Agent or if the Weekly Interest Rate determined by the relevant Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the Weekly Interest Rate for such week shall be equal to 100% of the SIFMA Index, made available for the week preceding the date of determination, or if such index is no longer available, or no such index was made

available for the week preceding the date of determination, 70% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* or *The Bond Buyer* on the day such Weekly Interest Rate would otherwise be determined as provided herein for such Weekly Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the relevant Remarketing Agent, may elect that any series of the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall specify (A) the particular series of Bonds affected by such adjustment, (B) the effective date of such adjustment to a Weekly Interest Rate, which shall be (1) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (2) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which such Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (3) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Term then in effect (or to be in effect) with respect to that Bond, and (C) the name and Principal Office of the relevant Remarketing Agent while such Bonds bear interest at the Weekly Interest Rate. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Commercial Paper Interest Rate Period. During each Weekly Interest Rate Period commencing on a date so specified and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by such Bonds shall be a Weekly Interest Rate.

(iii) Notice of Adjustment to Weekly Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Weekly Interest Rate Period to the Owners of the applicable series of Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Weekly Interest Rate Period. The Borrower shall cause the form of such notice to be provided to the Registrar. Such notice shall state (A) that the interest rate on such Bonds will be adjusted to a Weekly Interest Rate, (B) the effective date of such Weekly Interest Rate Period, (C) that such Bonds are

subject to mandatory tender for purchase on such effective date, setting forth the applicable purchase price, and (D) the procedures of such purchase.

(f) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the relevant series of the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for such Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative (II) set forth in Section 201(g)(iv) hereof, the Long-Term Interest Rate for such Bond, shall be determined by the relevant Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the relevant Remarketing Agent (based on the examination of tax-exempt obligations comparable to such Bonds known by the relevant Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bonds, would enable the relevant Remarketing Agent to sell such Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Long-Term Interest Rate for any Long-Term Interest Rate Period cannot be determined by the relevant Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period the Long-Term Interest Rate will be at the Weekly Interest Rate as provided in Section 201(e) hereof, and shall continue to bear interest at a Weekly Interest Rate determined in accordance with Section 201(e) until such time as the interest rate on such Bonds shall have been adjusted to another Interest Rate Period as provided herein, and such Bonds shall continue to be subject to mandatory purchase as described in Section 202(d) hereof.

(ii) Adjustment to Long-Term Interest Rate. (A) At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent may elect that any series of the Bonds shall bear interest at a Long-Term Interest Rate or Rates. As a part of such election, the Borrower also may determine that the initial Long-Term Interest Rate Period shall be followed by successive Long-Term Interest Rate Periods. Such direction shall specify (1) the particular series of Bonds affected by such adjustment; (2) the effective date of each such Long-Term Interest Rate Period, which date shall be (a) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (b) in the case of an adjustment from a Long-Term Interest Rate Period to another Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would

otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, (c) in the case of the determination of successive Long-Term Interest Rate Periods, the day immediately following the last day of the immediately preceding Long-Term Interest Rate Period and (d) in the case of an adjustment from a Commercial Paper Interest Rate Period, the date or dates determined in accordance with Alternatives (I) or (II) set forth in Section 201(g)(iv) hereof (provided, that if prior to the Borrower's making such election, any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Long-Term Interest Rate Period shall not precede such redemption date); (3) the duration of such Long-Term Interest Rate Period or, if successive Long-Term Interest Rate Periods shall have been designated, of each such Long-Term Interest Rate Period, in accordance with Section 201(f)(iii) hereof; (4) a date or dates on or prior to which Owners are required to deliver such Bonds to be purchased (if other than the effective date); (5) with respect to any such Long-Term Interest Rate Period, may specify redemption prices greater or lesser, and after periods longer or shorter, than those set forth in Section 301(c)(ii) hereof; and (6) state the name and Principal Office of the relevant Remarketing Agent while such Bonds bear interest at the Long-Term Interest Rate or Rates; provided, however, that in lieu of including the information to be provided pursuant to clauses (3) and (5) above in such direction, such information may be provided in a supplemental written direction of the Borrower at any time prior to the effective date if accompanied by a Favorable Opinion of Bond Counsel. The foregoing notwithstanding, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the relevant Remarketing Agent may rescind its decision that such Bonds shall bear interest at a Long-Term Interest Rate or Rates provided that notice of such recession is sent to the Trustee and the relevant Remarketing Agent not less than one day prior to the effective date of such Long-Term Interest Rate Period in which case such Bonds will remain in the then current Interest Rate Period; provided, however, that notwithstanding such rescission such Bonds shall still be subject to mandatory purchase as described in Section 202(d) hereof.

(B) Unless the Long-Term Interest Rate Period or Periods so determined are part of a series of successive Long-Term Interest Rate Periods which, together with the then-current Long-Term Interest Rate Period, shall be equal in length, as nearly as possible taking into account the requirements of this Section 201(f)(ii), such notice shall be accompanied by a Favorable Opinion of Bond Counsel. In any event, a Favorable Opinion of Bond Counsel shall be required prior to adjustment from a Long-Term Interest Rate Period of a duration in excess of one year to a Long-Term Interest Rate Period of a duration of exactly one year. If the Borrower shall designate successive Long-Term Interest Rate Periods, but shall not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify any of the information described in clauses (4), (5) or (6) of Section

201(f)(ii)(A) above, the Borrower, by written direction to the Issuer, the Trustee, the Tender Agent and the relevant Remarketing Agent, given not later than the third Business Day preceding the 15th day prior to the first day of such Long-Term Interest Rate Period, may specify any of such information not previously specified with respect to such Long-Term Interest Rate Period, accompanied by a Favorable Opinion of Bond Counsel if such opinion was required pursuant to the provisions above at the time of the determination of the initial Long-Term Interest Rate Period. During the Long-Term Interest Rate Period commencing and ending on the dates so determined and during each successive Long-Term Interest Rate Period, if any, so determined, the interest rate borne by the Bonds shall be a Long-Term Interest Rate.

(C) If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of equal duration, determined as aforesaid), by the Business Day preceding the date on which the Registrar must mail notice to the Owners of an adjustment of Interest Rate Period pursuant to Section 201(f)(iv) hereof, the Trustee shall not have received notice of the Borrower's election that, during the next succeeding Interest Rate Period, the relevant Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, or at Commercial Paper Term Rates, the next succeeding Interest Rate Period shall be (1) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Weekly Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered or (2) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered.

(iii) Selection of Long-Term Interest Rate Period. The Long-Term Interest Rate Period shall be established by the Borrower in the notice given pursuant to Section 201(f)(ii) hereof (the first such Long-Term Interest Rate Period commencing on the date of adjustment of the Bonds to the Long-Term Interest Rate) and thereafter each successive Long-Term Interest Rate Period shall be the same as that so established by the Borrower until a different Long-Term Interest Rate Period is specified by the Borrower in accordance with this Section or until the adjustment of the relevant Bonds to a Daily, Weekly or Commercial Paper Interest Rate Period or the Maturity Date. Each Long-Term Interest Rate Period shall be at least one year in duration and shall end on the day next preceding an Interest Payment Date (which must be a Business Day).

(iv) Notice of Adjustment to Long-Term Interest Rate. The Registrar shall give notice by first-class mail of an adjustment to a Long-Term Interest Rate Period to the Owners of the applicable series of Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate

Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date (or each effective date in the case of an adjustment from a Commercial Paper Interest Rate Period in accordance with Alternative (II) set forth in Section 201(g)(iv) hereof) of such Long-Term Interest Rate Period. the Borrower shall cause the form of such notice to be provided to the Registrar. Such notice shall state: (A) that the interest rate on the relevant Bonds shall be adjusted to a Long-Term Interest Rate, (B) the effective date or dates and the last day of such Long-Term Interest Rate Period, (C) that the relevant Bonds are subject to mandatory tender for purchase on such effective date, (D) the procedures of such purchase, (E) that, although the adjustment to a Long-Term Interest Rate is subject to rescission by the Borrower, the relevant Bonds remain subject to purchase.

(v) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period (subject to the provisions set forth in this paragraph (v)) the Borrower may elect that any series of the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, the Borrower shall also specify (A) the particular series of Bonds affected by such adjustment, (B) the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from the Borrower, on which the Bonds shall be subject to optional redemption in accordance with Section 301(c)(ii) hereof, and (C) the name and Principal Office of the relevant Remarketing Agent while such Bonds bear interest based on such new interest rate determination method. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period thereof, in accordance with Section 202(d) hereof, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) hereof which would be applicable on that date. Notwithstanding any other provision of this Indenture, in the event that the Borrower elects to adjust from a Long-Term Interest Rate Period prior to the day following the last day thereof, the Registrar shall give the notice of adjustment to the new Interest Rate Period required by Sections 201(d)(iii), (e)(iii), (f)(iv) and (g)(iii), as applicable, not less than 30 days prior to the effective date of the new Interest Rate Period.

(g) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. (A) During each Commercial Paper Interest Rate Period, the relevant series of the Bonds shall bear interest during each Commercial Paper Term for such Bond at the

Commercial Paper Term Rate for such Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for the relevant Bond shall be determined by the relevant Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for the relevant Bond shall be a period of not more than 270 days, determined by the relevant Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then Outstanding, will result in the lowest overall interest expense on such Bonds over the next succeeding 270 days. Further, each Commercial Paper Term shall end on either a day which immediately precedes a Business Day or on the day immediately preceding the Maturity Date. If for any reason a Commercial Paper Term for any Bond cannot be so determined by the relevant Remarketing Agent, it will extend by one Business Day (or until the earlier stated maturity of the Bonds) automatically until the relevant Remarketing Agent is able to set the rate and, if in that instance the relevant Remarketing Agent fails for whatever reason to determine the interest rate for such Bond, then the interest rate for such Bond for that Commercial Paper Interest Rate Period shall be the interest rate in effect for the preceding Commercial Paper Interest Rate Period. In determining the number of days in each Commercial Paper Term, the relevant Remarketing Agent shall take into account the following factors: (1) existing short-term tax-exempt market rates and indices of such short-term rates, (2) the existing market supply and demand for short-term tax-exempt securities, (3) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to such Bonds, (4) general economic conditions, (5) industry economic and financial conditions that may affect or be relevant to such Bonds, and (6) such other facts, circumstances and conditions as the relevant Remarketing Agent, in its sole discretion, shall determine to be relevant. Not later than 12:30 p.m. on the first day of each Commercial Paper Term the relevant Remarketing Agent shall notify the Tender Agent of each Commercial Paper Term and Commercial Paper Term Rate established on such day.

(B) The Commercial Paper Term Rate for each Commercial Paper Term for each Bond shall be the rate of interest per annum determined by the relevant Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the relevant Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by such Bond, would enable the relevant Remarketing Agent to sell such Bond on the date and at the time of such determination at a price (without regard to accrued interest) equal to the principal amount thereof.

(ii) Adjustment to Commercial Paper Term Rates. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the relevant Remarketing Agent, may elect that any series of the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall specify (A) the particular series of Bonds affected by such adjustment; (B) the effective date of the Commercial Paper Interest Rate Period (during which such Bonds shall

bear interest at Commercial Paper Term Rates), which shall be (1) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, and (2) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which such Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur; provided that, if prior to the Borrower's making such election any Bonds shall have been called for redemption and such redemption shall not have theretofore been effected, the effective date of such Commercial Paper Interest Rate Period shall not precede such redemption date; and (C) the name and Principal Office of the relevant Remarketing Agent while the Bonds bear interest at the Commercial Paper Term Rates. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel unless the then-current Interest Rate Period is a Daily Interest Rate Period or a Weekly Interest Rate Period. During each Commercial Paper Interest Rate Period commencing on the date so specified and ending, with respect to each applicable Bond, on the day immediately preceding the effective date of the next succeeding Interest Rate Period with respect to such Bond, each such Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Notice of Adjustment to Commercial Paper Term Rates. The Registrar shall give notice by first-class mail of applicable series of Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Commercial Paper Interest Rate Period. The Borrower shall cause the form of such notice to be provided to the Registrar. Such notice shall state (A) that during such Commercial Paper Interest Rate Period, the relevant Bond will have one or more consecutive Commercial Paper Terms during each of which such Bond will bear a Commercial Paper Term Rate, (B) the effective date of such Commercial Paper Interest Rate Period, (C) that the Bonds are subject to mandatory tender for purchase on the effective date of such Commercial Paper Interest Rate Period, setting forth the applicable purchase price, and (D) the procedures for such purchase.

(iv) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, the Borrower may elect, pursuant to Section 201(d)(ii), (e)(ii) or (f)(ii) hereof, that any series of the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead

bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election also shall specify (A) the particular series of Bonds affected by such adjustment and (B) an alternative from the immediately succeeding Alternatives (I) and (II) and, in accordance with such election, the relevant Remarketing Agent shall effect one of such alternatives:

Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date; or

Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the relevant Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period.

If Alternative (I) above shall be selected, the date on which all Commercial Paper Terms so determined shall end shall be the last day of the then-current Commercial Paper Interest Rate Period and the day next succeeding such date shall be the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by the Borrower. If Alternative (II) above shall be selected, beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of the Borrower effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by the Borrower. The applicable Remarketing Agent, promptly upon the determination thereof, shall give written notice of each such last date and each such effective date with respect to each Bond to the Issuer, the Borrower, the Trustee and the Tender Agent.

(v) During any transition period from a Commercial Paper Interest Rate Period to the next succeeding Interest Rate Period in accordance with Alternative (II) of Section 201(g)(iv) hereof, Bonds bearing interest at a Commercial Paper Term Rate shall be governed by the provisions of this Indenture applicable to a Commercial Paper Interest Rate Period and Bonds bearing interest at a Daily Interest Rate, Weekly Interest Rate or Long-Term Interest Rate, as applicable, shall be governed by the provisions of this Indenture applicable to such Interest Rate Period.

(h) The determination of the Alternate Long-Term Interest Rate Index and the determination of each Daily Interest Rate, Weekly Interest Rate and Long-Term Interest Rate and each Commercial Paper Term and Commercial Paper Term Rate by the relevant Remarketing Agent shall be conclusive and binding upon the relevant Remarketing

Agent, the Trustee, the Tender Agent, the Issuer, the Borrower, and the Owners of the Bonds.

(i) The Series 2016A Bonds shall be numbered from AR-1 consecutively upwards in order of authentication. The Series 2016B Bonds shall be numbered from BR-1 consecutively upwards in order of authentication.

(j) Notwithstanding anything to the contrary contained in this Indenture, the Borrower may at any time, by written direction of an Authorized Borrower Representative to the Issuer, the Trustee, the Registrar, the Tender Agent and the relevant Remarketing Agent, elect that the Bonds shall bear interest based on an alternate interest rate determination method not included under the provisions of this Indenture. Such direction shall set forth in full the particular series of Bonds affected by such election, the details of such interest rate determination method, including (without limitation) the manner of determining interest rates, the effective date of adjustment, the term of the interest rate period, the interest payment dates, the provisions for tender for purchase and redemption, if any, and the name and Principal Office of the relevant Remarketing Agent while such Bonds bear interest based on such interest rate determination method, and shall include the form of Bonds incorporating such details; provided, however, that the effective date of such adjustment shall be (i) a Business Day not earlier than the 15th day (or if the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, not earlier than the 30th day) following the second Business Day after receipt by the Trustee of such direction, (ii) in the case of an adjustment from a Long-Term Interest Rate Period, the day immediately following the last day of the then-current Long-Term Interest Rate Period or a day on which the Bonds would otherwise be subject to optional redemption pursuant to Section 301(c)(ii) hereof if such adjustment did not occur, and (iii) in the case of an adjustment from a Commercial Paper Interest Rate Period, either the day immediately following the last day of the Commercial Paper Interest Rate Period or, as to any Bond, the day immediately following the last day of the Commercial Paper Interest Term then in effect (or to be in effect) with respect to that Bond. In addition, the direction shall be accompanied by a Favorable Opinion of Bond Counsel. The Issuer, the Trustee, the Registrar, the Tender Agent, the relevant Remarketing Agent and the Borrower shall take such actions and enter into such documents, and the Borrower shall appoint such additional parties, as may be necessary to effectuate such direction.

SECTION 202 PURCHASE OF BONDS.

(a) <u>During Daily Interest Rate Period</u>. During any Daily Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the

date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, by no later than 11:00 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the particular series of Bonds to be tendered, the principal amount of such Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on such Business Day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representations with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as EXHIBIT B hereto.

(b) <u>During Weekly Interest Rate Period</u>. During any Weekly Interest Rate Period, any Bond or portion thereof in an Authorized Denomination shall be purchased from its Owner at the option of the Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the particular series of Bonds to be tendered, the principal amount of such Bond or such portion thereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, such Bond must be delivered, at or prior to 12:00 Noon, New York City time, on the date specified in such notice, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representations with DTC with respect

to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as EXHIBIT B hereto.

(c) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next succeeding the last day of each Commercial Paper Term for a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 202(d) hereof shall be applicable), such Bond shall be purchased from its Owner, at a purchase price equal to the principal amount thereof, payable in immediately available funds. For payment of such purchase price on such day, such Bond must be delivered, at or prior to 12:30 p.m., New York City time, on such day, to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(d) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Bonds shall be subject to mandatory tender for purchase on the first day of each Interest Rate Period, at a purchase price, payable in immediately available funds, equal to 100% of the principal amount of the Bonds or, in the case of a purchase on the first day of an Interest Rate Period which shall be preceded by a Long-Term Interest Rate Period and which shall commence prior to the day originally established as the last day of such preceding Long-Term Interest Rate Period, at a purchase price equal to the optional redemption price set forth in Section 301(c)(ii) which would have been applicable to the Bonds on such mandatory purchase date if such preceding Long-Term Interest Rate Period had continued to the day originally established as its last day.

(e) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Bonds in accordance with Section 202(d) hereof, the Registrar shall give notice as a part of the notice given pursuant to Sections 201(d)(iii), (e)(iii), (f)(iv) or (g)(iii) hereof. Such notice shall state (i) the particular series of Bonds to be tendered, (ii) the type of Interest Rate Period to commence on such mandatory purchase date; (iii) that the purchase price of any Bond so subject to mandatory purchase shall be payable only upon surrender of such Bond to the Tender Agent at its Principal Office, accompanied by an instrument of transfer thereof, in form satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution; and (iv) that all Bonds so subject to mandatory tender for purchase shall be purchased on the mandatory purchase date.

(f) Irrevocable Notice Deemed to be Tender of Bond; Undelivered Bonds. (i) The giving of notice by an Owner of a Bond as provided in Sections 202(a) or (b) hereof, shall constitute the irrevocable tender for purchase of each Bond with respect to which such notice shall have been given irrespective of whether such Bond shall be delivered as provided in such Section, except that Bonds held at DTC and for which an optional

tender has been made by delivery of the notice set forth as EXHIBIT B hereto shall not be purchased unless such Bonds are transferred to the name of the Tender Agent in DTC's book-entry-only system on the tender date as provided in such notice. Further, each Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Sections 202(c) or (d) hereof, in each case irrespective of whether such Bond shall be delivered as provided in this Section.

(ii) The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Owner of a Bond who shall have given notice of tender for purchase pursuant to Sections 202(a) or (b) hereof, or the Owner of any Bond subject to mandatory tender for purchase pursuant to Section 202(c) or (d) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Owner thereof on the date and at the time specified, from and after the date and time of that required delivery, (A) the Undelivered Bond shall no longer be deemed to be Outstanding under this Indenture; (B) interest shall no longer accrue thereon; and (C) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (C) of the preceding sentence shall be held uninvested.

SECTION 203 EXECUTION AND PAYMENT. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signatures of the Chair and attested by the Secretary, and the official seal of the Issuer shall be impressed or a facsimile thereof imprinted thereon.

In case any officer whose signature or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if the officer had remained in office until such delivery, and also any Bond may be signed by or bear the facsimile signature of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

Principal or redemption price of and interest on the Bonds shall be payable, without deduction for the services of any paying agent, in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, subject to the further provisions of this Section, (a) in the case of principal or redemption price of such Bond, when due, upon presentation and

surrender of such Bond at the Principal Office of the Trustee or at the office, designated by the Trustee, of any other paying agent and (b) in the case of interest on such Bond, on each Interest Payment Date by check mailed on that date to the address of the person entitled thereto, as of the applicable Record Date, as such address appears on the registration books of the Issuer hereinafter provided or, except for interest in respect of a Long-Term Interest Rate Period, upon the request of each Owner of Bonds who has provided deposit or transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, deposited in immediately available funds to the account of such Owner maintained with the Paying Agent or transmitted by wire transfer to the account of such Owner maintained with a commercial bank located within the United States of America, but, in the case of interest payable in respect of a Commercial Paper Term, only upon delivery of such Bond to the Tender Agent.

If and to the extent, however, that payment or provision for payment of interest on any Bond on any Interest Payment Date is not made, that interest shall cease to be payable to the Owner of that Bond as of the applicable Record Date. When moneys become available for payment of the interest, (a) the Trustee shall establish a Special Record Date for the payment of that interest which shall be not more than 15 nor fewer than 10 days prior to the date of the proposed payment, and (b) the Trustee shall give notice by first-class mail of the proposed payment and of the Special Record Date to each Owner not fewer than 10 days prior to the Special Record Date and, thereafter, the interest shall be payable to the Owners of the Bonds as of the Special Record Date at the close of business on the Special Record Date.

Notwithstanding any provision of this Indenture or of any Bond, the Trustee or the Paying Agent may enter into an agreement with any holder of 100% in aggregate principal amount of the Bonds of a series providing for making any or all payments to that holder of principal or redemption price of and interest on that Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bond, without presentation or surrender of the Bond, and for giving any notice required hereunder, upon any conditions that shall be satisfactory to the Trustee, the Paying Agent and the Borrower; provided that no such agreement with such a holder shall provide for less notice than is otherwise provided for herein.

The Trustee or the Paying Agent, as the case may be, will furnish a copy of each of those agreements, certified to be correct by an officer of the Trustee, to the Borrower. Any payment of principal, redemption price or interest pursuant to such an agreement shall constitute payment thereof pursuant to, and for all purposes of, this Indenture.

SECTION 204 AUTHENTICATION OF BONDS. Only such of the Bonds having endorsed thereon a certificate of authentication substantially in the form set forth in EXHIBIT A hereto, duly executed by the Registrar, shall be entitled to any benefit or security under this Indenture. No Bond shall be valid or obligatory for any purpose

unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly issued and delivered under this Indenture. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized signatory of the Registrar, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time.

SECTION 205 EXCHANGE OF BONDS. Upon surrender thereof at the Principal Office of the Registrar, Bonds may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any denomination or denominations authorized by this Indenture, and bearing interest at the same rate as the Bonds surrendered for exchange.

SECTION 206 TRANSFER OF BONDS. The Tender Agent is hereby appointed as Registrar and as such shall keep books for the registration and for the registration of transfer of Bonds as provided in this Indenture, provided that during a Long-Term Interest Rate Period, the Trustee shall be and is hereby appointed as Registrar, with responsibility for the duties of the Registrar hereunder.

At reasonable times and under reasonable regulations established by the Registrar, the books for the registration and registration of transfer of Bonds may be inspected and copied by the Issuer, the Trustee, the Borrower, or by Owners (or a designated representative thereof) of a majority in principal amount of the Bonds then Outstanding, the authority of any such designated representative to be evidenced to the satisfaction of the Registrar.

The Issuer, the Trustee, the Tender Agent, the Paying Agent and the relevant Remarketing Agent may deem and treat the Owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest and any premium on, or the purchase price of, such Bond and for all other purposes, and neither the Issuer, the Trustee, the Tender Agent, the Paying Agent nor any Remarketing Agent shall be affected by any notice to the contrary. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The transfer of any Bond may be registered only upon the books kept for the registration and registration of transfer of Bonds upon surrender thereof to the Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this Indenture, in an

aggregate principal amount equal to the principal amount of such Bonds and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Issuer shall execute and the Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and such charge shall be paid before any such new Bond shall be delivered. Except in connection with the remarketing of Bonds, neither the Issuer nor the Registrar shall be required to make any such exchange or registration of transfer of Bonds, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after any such Bond or any portion thereof has been called for redemption.

SECTION 207 OWNERSHIP OF BONDS. Except as provided in Section 203 hereof, the person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his registered assigns on the applicable Record Date. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Any owner of any Bond is hereby granted power to transfer absolute title thereto by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against his assignor or any person in the chain of title and before the maturity of such Bond. Every prior owner of any Bond shall be deemed to have waived and renounced all of his equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

SECTION 208 PREREQUISITE TO EXECUTION OF BONDS. The Bonds shall be executed substantially in the form and manner herein set forth and shall be deposited with the Registrar for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Registrar there shall be delivered to the Trustee the following:

(a) copies, certified by the Secretary, of the resolutions adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds and the execution and delivery of the Loan Agreement and this Indenture;

(b) executed counterparts or certified copies of the Loan Agreement and this Indenture;

(c) opinions of counsel to the Issuer or Bond Counsel, addressed to the Trustee, to the effect that the execution and delivery of the Loan Agreement have been duly authorized by the Issuer, that the Loan Agreement is in substantially the form so authorized and has been duly executed and delivered by the Issuer and that, assuming proper authorization and the execution and delivery of the Loan Agreement by the Borrower, the Loan Agreement is valid and binding on the Issuer in accordance with its terms;

(d) an opinion of counsel for the Borrower, addressed to the Trustee, to the effect that (i) the execution and delivery of the Loan Agreement have been duly authorized by the Borrower, that the Loan Agreement is in substantially the form so authorized and has been duly executed and delivered by the Borrower and that, assuming proper authorization, execution and delivery of the Loan Agreement by the Issuer, the Loan Agreement is valid and binding on the Borrower in accordance with its respective terms, and (ii) all approvals of the provisions of this Indenture and the terms and price of the Bonds have been given on behalf of the Borrower by a duly authorized representative of the Borrower;

(e) an opinion of Bond Counsel to the effect that the interest on the Bonds is excluded from gross income of the holders thereof for purposes of federal income taxes under the then existing laws of the United States of America and a reliance letter addressed to the Trustee with respect to such opinion;

(f) an opinion of Bond Counsel, addressed to the Trustee, to the effect that the issuance of the Bonds and the execution of this Indenture have been duly and validly authorized by the Issuer and that all conditions precedent to the delivery of the Bonds have been fulfilled, and that the Bonds and this Indenture are valid and binding obligations of the Issuer in accordance with their terms;

(g) a request and authorization of the Issuer, signed by the Chair, to the Registrar to authenticate and deliver the Bonds to such person or persons named therein upon payment to the Trustee for the account of the Issuer of a sum specified therein; and

(h) delivery of a tax certificate and agreement between the Issuer and the Borrower in form and substance acceptable to Bond Counsel

When the documents mentioned above in this Section shall have been filed with the Trustee and when the Bonds shall have been executed as required by this Indenture, the Registrar shall authenticate the Bonds and deliver them to or upon the order of the purchasers named in the resolution mentioned in clause (a) of this Section, but only upon payment to the Trustee for the account of the Issuer of the purchase price of the Bonds.

The Trustee shall be entitled to rely upon such resolution, or any certificate of award authorized by such resolution, as to the names of the purchasers, the interest rate or rates and periods of the Bonds and the amount of such purchase price.

The amount of the proceeds representing accrued interest on the Bonds shall be deposited by the Trustee in accordance with Section 502 hereof simultaneously with the delivery of the Bonds. The balance of the proceeds received from the sale of the Bonds, net underwriters' discount and certain out of pocket expenses of the underwriters for the Bonds, shall be deposited by the Trustee as follows: (1) $565,066.67 from the proceeds of the Series 2016A Bonds to the credit of the Cost of Issuance Account in the Construction Fund; (2) $565,066.67 from the proceeds of the Series 2016B Bonds to the credit of the Cost of Issuance Account in the Construction Fund; and (3) the balance to the credit of the Construction Fund; all simultaneously with the delivery of the Bonds.

SECTION 209 TEMPORARY BONDS. Until definitive Bonds are ready for delivery, there may be executed, and upon request of the Issuer the Registrar shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary Bonds, in the form of registered Bonds without coupons in Authorized Denominations, substantially of the tenor set forth in EXHIBIT A hereto and with such appropriate omissions, insertions and variations as may be required. Until definitive Bonds are ready for delivery, any temporary Bond may, if so provided by the Issuer by resolution, be exchanged at the Principal Office of the Registrar, without charge to the holder thereof, for an equal aggregate principal amount of temporary registered Bonds without coupons, of like tenor and bearing interest at the same rate.

If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Registrar, and the Registrar, upon presentation to it at its Principal Office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor at the Principal Office of the Registrar, without charge to the holder thereof, a definitive Bond or Bonds of an equal aggregate principal amount and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

SECTION 210 MUTILATED, DESTROYED, STOLEN OR LOST BONDS. In case any Bond secured hereby shall become mutilated or be destroyed, stolen, or lost, the Issuer shall cause to be executed, and the Registrar shall authenticate and deliver, a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed, stolen, or lost, upon the holder's paying the reasonable expenses and charges of the Issuer and the Registrar in connection therewith and, in the case of a Bond destroyed, stolen, or lost, his filing with the Registrar evidence satisfactory to it, the Issuer and the Borrower that such Bond was destroyed, stolen, or lost, and of his

ownership thereof and furnishing the Issuer, the Registrar, the Trustee and the Borrower indemnity satisfactory to each of them.

In case any such mutilated, destroyed, stolen or lost Bond has become or is about to become due and payable, the Issuer, at the direction of the Borrower, may, instead of issuing a new Bond, direct the Trustee to pay such Bond.

SECTION 211 COMPLETION BONDS. Anything in this Indenture to the contrary notwithstanding, at the direction of the Borrower, the Issuer may issue Completion Bonds in one or more series to complete the Projects; provided that aggregate principal amount of Completion Bonds together with the Series 2016 Bonds shall in no event exceed $100,000,000. The delivery and execution of such Completion Bonds shall be subject to fulfilling the requirements of Section 208 hereof. This Indenture and the Loan Agreement shall be supplemented to take into account the issuance of Completion Bonds.

ARTICLE III
REDEMPTION OF BONDS

SECTION 301 REDEMPTION. Dates and Prices.

(a) The Bonds issued under the provisions of this Indenture shall not be subject to prior redemption except as provided or permitted in this Article III.

(b) During any Long-Term Interest Rate Period, in the event of a prepayment by the Borrower of Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Loan Agreement, the Bonds shall be redeemed in whole on the date selected by the Borrower at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(i) the Borrower shall have determined that the continued operation of any portion of the Projects is impracticable, uneconomical or undesirable; or

(ii) all, or substantially all of, or any portion of, the Projects shall have been condemned or taken by eminent domain; or

(iii) the operation by the Borrower of any portion of the Projects shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by the Borrower in good faith, the Indenture, the Loan Agreement or the Bonds shall become void or unenforceable or impossible of performance in

accordance with the intent and purposes of the parties as expressed in the Loan Agreement.

(c) In the event of a prepayment by the Borrower of all or a portion of the Loan Repayments, together with interest thereon, pursuant to subsection (b) of Section 10.1 of the Loan Agreement, the Bonds to which such Loan Repayments are applicable shall be subject to redemption prior to maturity as follows:

(i) (A) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at a redemption price of 100% of the principal amount thereof plus accrued interest, if any, to the redemption date.

(B) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at 100% of its principal amount.

(ii) During any Long-Term Interest Rate Period, the Series 2016 Bonds are subject to optional redemption by the Issuer, at the direction of the Borrower (i) on the final Interest Payment Date for such Long-Term Interest Rate Period, at a redemption price equal to 100% of the principal amount thereof plus interest accrued, if any, to the redemption date, and (ii) prior to the end of the then current Long-Term Interest Period, at any time during the redemption periods and at the redemption prices set forth below, plus interest accrued, if any, to the redemption date:

Original Length of Current Term Rate Period (Years)	Commencement of Redemption Period	Redemption Price as Percentage of Principal
More than 10 years	Tenth anniversary of commencement of Long-Term Interest Rate Period	100%
Equal to or less than 10 years	Non-callable	Non-callable

If the Borrower has given notice of a change in the Long-Term Interest Rate Period or notice of an adjustment of the Interest Rate Period for the Bonds to the Long-Term Interest Rate Period and, at least 1 day prior to such change in the Long-Term Interest Rate Period or such adjustment the Borrower has provided (i) a certification of the relevant Remarketing Agent to the Trustee and the Issuer that the foregoing schedule is not consistent with prevailing market conditions and (ii) a Favorable Opinion of Bond Counsel addressed to the Trustee and the Issuer that a change in the redemption

provisions of the Bonds will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes, the foregoing redemption periods and redemption prices may be revised, effective as of the date of such adjustment in the Long-Term Interest Rate Period or an adjustment to the Long-Term Interest Rate Period, as determined by the relevant Remarketing Agent in its judgment, taking into account the then prevailing market conditions as set forth in such certification. Any such revision of the redemption periods and redemption prices will not be considered an amendment of or a supplement to the Indenture and will not require the consent of any Bondholder or any other Person or entity.

(iii) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at any time, if the Borrower delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Projects or any portion thereof, the Borrower has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Loan Agreement and attributable to interest on the Bonds from being deductible by the Borrower for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Bondholders thereof (other than a Bondholder who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, the Borrower has elected to prepay amounts due under the Loan Agreement equal to the redemption price of the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which the Borrower has determined to be the minimum necessary to be so redeemed in order for the Borrower to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the outstanding principal amount thereof plus accrued interest, if any, to the redemption date.

(d) The Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by the Borrower) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and the Borrower of an opinion of Bond Counsel obtained by the Borrower and rendered at the request of the Borrower, to the effect that (x) as a result of a failure by the Borrower to perform or observe any covenant or agreement in the Loan Agreement, or the inaccuracy of any representation, the interest on the Bonds is included for federal income tax purposes in the gross income of the Bondholders thereof, or would be so included absent such redemption, or (y) such redemption is required under the terms of a closing agreement or other similar agreement with the Internal Revenue Service settling an issue raised in connection with an audit of the Bonds or

in connection with a submission to the Internal Revenue Service Voluntary Closing Agreement Program or similar program. No determination by any court or administrative agency shall be considered final for the purposes of this paragraph unless the Borrower shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Bondholder, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Bondholder thereof, other than a Bondholder who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(a) of the Code.

(e) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by the Borrower or otherwise as required by this Indenture; provided, however, that in connection with any redemption of Bonds, the Trustee shall first select for redemption any Bonds held by the Tender Agent for the account of the Borrower (or any nominees thereof) pursuant to Section 1407(c) hereof, and that if, as indicated in a certificate of an Authorized Borrower Representative delivered to the Trustee, the Borrower shall have offered to purchase all Bonds then Outstanding and less than all of such Bonds shall have been tendered to the Borrower for such purchase, the Trustee, at the direction of an Authorized Borrower Representative, shall select for redemption all such Bonds which have not been so tendered; and provided, further, that the portion of any Bond to be redeemed shall be in the principal amount constituting an Authorized Denomination, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination.

SECTION 302 NOTICE OF REDEMPTION. At least 30 days before the redemption date of any Bonds, the Registrar shall cause a notice of any such redemption, in the name of the Issuer, to be mailed by first class mail (except as otherwise provided below), postage prepaid, to all registered owners of Bonds to be redeemed as a whole or in part at their addresses as they appear on the registration books hereinabove provided for. The notice provided pursuant to this Section shall be sent by certified mail, return receipt requested, to any owner of the Bonds that is a depository institution and those entities described in the immediately preceding sentence. Any such notice shall be given in the name of the Issuer, shall identify (i) the complete official name of the issue, (ii) the Bonds or portions thereof to be redeemed by designation, letters, CUSIP numbers, numbers or other distinguishing marks, dated date, interest rate, maturity date and principal amount, (iii) the redemption price to be paid, (iv) the date of mailing and the date fixed for redemption, (v) the place or places, by name and address, where the

amounts due upon redemption are payable and (vi) the name, address and telephone number of the person to whom inquiries regarding the redemption may be directed, and shall state that on the redemption date the Bonds called for redemption will be payable and that from that date interest will cease to accrue. A second notice shall be sent in the same manner described above not more than 60 days after the redemption date to the owner of any called Bond which was not presented for payment on the redemption date. Failure so to mail any such notice to the registered owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond and failure to mail any such notice to any other entity as required by this Section shall not affect the validity of the proceedings for redemption of any Bond. The Registrar shall not be subject to any liability to any Bondholder by reason of its failure to mail any such notice provided in this Section. In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Any notice of redemption, except a notice of mandatory redemption pursuant to Section 301(d) hereof or any similar provision contained in any indenture supplemental hereto, shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with Article XIII hereof, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bonds are not received by the Trustee on or prior to the redemption date, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, the Bonds so called for redemption shall become and be due and payable on the date fixed for redemption, and upon the presentation and surrender of such Bonds at the place or places specified such Bonds shall be redeemed.

SECTION 303 EFFECT OF REDEMPTION. All Bonds and portions of Bonds which have been duly selected for redemption under the provisions of this Article and which are deemed to have been paid in accordance with Article XIII hereof shall cease to bear interest on the date fixed for redemption.

SECTION 304 PARTIAL REDEMPTION. In case part but not all of an outstanding Bond shall be selected for redemption, the owner thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of

the principal amount thereof so called for redemption, and the Issuer shall execute and the Trustee shall authenticate and deliver to or upon the order of such owner or his attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond bearing interest at the same rate.

ARTICLE IV
CONSTRUCTION FUND

SECTION 401 CREATION OF CONSTRUCTION FUND. (a) A special fund is hereby created and designated the Lee County Industrial Development Authority Industrial Development Revenue Bonds, Series 2016 (Florida Power & Light Company Project) Construction Fund (herein called the "Construction Fund"), to the credit of which such deposits shall be made as are required by the provisions of Section 208 of this Indenture. Any moneys received by the Trustee from any other source for the payment of the Cost of the Projects shall be deposited to the credit of the Construction Fund.

(b) There is hereby established and created within the Construction Fund a "Cost of Issuance Account." Such account shall be held, maintained and administered by the Trustee in accordance with the provisions hereof. Moneys deposited to the Cost of Issuance Account of the Construction Fund shall be applied by the Trustee to pay costs of issuance of the Bonds. In the event moneys remain in the Cost of Issuance Account after payment of all costs related to the issuance of the Bonds, such amount shall be transferred to the Construction Fund six months after the issuance of the Bonds unless otherwise directed by the Borrower prior to such date.

(c) The monies in the Construction Fund shall be held by the Trustee in trust, and subject to the provisions of Section 404, 406 and 602 of this Indenture, shall be applied to the payment of the Cost of the Projects (as described in Section 403 hereof), and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Indenture and for the further security of such holders until paid out or transferred as herein provided.

SECTION 402 PAYMENTS FROM CONSTRUCTION FUND. Payment of the Cost of the Projects shall be made from the Construction Fund. All payments from the Construction Fund shall be subject to the provisions and restrictions set forth in this Article, and the Issuer covenants that it will not cause to be paid from the Construction Fund any sums except in accordance with such provisions and restrictions.

SECTION 403 ITEMS OF COST. For purposes of this Indenture, the Cost of the Projects shall embrace all the costs paid or incurred by the Borrower, but only the costs permitted by the Act of acquiring, constructing and installing the Projects and, without intending thereby to limit or restrict any proper definition of such Cost under the Act, shall include:

(a) To the extent permitted under the Code and applicable United States Treasury Regulations, payment to the Borrower and the Issuer of such amounts, if any, as shall be necessary to reimburse the Borrower and the Issuer in full for advances and payments made by them or either of them or for their accounts before or after the delivery of the Bonds for expenditures in connection with the acquisition of any property required

for the Projects including payment of any short-term, temporary or other borrowings, bonds, notes or other evidences of indebtedness (including any unpaid fees, charges or costs in connection therewith), the proceeds of which have been applied to the payment of items of the Cost of the Projects, the preparation of plans and specifications for the Projects (including any preliminary study or planning of the Projects or any aspect thereof and any reports of analyses concerning the Projects), the acquisition, construction and installation of the Projects including reimbursement to the Borrower for allowance for funds used during construction before the date of the Bonds, interest on the Bonds during construction (which shall mean the period beginning with the date of delivery of the Bonds and ending on the date upon which the acquisition, construction and installation of the Projects shall have been completed, except if the Projects consist of facilities which will be placed in service at different times, the date to which interest may be paid from Bond proceeds will be the date upon which all such portions of the Projects shall have been placed in service) and all real or personal property, deemed necessary in connection with the Project, or any one or more of said expenditures (including architectural, engineering and supervisory services). The foregoing notwithstanding, the expenditures to be reimbursed pursuant to this Section have been incurred within 60 days prior to August 28, 2015 or constitute preliminary expenditures within the meaning and to the extent permitted by Section 1.150-2(f)(2) of the United States Treasury Regulations or will be incurred after such date in connection with the Projects.

(b) Payment of the initial or acceptance fee of the Trustee, legal, accounting and financial advisory fees and expenses (including, without limitation, fees for preparation of any "blue sky" or legal investment surveys), underwriting fees, filing and rating agencies' fees and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the execution and filing of this Indenture, the Loan Agreement, Tender Agreement, any Pledge Agreement and any financing statements and all other documents in connection therewith, and payment of all fees, costs and expenses for the preparation of this Indenture, the Loan Agreement, Tender Agreement, any Pledge Agreement and the Bonds, including recording fees and documentary stamp taxes, if any, and any other fees and expenses necessary or incident to the issuance and sale of the Bonds or the acquisition, installation and construction of the Projects.

(c) Payment for labor, services, materials and supplies used or furnished in site improvement and in the acquisition, construction and installation of the Projects, all as provided in the plans and specifications therefor, payment for the cost of the acquisition, construction and installation of utility services or other facilities, and all real and personal property deemed necessary in connection with the Projects and payment for the miscellaneous expenses incidental to any of the foregoing items.

(d) Payment, as they become due, of the fees and expenses of the Trustee (as Trustee and Bond Registrar), properly incurred under this Indenture that may become due until the Completion Date.

(e) Payment of any other costs and expenses relating to the acquisition, construction and installation of the Projects (including testing) or the authorization, issuance and sale of the Bonds.

SECTION 404 DISBURSEMENTS. Payments from the Construction Fund shall be made by the Trustee upon the order of the Borrower in accordance with the provisions of this Section, but no such payment shall be made unless and until the Trustee shall receive a requisition signed by the Authorized Borrower Representative, which requisition or communication shall state:

(a) the item number of each such payment,

(b) the name of the person, firm or corporation to whom each such payment is due,

(c) the respective amounts to be paid,

(d) the purpose by general classification for which each obligation to be paid was incurred,

(e) that obligations in the stated amounts have been incurred and have been paid or are presently due and payable or have been paid by the Borrower and that each item thereof is a proper charge against the Construction Fund and has not been the subject of a previous withdrawal from the Construction Fund,

(f) that there has not occurred and is not continuing any event of default under the Loan Agreement and to the best of his knowledge there has not been filed with or served upon the Issuer or the Borrower notice of any lien, right or attachment upon, or claim affecting the right of any such persons, firms or corporations to receive payment of, the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation, and

(g) that, after giving effect to such requisition, (i) not less than 95% of the proceeds of the applicable series of Bonds withdrawn from the Construction Fund will have been used to provide "sewage facilities" or "solid waste disposal facilities" within the meaning of Section 142(a)(5) or 142(a)(6) of the Code, as the case may be and (ii) no more than 2% of the proceeds (within the meaning of Section 147(g) of the Code) of the Bonds will have been used to pay costs of issuance of any of the Bonds.

Upon receipt of any such order and accompanying requisition, the Trustee shall pay such obligation from the Construction Fund. If prior to payment of any item in a requisition the Borrower should for any reason desire not to pay such item, the Borrower shall give notice of such decision to the Trustee. In making any disbursement the Trustee shall pay each such obligation directly to the Borrower or to any payee designated by the Authorized Borrower Representative, as set forth in such requisition.

SECTION 405 RELIANCE ON REQUISITIONS. The Trustee may rely fully on any requisition delivered pursuant to this Article and shall not be required to make any investigation in connection therewith. The Trustee shall be under no duty or obligation to analyze or verify the payments or reimbursements by the Borrower, but shall hold such requisitions solely as a repository, subject at all reasonable times (following delivery to the Trustee of reasonable prior written notice of such party's desire to inspect such requisition) to examination by the Borrower, the Issuer and the agents and representatives thereof.

SECTION 406 COMPLETION OF THE PROJECTS. (a) Upon the receipt by the Trustee of the certificate required by Section 4.5 of the Loan Agreement, any balance remaining in the Construction Fund attributable to the Bonds of any series (other than amounts retained by the Trustee to pay costs not then due and payable or for which the liability for payment is in dispute and amounts directed by the Borrower to be retained therein in furtherance of the Borrower's covenants set forth in Section 4.7 of the Loan Agreement) shall (i) be applied in whole or in part to the redemption of Bonds of such series on the earliest date upon which such Bonds may called for redemption without premium pursuant to Sections 301(b) or (c) hereof or any similar provisions contained in any indenture supplemental hereto, to the purchase of Bonds of such series in such amounts, at such prices, at such times and otherwise as directed by the Borrower or in any other manner directed by the Borrower which in all such cases, as indicated in an opinion of Bond Counsel furnished by the Borrower to the Issuer and the Trustee, will not impair the validity under the Act of the Bonds of such series or the exclusion from gross income for purposes of federal income taxes of the interest thereon, or (ii) in the absence of any such redemption, purchase or direction within sixty (60) days of the receipt by the Trustee of such certificate, be deposited by the Trustee into the Bond Fund. From time to time as the proper disposition of the amounts retained by the Trustee in the Construction Fund as aforesaid shall be determined, to the extent that such amounts are not paid out in full by the Trustee pursuant to Section 404 hereof, the Borrower shall so notify the Trustee and the Issuer by one or more certificates as aforesaid and any amounts from time to time no longer to be so retained by the Trustee shall be applied as aforesaid.

(b) In the event that the Borrower exercises an option under the Loan Agreement to effect the redemption of all the Bonds then outstanding, the Trustee shall, upon the direction of the Borrower, deposit in the Bond Fund, on the date the prepayment is made, any balance remaining in the Construction Fund.

(c) If the principal of all outstanding Bonds shall have become due and payable in accordance with Section 802 of this Indenture, the Trustee shall, upon the obtaining or entering of a judgment or decree for the payment of moneys due as provided in Article VIII of this Indenture, or at the direction of the Borrower, deposit in the Bond Fund any balance remaining in the Construction Fund.

(d) In the event that the Issuer shall be required to redeem Bonds of any series pursuant to Section 301(d) hereof or pursuant to any similar provision contained in any indenture supplemental hereto, the Trustee shall, at the direction of the Borrower, withdraw from the Construction Fund and deposit into the Bond Fund an amount not exceeding the aggregate principal amount of, and accrued interest on, the Bonds so to be redeemed.

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ARTICLE V
BOND FUND

SECTION 501 CREATION OF BOND FUND. A special fund is hereby created and designated the "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016 Bond Fund" (the "Bond Fund"). The moneys in the Bond Fund shall be held by the Trustee in trust and applied as hereinafter provided and, pending such application, shall be subject to a lien and charge in favor of the holders of the Bonds issued and outstanding under this Indenture and for the further security of such holders until paid out or transferred as herein provided.

SECTION 502 PAYMENTS INTO BOND FUND. There shall be deposited to the credit of the Bond Fund (a) the accrued interest received on the Bonds issued hereunder, (b) all Loan Repayments and (c) all other moneys received by the Trustee under and pursuant to any of the provisions of the Loan Agreement or otherwise which are required, or are accompanied by directions from the Borrower or the Issuer that such moneys are, to be paid into the Bond Fund. The Trustee is authorized to receive at any time payments from the Borrower pursuant to the Loan Agreement or otherwise for deposit in the Bond Fund.

SECTION 503 USE OF MONEYS IN BOND FUND. All interest accruing on the Bonds up to the dates of their delivery shall be paid from the amounts deposited in the Bond Fund pursuant to Section 502(a) hereof. Except as otherwise provided in this Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds. Upon receipt of a written notice from the Borrower pursuant to Article X of the Loan Agreement, and, in the case of a directed purchase of Bonds, upon the deposit of cash or Investment Obligations in the Bond Fund sufficient, together with other amounts available therefor in the Bond Fund, to make the directed purchase of Bonds, the Issuer and the Trustee covenant and agree to take and cause to be taken the necessary steps to redeem or purchase such principal amount of Bonds as specified by the Borrower in such written notice; provided, however, that any moneys in the Bond Fund may be used on direction of the Borrower to redeem a part of the Bonds outstanding and then redeemable or to purchase Bonds for cancellation only so long as the Borrower is not in default with respect to any payments required pursuant to Section 5.1 of the Loan Agreement and to the extent said moneys are in excess of the amount required for payment of the Bonds theretofore matured or called for redemption and interest accrued and payable in respect of outstanding Bonds.

SECTION 504 CUSTODY OF BOND FUND. The Bond Fund shall be in the custody of the Trustee but in the name of the Issuer, and the Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and

payable, for the purpose of paying said principal and premium, if any, and interest, which authorization and direction the Trustee hereby accepts.

SECTION 505 NON-PRESENTMENT OF BONDS. All moneys which the Trustee shall have withdrawn from the Bond Fund or shall have received from any other source and set aside, for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective holders of such Bonds, but any moneys which shall be so set aside by the Trustee and which shall remain unclaimed by the holders of such Bonds for a period of one year after the date on which such Bonds shall have become due and payable shall upon request in writing be paid to the Borrower; provided, however, that the Trustee, before being required to make any such payment, may at the expense of the Borrower cause a notice to be published as required by applicable unclaimed property laws, rules or regulations that said moneys have not been claimed and that after a date named therein any unclaimed balance of said moneys then remaining will be returned to the Borrower and thereafter the holders of such Bonds shall look only to the Borrower for payment and then only to the extent of the amount so received without any interest thereon, and the Issuer and the Trustee shall have no responsibility with respect to such moneys. In the absence of any such written request from the Borrower, the Trustee shall from time to time deliver such unclaimed funds to or as directed by pertinent escheat authority, as identified by the Trustee in its sole discretion, pursuant to and in accordance with applicable unclaimed property laws, rules or regulations. Any such delivery shall be in accordance with the customary practices and procedures of the Trustee and the escheat authority. Any money held by Trustee pursuant to this paragraph shall be held uninvested and without any liability for interest.

SECTION 506 CANCELLATION AND DESTRUCTION OF BONDS. All Bonds paid, redeemed or purchased, either at or before maturity, and all Bonds acquired by or delivered to the Trustee for cancellation shall be canceled upon the payment, redemption or purchase, or upon such acquisition or delivery, of such Bonds. All Bonds canceled under any of the provisions of this Indenture shall be destroyed by the Trustee. The Trustee shall execute a certificate in triplicate describing the Bonds so destroyed, and one executed certificate shall be filed with the Issuer, one executed certificate shall be filed with the Borrower and the other executed certificate shall be retained by the Trustee.

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ARTICLE VI
DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

SECTION 601 DEPOSITS CONSTITUTE TRUST FUNDS. All moneys deposited with the Trustee under the provisions of this Indenture or the Loan Agreement shall be held in trust and applied only in accordance with the provisions of this Indenture and the Loan Agreement and shall not be subject to lien or attachment by any creditor of the Issuer or the Borrower.

All moneys deposited with the Trustee under this Indenture and the Loan Agreement shall be continuously secured for the benefit of the Issuer and the holders of the Bonds either (a) by lodging with a bank or trust company approved by the Issuer and by the Trustee, as custodian, as collateral security, obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States of America, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee to give security for any moneys which shall be represented by the investments mentioned in the first paragraph of Section 602 of this Article VI purchased under the provisions of this Article VI as an investment of such moneys.

SECTION 602 INVESTMENT OF MONEYS. The Trustee shall, except as provided in Article XIII hereof, invest and reinvest moneys held for the credit of the Bond Fund or the Construction Fund in Investment Obligations upon the receipt of, and in accordance with written instructions of an Authorized Borrower Representative in Investment Obligations. Any request by an Authorized Borrower Representative shall specify the issuer or obligor, type, principal amount, interest rate and maturity of each such requested investment of moneys. The Trustee may conclusively rely upon the Borrower's written instructions as to both the suitability and legality of the directed investments.

Investment Obligations so purchased as an investment of moneys in the Bond Fund and the Construction Fund shall be deemed at all times to be part of such Fund and any interest accruing on and any profit realized from the investment of moneys in such Fund shall be credited to such Fund and any loss resulting from such investment shall be charged to such Fund. Neither the Trustee nor the Issuer shall be liable or responsible for any loss resulting from any such investment.

The Issuer hereby authorizes and directs the Trustee to comply with any written instructions of the Borrower given from time to time with respect to income from the

investment of moneys in the Bond Fund or the Construction Fund or any other fund created under the Indenture to pay all or a portion of such income to the United States in furtherance of the covenants set forth in Section 4.7 of the Loan Agreement, which authorization and direction the Trustee hereby accepts. Amounts held by the Tender Agent in the Purchase Fund shall not be invested.

The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. In the absence of investment instructions from the Borrower, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Investment Obligations.

Although the Issuer and the Borrower each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Issuer and the Borrower hereby agree that confirmations of permitted investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

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ARTICLE VII
PARTICULAR COVENANTS AND PROVISIONS

SECTION 701 COVENANT OF ISSUER AS TO PERFORMANCE OF OBLIGATIONS. The Issuer covenants that it will cause to be paid promptly the principal of and premium, if any, and interest on every Bond issued under the provisions of this Indenture at the places, on the dates and in the manner provided herein and in said Bond, according to the true intent and meaning thereof; provided, however, that any amount in the Bond Fund available for any payment of the principal of or premium, if any, or interest on said Bond shall be credited against any amount required to be caused by the Issuer so to be paid. Such principal, premium and interest are payable solely from the Loan Repayments, any other income derived from the sale, leasing or operation of the Projects and other moneys to the extent provided in this Indenture and any payments under any credit enhancement provided by the Borrower in accordance with the provisions of the Loan Agreement and this Indenture, which Loan Repayments and any other income and other moneys to the extent provided in this Indenture are hereby pledged to the payment thereof in the manner and to the extent hereinabove particularly specified.

The Bonds issued under the provisions of this Indenture and the premium, if any, and interest thereon and the payment of any purchase price thereof, shall not be deemed to constitute a debt, liability or obligation of the Issuer or of the State of Florida or any political subdivision thereof, but shall be payable solely from the revenues and proceeds pledged therefor and the Issuer is not obligated to pay the Bonds or the premium, if any, or interest thereon except from the Loan Repayments and other revenues and proceeds derived from the sale, operation or leasing of the Projects and payments made under any credit enhancement provided by the Borrower in accordance with the provisions of the Loan Agreement and this Indenture, and the Issuer is not obligated to pay the purchase price of the Bonds except from any moneys available therefor as provided in this Indenture, and neither the faith and credit nor the taxing power of the Issuer or of the State of Florida or any political subdivision thereof is pledged to the payment of the principal of or premium, if any, or interest on, or purchase price of, the Bonds.

SECTION 702 COVENANT TO PERFORM OBLIGATIONS. The Issuer covenants and agrees that it will not knowingly consent to or take any action or fail to take any action upon request by the Trustee or the Borrower or fail to do anything upon request by the Trustee or the Borrower which would result in the termination of the Loan Agreement so long as any Bonds are outstanding; that it will not terminate the Loan Agreement or cause it to be terminated except in strict accordance with the terms of the Loan Agreement; that it will promptly notify the Trustee, when known to the Issuer, of any actual or alleged event of default under or breach of the Loan Agreement, whether by the Borrower or the Issuer; that it will not execute or agree to any change, amendment or modification of or supplement to the Loan Agreement except by a supplement or an

amendment duly executed by the Borrower and the Issuer with the approval of the Trustee and upon the further terms and conditions set forth in Article XII of this Indenture; and that it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligation of the Borrower under the Loan Agreement to pay the Loan Repayments without the consent of the holder of each Bond adversely affected thereby. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings of the Issuer pertaining thereto. The Issuer represents that it is duly authorized under the Constitution and laws of the State of Florida, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to enter into this Indenture, to pledge and assign the Loan Repayments and any other income and other moneys in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds initially issued hereunder and the execution and delivery of this Indenture has been duly and effectively taken; and that such Bonds in the hands of the owners thereof are and will be valid and binding obligations of the Issuer according to the tenor and import thereof.

SECTION 703 COVENANT TO PERFORM FURTHER ACTS. The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such supplements and amendments to this Indenture and such further acts, instruments and transfers as the Trustee may reasonably require for the better pledging and assigning unto the Trustee of each and all of the Loan Repayments and any other income and other moneys pledged and assigned hereby to the payment of the principal of and premium, if any, and interest on the Bonds.

SECTION 704 BONDS NOT TO BECOME ARBITRAGE BONDS. The Issuer covenants with the holders of the Bonds that, notwithstanding any other provision of this Indenture or any other instrument, to the best of its knowledge, information and belief, it will not take or consent to be taken on its behalf any actions and will make no investment or other use of the proceeds of the Bonds which would cause the Bonds to be arbitrage bonds under Section 148 of the Code and it further covenants that it will, to the extent within its control, comply with the requirements of such Section at the expense of the Borrower. The foregoing covenants shall extend, throughout the term of the Bonds, to all funds created under this Indenture and all moneys on deposit to the credit of any such fund, and to any other amounts which are proceeds of the Bonds for purposes of Section 148 of the Code and the regulations thereunder. In taking any action pursuant to this Section 704, the Issuer may rely on a Favorable Opinion of Bond Counsel.

ARTICLE VIII
DEFAULTS AND REMEDIES

SECTION 801 EVENTS OF DEFAULT. Each of the following events is hereby declared an "event of default":

(a) Failure to pay the principal of or premium, if any, on any of the Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; or

(b) Failure to pay interest on any of the Bonds when the same shall become due and payable and the continuation of such failure for one Business Day; or

(c) Failure to pay an amount due pursuant to Section 202 hereof after such payment has become due and payable and the continuation of such failure for one Business Day; or

(d) Failure to perform any other covenant, condition, agreement or provision contained in the Bonds or in this Indenture on the part of the Issuer to be performed which failure shall continue for 90 days after written notice specifying such failure and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, unless the Trustee, or the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee, or the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or the Borrower within the applicable period and is being diligently pursued; or

(e) An "event of default" as defined in Section 9.1 of the Loan Agreement.

SECTION 802 ACCELERATION OF MATURITIES.

(a) Upon the occurrence and continuance of an event of default specified in clause (a), (b) or (c) of Section 801 of this Article or an event of default specified in clauses (c) or (d) of Section 9.1 of the Loan Agreement, the Trustee may, and upon the written request of the holders of not less than a majority in aggregate principal amount of Bonds then outstanding shall, by a notice in writing to the Issuer and the Borrower, declare the principal of all the Bonds then outstanding (if not then due and payable) to be immediately due and payable, and upon such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding; and the Trustee shall give notice thereof in writing to the Issuer, the

Borrower, the Tender Agent and the relevant Remarketing Agent, and notice to the holders of the Bonds in the same manner as a notice of redemption under Section 302 of this Indenture.

(b) The provisions of the preceding paragraph (a), however, are subject to the condition that, if, after the principal of the Bonds shall have been so declared to be due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Borrower, pursuant to the Loan Agreement, shall deposit with the Trustee a sum sufficient to pay all matured installments of interest upon all Bonds and the principal of any and all Bonds which shall have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Bonds on the date of such declaration) and such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all events of default hereunder other than nonpayment of the principal of Bonds which shall have become due by said declaration shall have been remedied, then, in every such case, such event of default shall be deemed waived and such declaration and its consequences rescinded and annulled, and the Trustee shall promptly give written notice of such waiver, rescission and annulment to the Issuer, the Borrower, the Tender Agent, the relevant Remarketing Agent, and, if notice of the acceleration of the Bonds shall have been given to the Owners, shall give notice thereof to the Owners; but no such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

SECTION 803 OTHER REMEDIES.

(a) Upon the occurrence and continuance of any event of default specified in Section 801 of this Indenture, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding hereunder shall proceed, subject to the provisions of Section 902 of this Indenture, to protect and enforce its rights and the rights of the Bondholders under the laws of the State of Florida and under this Indenture and the Loan Agreement by such suits, actions or special proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or therein or in aid or execution of any power herein or therein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

(b) In the enforcement of any remedy under this Indenture the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due for principal, interest or otherwise under any of the provisions of this Indenture or of the Bonds or in respect of Loan Repayments under the Loan Agreement and unpaid, with interest on overdue payments of

principal and interest or Loan Repayments (if and to the extent permitted by law) at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and all proceedings hereunder, and under such Bonds and the Loan Agreement, without prejudice to any other right or remedy of the Trustee or of the Bondholders, but solely subject to the limitations provided herein and in such Bonds and the Loan Agreement, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect in any manner provided by law any moneys adjudged or decreed to be payable; provided that any amounts due from the Issuer and not payable by the Borrower under the Loan Agreement shall be payable solely from moneys in the Bond Fund and available therefor.

SECTION 804 APPLICATION OF MONEYS. Anything in this Indenture to the contrary notwithstanding, if at any time the moneys in the Bond Fund shall not be sufficient to pay the principal of or premium, if any, or interest on the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities under the provisions of Section 802 of this Article), such moneys, together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied, following the satisfaction of any payments due to the Trustee under the provisions of Sections 902 and 905 of this Indenture, as follows:

(a) If the principal of all the Bonds shall not have become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied

First: to the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds;

Second: to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of such Bonds which shall have become due and payable (other than Bonds deemed to have been paid in accordance with Article XIII hereof), in the order of their due dates, with interest on the principal amount of such Bonds at the respective rates specified therein from the respective dates upon which such Bonds became due and payable to the payment date, and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on such Bonds due and payable on any particular date, together with such interest, then to the payment first of such interest, ratably, according to the amount of such interest due on such payment date, and then to the payment of such principal and premium, if any, ratably, according to the amount of such

principal and premium, if any, due on such date, to the persons entitled thereto without any discrimination or preference; and

Third: to the payment of the interest and premium, if any, on and the principal of such Bonds, to the purchase and retirement of such Bonds and to the redemption of such Bonds, all in accordance with the provisions of this Indenture.

(b) If the principal of all the Bonds has become due and payable either in accordance with their terms or by acceleration, all such moneys shall be applied to the payment of the principal, premium, if any, and interest then due on the Bonds, without preference or priority of principal and premium, if any, over interest or of interest over principal and premium, if any, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal, premium, if any, and interest, to the persons entitled thereto, without discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

(c) If the principal of all the Bonds shall have become immediately due and payable under the provisions of Section 802 of this Article and if such acceleration shall thereafter have been rescinded and annulled, then, subject to the provisions of subparagraph (b) of this Section in the event that the principal of all such Bonds shall later become due and payable, the moneys remaining in and thereafter accruing to the Bond Fund for such Bonds shall be applied in accordance with the provisions of subparagraph (a) of this Section.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future; setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Issuer, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the holder of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

SECTION 805 EFFECT OF DISCONTINUANCE OF PROCEEDINGS. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Issuer, the Borrower, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

SECTION 806 RIGHT OF BONDHOLDERS TO DIRECT PROCEEDINGS. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 902 of this Indenture, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder or the exercise of any trust or power conferred upon the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture.

SECTION 807 RIGHTS AND REMEDIES OF BONDHOLDERS. No holder of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or for the execution of any trust hereunder or for any other remedy hereunder unless such holder previously shall have given to the Trustee and to the Borrower written notice of the event of default on account of which such suit, action or proceeding is to be instituted, and unless also the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have made written request of the Trustee, after the right to exercise such powers or right of action, as the case may be, shall have accrued, to institute such action, suit or proceeding in its or their name and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such written request within a reasonable time; and such notification, request and offer to indemnify are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture or to any other remedy hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder except in the manner herein provided, that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of such outstanding Bonds, and that any individual rights of action or any other right given to one or more of such holders by law are restricted by this Indenture to the rights and remedies herein provided.

Nothing in this Section shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on his Bond or Bonds, at the time and place in said Bond expressed.

SECTION 808 APPOINTMENT OF RECEIVER BY TRUSTEE. Upon the occurrence of an event of default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under this Indenture, the Trustee shall be entitled, as a matter or right, to the appointment of a receiver or receivers of the Loan Repayments and other amounts payable under the Loan Agreement pending such proceedings, with such powers as the court making such appointment shall confer, whether or not said Loan Repayments and other amount and income shall be deemed sufficient ultimately to satisfy the Bonds outstanding hereunder.

SECTION 809 ACTION BY TRUSTEE WITHOUT POSSESSION OF BONDS. All rights of action under this Indenture or under any of the Bonds secured hereby, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof in the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the holders of such Bonds, subject to the provisions of this Indenture.

SECTION 810 NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved by the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies herein provided, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or by law.

SECTION 811 WAIVER OF DEFAULT. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given by this Indenture to the Trustee and to the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Indenture or before the completion of the enforcement of any other remedy under this Indenture, the Trustee shall be permitted to discontinue such suit, action, proceeding or enforcement of any remedy if in its opinion any default forming the basis of such suit, action, proceeding or enforcement of any remedy shall have been remedied.

Notwithstanding anything contained herein to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding, shall waive any event of default hereunder and its consequences; provided, however, that, except under the circumstances set forth in clause

(b) of Section 802 hereof, an event of default under clauses (a), (b) or (c) of Section 801 hereof with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

SECTION 812 NOTICE OF DEFAULT. The Trustee shall mail, by first-class mail, postage prepaid, to all owners of the Bonds at their addresses as they appear on the registration books written notice of the occurrence of any event of default set forth in Section 801 of this Article within 30 days (i) after the occurrence of an event of default under clause (a) or (b) of Section 801 hereof or (ii) after the Trustee shall have notice, pursuant to the provisions of Section 908 of this Indenture, that any other such event of default shall have occurred; provided, however, that, except in the case of a default under clause (a) or (b) of Section 801 hereof, the Trustee shall be protected in withholding such notice if so long as the Board of Directors, the Executive Committee or a Trust Committee of Directors and/or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the best interest of the Bondholders. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice.

SECTION 813 REMEDIES IN ARTICLE VIII IN ADDITION TO REMEDIES IN LOAN AGREEMENT AND PLEDGE AGREEMENT. The remedies conferred in this Article shall be in addition to any remedies available to the Trustee under the Loan Agreement or any other instruments now or hereafter securing the Loan Repayments, which remedies are hereby incorporated herein by reference.

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ARTICLE IX
TRUSTEE; PAYING AGENT

SECTION 901 ACCEPTANCE OF TRUSTS AND PERFORMANCE OF DUTIES. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon subject to the terms and conditions set forth in this Article and subject to the provisions of this Indenture, to all of which the parties hereto and the respective holders of the Bonds agree:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or receivers, and shall be entitled to advice of counsel concerning all matters of trusts hereof and duties hereunder.

(b) The Trustee may consult with counsel, and the advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon.

(c) The Trustee shall not be accountable for the use or application by the Borrower of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent.

(d) The Trustee shall be protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(e) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(f) Before taking any action under this Indenture relating to an event of default or in connection with its duties under this Indenture other than making payments of principal and interest on the Bonds as they become due or causing an acceleration of the Bonds whenever required by the Indenture, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated to have resulted from its gross negligence or willful misconduct in connection with any action so taken.

(g) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(h) None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

The Trustee shall have only such duties and obligations as are expressly specified in this Indenture and no duties or obligations shall be implied to the Trustee.

The Trustee, prior to the occurrence of an event of default within the purview of Section 801 hereof and after the curing of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations should be read into this Indenture against the Trustee. If any event of default under this Indenture shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of such prudent person's own affairs.

The Trustee also accepts and agrees to do and perform the duties and obligations imposed upon it by and under the Loan Agreement and any Pledge Agreement, but only upon the terms and conditions set forth in the Loan Agreement, any Pledge Agreement and this Indenture.

SECTION 902 INDEMNIFICATION OF TRUSTEE. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Indenture or under the Loan Agreement or any Pledge Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder or under the Loan Agreement or any Pledge Agreement, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees (including counsel fees on appeal, if any) and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as such Trustee, without indemnity, and in such case the Issuer shall reimburse the Trustee, but solely from funds available therefor under the Loan Agreement, for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith to the extent not previously reimbursed by the Borrower pursuant to Section 7.3(a) of the Loan Agreement. If the Borrower shall fail to make such

reimbursement pursuant to Section 7.3(a) of the Loan Agreement and the Issuer shall fail to make such reimbursement from the funds available therefor under the Loan Agreement, the Trustee may reimburse itself from any moneys in its possession under the provisions of this Indenture and it shall be entitled to a preference over any of the Bonds Outstanding hereunder.

SECTION 903 LIMITATION ON OBLIGATIONS AND RESPONSIBILITIES OF THE TRUSTEE.

(a) Trustee shall not be under any obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies or insurance carried by the Issuer or the Borrower, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as to the payment of any taxes or assessments, or to require any such payment to be made.

(b) The Trustee shall not have any responsibility in respect to the validity, sufficiency, due execution or acknowledgment of this Indenture by the Issuer or the validity or sufficiency of the security provided hereunder or in respect of the title or value of the Projects or, except as to the authentication thereof by the Trustee, in respect of the validity of the Bonds or the due execution or issuance thereof.

(c) The Trustee shall not be under any obligation to see that any duties herein imposed upon any party other than itself, or any covenants herein contained on the part of any party other than itself to be performed, shall be done or performed, and the Trustee shall not be under any obligation for failure to see that any such duties or covenants are so done or performed.

SECTION 904 TRUSTEE NOT LIABLE FOR FAILURE OF ISSUER TO ACT. The Trustee shall not be liable or responsible because of the failure of the Issuer or of any of its employees or agents to make any collections or deposits or to perform any act herein required of the Issuer or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other depositary in which such moneys shall have been deposited under the provisions of this Indenture. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, withdrawn or transferred thereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

None of the provisions of this Indenture or any Pledge Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) the Trustee shall not be liable for any error or judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was grossly negligent in ascertaining the pertinent facts; and

(b) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the holders of not less than a majority in principal amount of the Bonds then outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the provisions of this Indenture.

SECTION 905 COMPENSATION OF TRUSTEE. The Trustee, the Paying Agent, the Registrar, the Tender Agent and the relevant Remarketing Agent under this Indenture shall be entitled to reasonable compensation for their services rendered hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including counsel fees) reasonably incurred in connection therewith except as a result of their gross negligence or willful misconduct. If the Issuer shall fail to perform any of the covenants or agreements contained in this Indenture, other than the covenants or agreements in respect of the payment of the principal of and interest on the Bonds, the Trustee may, in its discretion and without notice to the Owners of the Bonds, at any time and from time to time, make advances to effect performance of the same on behalf of the Issuer, but the Trustee shall be under no obligation to do so; but no such advance shall operate to relieve the Issuer from any default hereunder. In Section 5.1 of the Loan Agreement, the Borrower has agreed that it will pay the Trustee, the Paying Agent, the Registrar, the Tender Agent and the relevant Remarketing Agent such compensation and reimbursement of expenses and advances, but the Borrower may, without creating a default hereunder, contest in good faith the reasonableness of any such services, expenses and advances. In Section 7.3 of the Loan Agreement, the Borrower has agreed to indemnify the Trustee to the extent stated therein. If the Borrower shall have failed to make any payment to the Trustee under Section 5.1 of the Loan Agreement and such failure shall have resulted in an event of default under the Loan Agreement, the Trustee shall have, in addition to any other rights hereunder, a first lien with right of payment prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the trust estate for the foregoing fees, charges and expenses incurred by it, except for moneys or obligations deposited with or paid to the Trustee for the redemption or payment of Bonds which are deemed to have been paid in accordance with Article XIII hereof and funds held pursuant to Article XIV hereof. When the Trustee incurs expenses or renders services after the occurrence of an event of default hereunder or under the Loan Agreement, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

SECTION 906 RECORDS OPEN TO INSPECTION. All records and files pertaining to the Projects in the custody of the Trustee shall be open at all reasonable times (following delivery to the Trustee of reasonable prior written notice of such party's desire to inspect such records or files) to the inspection of the Issuer, the Borrower and the agents and representatives of either of them. The Trustee shall have no duty to review or analyze such records or files and shall hold such records or files solely as a repository for the benefit of the Bondholders; the Trustee shall not be deemed to have notice of any information contained therein or event of default which may be disclosed therein in any manner.

SECTION 907 TRUSTEE MAY RELY ON CERTIFICATES. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Indenture provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Indenture, and any such certificate shall be evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Indenture, any request, notice, certificate or other instrument from the Issuer or the Borrower to the Trustee shall be deemed to have been signed by the proper party or parties if signed by the Authorized Issuer Representative or by the Authorized Borrower Representative, as the case may be, and the Trustee may accept and rely upon a request, notice, certificate or other instrument so signed as to any action taken by the Issuer or the Borrower.

SECTION 908 TRUSTEE NOT DEEMED TO HAVE NOTICE OF DEFAULT. Except upon the happening of any event of default specified in clause (a) or (b) of Section 801 of this Indenture, the Trustee shall not be obliged to take notice or be deemed to have notice of any event of default hereunder or under the Loan Agreement, unless specifically notified in writing of such event of default by the holders of not less than a majority in aggregate principal amount of the Bonds hereby secured and then outstanding.

SECTION 909 TRUSTEE MAY DEAL IN BONDS AND TAKE ACTION AS BONDHOLDER. Any bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued under and secured by this Indenture, and may join in the capacity of a Bondholder in any action which any bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

SECTION 910 TRUSTEE NOT RESPONSIBLE FOR RECITALS, ETC. The recitals, statements and representations contained herein and in the Bonds (excluding the Trustee's certificate of authentication on the Bonds) shall be taken and construed as

made by and on the part of the Issuer and not by the Trustee, and the Trustee does not assume and shall not be under any responsibility for the correctness of the same.

SECTION 911 TRUSTEE PROTECTED IN RELYING ON CERTAIN DOCUMENTS. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have adopted or signed by the purported proper board or person or to have been repaired and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any attorney, engineer, accountant or other expert reasonably believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. Neither the Trustee nor the Issuer shall be under any obligation to see the recording or filing of the Indenture, the Loan Agreement, and Financing Statements or any other instrument or otherwise to the giving to any person of notice of the provisions hereof or thereof.

SECTION 912 QUALIFICATIONS OF TRUSTEE. There shall at all times be a trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $25,000,000 and subject to supervision or examination by federal or state authority. If such corporation published reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section 912, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 912, it shall resign immediately in the manner and with the effect specified in Section 913 hereof.

SECTION 913 RESIGNATION BY AND REMOVAL OF TRUSTEE.

(a) No resignation by or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 914 hereof.

(b) The Trustee may resign at any time by giving written notice thereof to the Issuer and the Borrower. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time by demand of the holders of a majority in principal amount of the Bonds then outstanding, signed in person by such holders or by their attorneys, legal representatives or agents and delivered to the Trustee, the Issuer and the Borrower (such demand to be effective only when received by the Trustee, the Issuer and the Borrower).

(d) If at any time:

(1) the Trustee shall cease to be eligible under Section 912 hereof and shall fail to resign after written request therefor by the Issuer, by the Borrower or by any Bondholder who shall have been a bona fide Bondholder for at least six months, or

(2) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, (A) the Issuer or the Borrower may remove the Trustee, or (B) any Bondholder who has been a Bondholder for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor.

(e) If the Trustee shall resign, be removed, be dissolved or otherwise become incapable of action or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, or if a vacancy shall occur in the office of the Trustee for any reason, the Issuer at the direction of the Borrower shall promptly appoint a successor. If, within thirty (30) days after such resignation, removal, incapability or taking over, or the occurrence of such vacancy, a successor Trustee shall be appointed by an instrument or concurrent instruments in writing executed by the holders of a majority in principal amount of the Bonds then outstanding and delivered to the Issuer, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the successor Trustee appointed by the Issuer and approved by the Borrower. Photographic copies of each such instrument shall be delivered promptly by the Issuer to the Borrower, to the successor Trustee appointed by the Issuer and to the successor Trustee so appointed by the Bondholders. If no successor Trustee shall have been so appointed and accepted appointment within thirty (30) days of such resignation, removal, dissolution, incapability or the occurrence of a vacancy in the office of Trustee, in the manner herein provided, the Trustee or holder of any Bond may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor shall have been appointed as above provided.

(f) The resigning Trustee or Trustee being removed shall give notice, on behalf of the Issuer, of any resignation or removal, as applicable, of the Trustee and each

appointment of a successor Trustee by mailing written notice of such event by first class mail, postage prepaid, to all registered owners of Bonds at their addresses as they may appear on the registration books. Each notice shall include the name of the successor Trustee and the address of its principal office. The Issuer and such resigning Trustee or Trustee being removed shall not, however, be subject to any liability to any Bondholder by reason of the failure to mail any such notice.

(g) The resigning Trustee or Trustee being removed shall be entitled to be paid in full for any amount owing to it under Section 905 of this Indenture prior to signing any agreements transferring the transaction to a successor Trustee.

SECTION 914 APPOINTMENT OF SUCCESSOR TRUSTEE. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor shall, nevertheless, on the written request of its successors or of the Issuer, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 905 of this Article, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Issuer.

Notwithstanding any of the foregoing provisions of this Article, any bank, corporation or association into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Trustee, having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as Trustee hereunder, shall be the successor of the Trustee hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

SECTION 915 SEPARATE TRUSTEE OR CO-TRUSTEE. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of Florida) denying or restricting the right of banking corporations or associations to transact business as trustees in such jurisdiction.

Therefore, in the event of the incapacity or lack of authority of the Trustee, as determined by the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the powers, rights or remedies herein granted to the Trustee or to hold title to the property in trust as herein granted or to take other action which may be necessary or desirable in connection therewith in such jurisdiction, the Trustee may appoint an additional individual or institution as a separate Trustee or Co-Trustee, and each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate Trustee or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any conveyance or instrument in writing from the Issuer be required by the separate Trustee or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate Trustee or Co-Trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee.

SECTION 916 [RESERVED].

SECTION 917 PAYING AGENT. The Tender Agent is hereby appointed as the initial Paying Agent. the Borrower shall appoint any successor Paying Agent for the Bonds, subject to the conditions set forth in Section 918 hereof. Each Paying Agent (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee under which such Paying Agent will agree, particularly:

(a) to hold all sums held by it for the payment of the principal of and interest and any premium on Bonds in trust for the benefit of the Owners until such sums shall be paid to the Owners or otherwise disposed of as herein provided; and

(b) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and the Borrower at all reasonable times.

The Issuer shall cooperate with the Trustee and the Borrower to cause the necessary arrangements to be made and to be thereafter continued whereby funds will be

made available for the payment when due of the Bonds as presented at the Principal Office of the Paying Agent.

SECTION 918 QUALIFICATIONS OF PAYING AGENT; RESIGNATION; REMOVAL. The Paying Agent shall be a bank, a trust company or another corporation duly organized under the laws of the United States of America or any state or territory thereof, and, in each case, having a combined capital and surplus of at least $25,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. The Paying Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Borrower and the Trustee. The Paying Agent may be removed at any time by an instrument, signed by the Borrower, filed with the Issuer, the Paying Agent and the Trustee.

Notwithstanding any of the foregoing provisions of this Article, any bank, corporation or association into which the Paying Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Paying Agent, having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as the Paying Agent hereunder, shall be the successor of the Paying Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

In the event of the resignation or removal of the Paying Agent, the Paying Agent shall pay over, assign and deliver any moneys held by it in such capacity to its successor or, if there be no successor, to the Trustee.

If an instrument of acceptance by a successor Paying Agent shall not have been delivered to the Paying Agent within sixty (60) days after the giving of such notice of resignation, the resigning Paying Agent may petition any court of competent jurisdiction for the appointment of a successor Paying Agent. If no successor Paying Agent shall have been so appointed and accepted appointment within sixty (60) days of such resignation, removal, incapability or the occurrence of a vacancy in the office of Paying Agent, in the manner herein provided, the Paying Agent or any Bondowner may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, until a successor shall have been appointed as above provided.

In the event that the Paying Agent shall resign, be removed or be dissolved, or if the property or affairs of the Paying Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other

reason, and the Borrower shall not have appointed its successor as Paying Agent, the Paying Agent or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor Paying Agent, until a successor shall have been appointed as above provided and the Trustee shall ipso facto be deemed to be the Paying Agent for all purposes of this Indenture until the appointment of the Paying Agent or successor Paying Agent, as the case may be.

The resigning Paying Agent or Paying Agent being removed shall be entitled to be paid in full for any amount owing to it under Section 905 of this Indenture prior to signing any agreements transferring the transaction to a successor Paying Agent.

SECTION 919 REGISTRAR. The Tender Agent is hereby appointed as the initial Registrar. the Borrower shall appoint any successor Registrar for the Bonds, subject to the conditions set forth in Section 920 and Section 206 hereof. Each Registrar (if not also the Trustee) shall designate to the Trustee its Principal Office and signify its acceptance of the duties imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Borrower and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee and the Borrower at all reasonable times.

The Issuer shall cooperate with the Trustee and the Borrower to cause the necessary arrangements to be made and to be thereafter continued whereby Bonds, executed by the Issuer and authenticated by the Trustee, shall be made available for exchange and registration of transfer at the Principal Office of the Registrar. The Issuer shall cooperate with the Trustee, the Registrar and the Borrower to cause the necessary arrangements to be made and thereafter continued whereby the Paying Agent and each Remarketing Agent shall be furnished such records and other information, at such times, as shall be required to enable the Paying Agent and each Remarketing Agent to perform the duties and obligations imposed upon them hereunder.

SECTION 920 QUALIFICATIONS OF REGISTRAR; RESIGNATION; REMOVAL. The Registrar shall be a corporation duly organized under the laws of the United States of America or any state or territory thereof, having a combined capital and surplus of at least $25,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. The Registrar may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60 days' notice to the Issuer, the Trustee and the Borrower. The Registrar may be removed at any time by an instrument, signed by the Borrower, filed with the Issuer, the Registrar and the Trustee.

Notwithstanding any of the foregoing provisions of this Article, any bank, corporation or association into which the Registrar may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Registrar shall be a party, or any bank, corporation or

association succeeding to all or substantially all of the corporate trust business of the Registrar, having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as the Registrar hereunder, shall be the successor of the Registrar hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

In the event of the resignation or removal of the Registrar, the Registrar shall deliver any Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee.

If an instrument of acceptance by a successor Registrar shall not have been delivered to the Registrar within sixty (60) days after the giving of such notice of resignation, the resigning Registrar may petition any court of competent jurisdiction for the appointment of a successor Registrar. If no successor Registrar shall have been so appointed and accepted appointment within sixty (60) days of such resignation, removal, incapability or the occurrence of a vacancy in the office of Registrar, in the manner herein provided, the Registrar or any Bondowner may petition any court of competent jurisdiction for the appointment of a successor Registrar, until a successor shall have been appointed as above provided.

In the event that the Registrar shall resign, be removed or be dissolved, or if the property or affairs of the Registrar shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and the Borrower shall not have appointed its successor as Registrar, The Registrar or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor Registrar, until a successor shall have been appointed as above provided and the Trustee shall ipso facto be deemed to be the Registrar for all purposes of this Indenture until the appointment by the Borrower of the Registrar or successor Registrar, as the case may be.

The resigning Registrar or Registrar being removed shall be entitled to be paid in full for any amount owing to it under Section 905 of this Indenture prior to signing any agreements transferring the transaction to a successor Registrar.

SECTION 921 PROCEDURES WITH DTC. During any period when the Bonds are held under the book-entry system maintained by DTC, the Trustee is hereby directed to comply with the provisions of the Letter of Representations and, to the extent such provisions conflict with the provisions of this Indenture, the provisions of the Letter of Representations shall control with respect to Bonds to which such Letter of Representations applies. Notwithstanding any other provisions of this Indenture to the contrary, the Issuer and the relevant Remarketing Agent agree to give the Trustee such notices and to make payment at such time or times as shall be necessary in order to

enable the Trustee to comply with the provisions of the Letter of Representations. Neither the Issuer nor the Trustee shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds regarding accuracy of any records maintained by DTC or DTC participants, the payments by DTC or DTC participants of any amount in respect of principal, redemption price or interest on the Bonds, any notice which is permitted or required to be given to or by Owners hereunder (except such notice as is required to be given by the Issuer to the Trustee or to DTC), or any consent given or other action taken by DTC as Bondowner.

In the event that Bonds are no longer held under the book-entry system maintained by DTC and are issued to the owners thereof in bond (physical) form, the Registrar will authenticate and deliver to the owners of the Bonds a new Bond or Bonds in the principal amount equal to the aggregate principal amount of Bonds then Outstanding (less the principal amount of the Bonds not held by means of a book-entry system), registered in the name of the owners, in exchange for the Bond or bonds then held by DTC and the DTC shall surrender such Bond or Bonds then held by it to the Trustee for cancellation and destruction in accordance with the terms of Section 506 hereof.

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ARTICLE X
EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF OWNERSHIP OF BONDS

SECTION 1001 CONSENTS, ETC., OF BONDHOLDERS. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders or their attorneys or legal representatives. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved in accordance with such reasonable rules as the Trustee may adopt.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions of Section 206 of this Indenture.

But nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the holder of any Bond shall bind every future holder of the same Bond and of any Bond issued in place thereof in respect of anything done by the Trustee in pursuance of such request or consent.

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ARTICLE XI
SUPPLEMENTAL INDENTURES

SECTION 1101 SUPPLEMENTAL INDENTURES NOT REQUIRING CONSENT OF BONDHOLDERS. The Issuer and the Trustee may, from time to time and at any time, with the consent of the Borrower but without the consent of Bondholders, enter into such supplements and amendments to this Indenture as shall not be inconsistent with the terms and provisions hereof and, in the opinion of Bond Counsel, shall not be detrimental to the interests of the Bondholders (except to the extent permitted under (k)):

(a) to cure any ambiguity or defect or omission in this Indenture or in any supplemental trust indenture;

(b) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) to confirm the lien of this Indenture or to subject to this Indenture additional revenues, properties or collateral;

(d) to correct any description of, or to reflect changes in, any properties comprising the Projects;

(e) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of and premium, if any, and interest on the Bonds or otherwise impair the security of the Bondholders under this Indenture;

(f) to modify, amend or supplement this Indenture or any supplemental trust indenture hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States;

(g) to make amendments to the provisions hereof relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, is delivered to the Trustee;

(h) to authorize different Authorized Denominations of the Bonds and to make correlative amendments and modifications to this Indenture regarding exchangeability of Bonds of different Authorized Denominations, redemptions of portions of Bonds of particular Authorized Denominations and similar amendments and modifications of a technical nature;

(i) to increase or decrease the number of days specified in Sections 201(d)(ii) and (iii), 201(e)(ii) and (iii), 201(f)(i), (ii), (iii) and (iv) and 201(g)(i), (ii) and (iii) hereof; provided that no decreases in any such number of days shall become effective except during a Daily Interest Rate Period or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice to the holders of the Bonds affected thereby;

(j) to make any amendments appropriate or necessary to provide for the delivery of additional collateral or any insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or security device delivered to the Trustee and providing for (i) payment of the principal, interest and redemption premium on either Series of the Bonds or a portion thereof, or (ii) payment of the purchase price of either Series of the Bonds, or (iii) both (i) and (ii);

(k) on any date on which all of the Bonds are subject to mandatory purchase to modify the Indenture in any respect (even if to the adverse interest of Owners) provided that such supplement will not be effective until after such mandatory purchase and the payment of the purchase price in connection therewith; or

(l) to make amendments in connection with the issuance of Completion Bonds.

SECTION 1102 SUPPLEMENTAL INDENTURES REQUIRING CONSENT OF BONDHOLDERS. Subject to the terms and provisions contained in this Section, and not otherwise, the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding and the Borrower shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such trust indenture or trust indentures supplemental hereto as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular way, any of the terms or provisions contained in this Indenture or in any supplemental trust indenture; provided, however, that, unless approved in writing by the holders of all Bonds then Outstanding and the Borrower, nothing herein contained shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on any Bond issued hereunder, (b) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, (c) the creation of a lien upon or a pledge of the Loan Repayments or any other income derived from the sale, leasing or operation of the Projects other than the lien and pledge created by this Indenture, (d) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (e) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental trust indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any supplemental trust indenture as authorized in Section 1101 of this Article.

If at any time the Issuer shall request the Trustee to enter into any supplement or amendment for any of the purposes of this Section, the Trustee shall, at the expense of the Borrower, cause notice of the proposed execution of such supplement or amendment to be mailed by first class mail, postage prepaid, to all owners of Bonds at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed supplement or amendment and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by any Bondholder. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any such notice, and any such failure shall not affect the validity of such supplement or amendment when consented to and approved as provided in this Section.

Whenever, at any time within one year after the date of the mailing of such notice, the Issuer shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the holders of not less than the required aggregate principal amount of the Bonds then Outstanding and the Borrower, which instrument or instruments shall refer to the proposed supplemental trust indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Trustee may execute such supplemental trust indenture in substantially such form, without liability or responsibility to any holder of any Bond, whether or not such holder shall have consented thereto.

If the holders of not less than the percentage of Bonds required by this Section 1102 shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to the execution of such supplement or amendment, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplement or amendment pursuant to the provisions of this Section, this Indenture shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Issuer, the Trustee and all holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

SECTION 1103 ANY SUPPLEMENTAL INDENTURE SHALL BE DEEMED A PART OF INDENTURE. The Trustee is authorized to join with the Issuer in the execution of any supplemental trust indenture hereto and to make the further agreements and stipulations which may be contained therein. Any supplemental trust indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture, and all of the terms and conditions contained in any such supplemental trust indenture as to any provision authorized to be contained therein shall

be and shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 1104 DISCRETION OF TRUSTEE; RELIANCE ON COUNSEL. In each and every case provided for in this Article, the Trustee shall be entitled to exercise its discretion in determining whether or not to execute any proposed supplemental trust indenture, if the rights, obligations and interests of the Trustee would be affected, and the Trustee shall not be under any responsibility or liability to the Issuer or to any Bondholder or to anyone whomsoever for its refusal in good faith to enter into any such supplemental trust indenture if such supplemental trust indenture is deemed by it to be contrary to the provisions of this Article. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it, who may be counsel for the Borrower, as conclusive evidence that any such proposed supplemental trust indenture does or does not comply with the provisions of this Indenture, and that it is or is not proper for it, under the provisions of this Article, to join in the execution of such supplemental trust indenture.

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ARTICLE XII
SUPPLEMENTAL LOAN AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS

SECTION 1201 SUPPLEMENTAL LOAN AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS NOT REQUIRING CONSENT OF BONDHOLDERS. Without the consent of any Bondholder, the Issuer and the Borrower may enter into, and the Trustee may consent to, from time to time and at any time, such agreements supplemental to the Loan Agreement as shall not be inconsistent with the terms and provisions thereof and, if a Pledge Agreement shall then be in effect, the Trustee may enter into any agreement supplemental to the Pledge Agreement as shall not be inconsistent with the terms thereof, which in the opinion of Bond Counsel shall not be detrimental to the interests of the Bondholders (which supplemental agreements shall thereafter form a part of the Loan Agreement and Pledge Agreement, respectively),

(a) to cure any ambiguity or defect or omission in the Loan Agreement or in any supplemental agreement, or in any Pledge Agreement or in any supplemental pledge agreement then in effect, or

(b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Bondholders or the Trustee, or

(c) to correct any description of, or to reflect changes in, any properties comprising the Projects,

(d) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Borrower to pay the Loan Repayments or otherwise materially impair the security of the Bondholders under this Indenture, or

(e) in connection with the issuance of Completion Bonds.

SECTION 1202 SUPPLEMENTAL LOAN AGREEMENTS AND SUPPLEMENTAL PLEDGE AGREEMENTS REQUIRING CONSENT OF BONDHOLDERS. Except for supplemental agreements or supplemental pledge agreements provided for in Section 1201 of this Article or amendments to the Loan Agreement and any Pledge Agreement as therein provided for, the Issuer shall not enter into and the Trustee shall not consent to any supplemental agreement or amendment to the Loan Agreement or enter into any supplemental pledge agreement or amendment to any Pledge Agreement unless notice of the proposed execution of such supplemental agreement, supplemental pledge agreement or amendment shall have been given and the holders of not less than a majority in aggregate principal amount of the Bonds then outstanding shall have consented to and approved the execution thereof all as provided

for in Section 1102 of this Indenture in the case of supplemental trust indentures; provided that the Trustee shall be entitled to exercise its discretion in consenting or not consenting to any such supplemental agreement, supplemental pledge agreement or amendment in the same manner as provided for in Section 1104 of this Indenture in the case of supplemental trust indentures.

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ARTICLE XIII
DEFEASANCE

SECTION 1301 DEFEASANCE OF BONDS. If there is paid to the holders of all of the Bonds secured hereby the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable thereon, together with all other sums payable hereunder, then and in that case the rights, title and interest of the Trustee in and to the estate pledged and assigned to it under this Indenture shall cease, terminate and become void, and such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture. In such event, the Trustee shall transfer and assign to the Borrower all property then held by the Trustee, shall execute such documents as may be reasonably required by the Issuer or the Borrower to evidence said transfer and assignment and shall turn over to the Borrower any surplus in the Bond Fund and any surplus in any other fund created hereunder. If the Issuer shall pay or cause to be paid to the holders of less than all of the outstanding Bonds the principal of and premium, if any, and interest on such Bonds which is and shall thereafter become due and payable upon such Bonds, such Bonds, or portions thereof, shall cease to be entitled to any lien, benefit or security under this Indenture.

Any or all of the outstanding Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the Maturity Date, as the case may be, or at Commercial Paper Term Rates for Commercial Paper Terms which end on the redemption date or the day immediately preceding the Maturity Date, as the case may be, shall be deemed to have been paid within the meaning and with the effect expressed in this Section when (a) in case said Bonds, or portions thereof, have been selected for redemption in accordance with Section 301 hereof prior to their maturity, the Borrower shall have given to the Trustee irrevocable instructions to mail in accordance with the provisions of Section 302 hereof notice of redemption of such Bonds, or portions thereof, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations, which shall not contain provisions permitting the redemption thereof at the option of the issuer thereof, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee available therefor, shall be sufficient to pay when due the principal of and premium, if any, and interest due and to become due on said Bonds, or portions thereof, on or prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds do not mature and are not to be redeemed within the next succeeding 60 days, the Borrower (i) shall have given the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of redemption is mailed pursuant to Section 302 hereof, a notice to the holders of said Bonds, or portions thereof, stating that the deposit of moneys or Defeasance Obligations required by clause (b) of this paragraph has been made with the Trustee and that said Bonds are deemed to have been paid in

accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof and (ii) shall cause to be delivered to the Trustee or escrow agent, as the case may be, a verification report of any independent, nationally recognized, certified public accountant showing the sufficiency of such deposit. Neither the moneys or Defeasance Obligations deposited with the Trustee pursuant to this Section nor principal or interest payments on any such obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and premium, if any, and interest on said Bonds, or portions thereof. If payment of less than all of the Bonds is to be provided for in the manner and with the effect expressed in this Section, the Trustee shall select such Bonds, or portions thereof, in the manner specified in Section 301 hereof for selection for redemption of less than all Bonds in the principal amounts designated to the Trustee by the Borrower.

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ARTICLE XIV
REMARKETING AGENT; TENDER AGENT; PURCHASE AND REMARKETING OF BONDS

SECTION 1401 REMARKETING AGENT AND TENDER AGENT. (b) Morgan Stanley & Co. LLC, shall be the initial Remarketing Agent for the Series 2016A Bonds. SunTrust Robinson Humphrey, Inc. shall be the initial Remarketing Agent for the Series 2016B Bonds. The Borrower shall appoint any successor Remarketing Agent for the Bonds, subject to the conditions set forth in Section 1402(a) hereof. The term of appointment of any Remarketing Agent shall expire, and the Borrower shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds in accordance with Section 201 hereof; provided, however, that the Borrower may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent, in which event any remarketing agreement between the Borrower and the then current Remarketing Agent may, at the option of the Borrower, remain in effect during such new term of appointment. Each Remarketing Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, the Tender Agent and the Borrower under which each Remarketing Agent will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and the Borrower at all reasonable times.

(b) The initial Tender Agent shall be The Bank of New York Mellon Trust Company, N.A. The Borrower shall appoint any successor Tender Agent for the Bonds, subject to the conditions set forth in Section 1402(b) hereof. The Tender Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the Issuer, the Trustee, the Borrower, and each Remarketing Agent. By acceptance of its appointment hereunder, the Tender Agent agrees:

(i) to hold all Bonds delivered to it pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners;

(ii) to establish and maintain, and there is hereby established with the Tender Agent, a separate segregated trust fund designated as the "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016 Purchase Fund" (the "Purchase Fund"), including any subaccounts within the Purchase Fund, as directed, until such time as it has been discharged from its duties as Tender Agent hereunder;

(iii) to hold all moneys (without investment thereof) delivered to it hereunder for the purchase of Bonds pursuant to Section 202 hereof in the Purchase Fund for the purchase of Bonds pursuant to Section 202 hereof, as agent and bailee of, and in escrow for the benefit of, the person or entity which shall have so delivered such moneys until the Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity;

(iv) to hold all Bonds registered in the name of the new Owners thereof and make such Bonds available for delivery to the relevant Remarketing Agent in accordance with the Tender Agreement; and

(v) to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Issuer, the Trustee, the Borrower and the relevant Remarketing Agent at all reasonable times (following reasonable prior written notice of such party's desire to inspect such books and records).

The Issuer shall cooperate with the Borrower and the Trustee to cause the necessary arrangements to be made and to be thereafter continued to enable the Tender Agent to perform its duties and obligations described above.

SECTION 1402 QUALIFICATIONS OF REMARKETING AGENT AND TENDER AGENT; RESIGNATION; REMOVAL.

(a) Each Remarketing Agent shall be a member of the Financial Industry Regulatory Authority, having a combined capital stock, surplus and undivided profits of at least $15,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture. Each Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 45 days' notice to the Issuer, the Trustee, the Tender Agent and the Borrower. Such resignation shall take effect on the earlier of the day a successor Remarketing Agent shall have been appointed by the Borrower and shall have accepted such appointment or 45 days from the date each Remarketing Agent submits such resignation. The Borrower may from time to time remove each Remarketing Agent upon five Business Days' notice and appoint a different Remarketing Agent by an instrument signed by the Borrower and filed with the Issuer, each Remarketing Agent, the Trustee and the Tender Agent.

(b) The Tender Agent shall be a corporation or a national or state banking association or trust company duly organized under the laws of the United States of America or any state or territory thereof, and, if not a bank or trust company, and in any case having a combined capital stock, surplus and undivided profits of at least $25,000,000 and authorized by law to perform all the duties imposed upon it by this Indenture and the Tender Agreement. The Tender Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 60

days' notice to the Issuer, the Trustee, the Borrower and each Remarketing Agent. Such resignation shall take effect on the day a successor Tender Agent shall have been appointed by the Borrower and shall have accepted such appointment. The Tender Agent may be removed by the Borrower, at any time by an instrument signed by the Borrower, filed with the Tender Agent, the Issuer, the Trustee, and the relevant Remarketing Agents.

Notwithstanding any of the foregoing provisions of this Article, any bank, corporation or association into which the Tender Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Tender Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Tender Agent, having power to perform the duties and execute the trusts of this Indenture and otherwise qualified to act as the Tender Agent hereunder, shall be the successor of the Tender Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

In the event of the resignation or removal of the Tender Agent, the Tender Agent shall deliver any Bonds and moneys held by it in such capacity to its successor or, if there is no successor, to the Trustee.

If an instrument of acceptance by a successor Tender Agent shall not have been delivered to the Tender Agent within sixty (60) days after the giving of such notice of resignation, the resigning Tender Agent may petition any court of competent jurisdiction for the appointment of a successor Tender Agent. If no successor Tender Agent shall have been so appointed and accepted appointment within sixty (60) days of such resignation, removal, incapability or the occurrence of a vacancy in the office of Tender Agent, in the manner herein provided, the Tender Agent or any Bondowner may petition any court of competent jurisdiction for the appointment of a successor Tender Agent, until a successor shall have been appointed as above provided.

In the event that the Tender Agent shall resign, be removed or be dissolved, or if the property or affairs of the Tender Agent shall be taken under the control of any state or federal court or administrative body because of bankruptcy, insolvency or any other reason, and the Borrower shall not have appointed its successor as Tender Agent, the Tender Agent or any Bondholder may petition any court of competent jurisdiction for the appointment of a successor Tender Agent, until a successor shall have been appointed as above provided and the Trustee shall ipso facto be deemed to be the Tender Agent for all purposes of this Indenture until the appointment of the Tender Agent or successor Tender Agent, as the case may be.

The resigning Tender Agent or Tender Agent being removed shall be entitled to be paid in full for any amount owing to it under Section 905 of this Indenture prior to signing any agreements transferring the transaction to a successor Tender Agent.

SECTION 1403 NOTICE OF BONDS DELIVERED FOR PURCHASE; PURCHASE OF BONDS.

(a) The Tender Agent shall determine timely and proper delivery of Bonds pursuant to this Indenture and the proper endorsement of such Bonds. Such determination shall be binding on the Owners of such Bonds, the Issuer, the Borrower, each Remarketing Agent and the Trustee absent manifest error. As promptly as practicable, in accordance with the provisions of the Tender Agreement, the Tender Agent shall give telephonic or telegraphic notice, promptly confirmed by a written notice, to the Trustee, each Remarketing Agent and the Borrower specifying the principal amount of Bonds, if any, as to which it shall receive notice of tender for purchase in accordance with Sections 202(a) or (b).

(b) Bonds required to be purchased in accordance with Section 202 hereof shall be purchased from the Owners thereof, on the date and at the purchase price at which such Bonds are required to be purchased. Funds for the payment of such purchase price shall be derived from the following sources in the order of priority indicated:

(i) moneys furnished by the Trustee to the Tender Agent pursuant to Section 1401 hereof, such moneys to be applied only to the purchase of Bonds which are deemed to be paid in accordance with this Article XIV;

(ii) proceeds of the sale of such Bonds remarketed pursuant to Section 1406 hereof and furnished to the Tender Agent by each Remarketing Agent for deposit into the Purchase Fund;

(iii) moneys furnished to the Tender Agent representing moneys provided by the Borrower pursuant to Section 11.1 or 11.2 of the Loan Agreement or otherwise available for such purpose.

(c) (i) The Registrar shall authenticate a new Bond or Bonds in an aggregate principal amount equal to the principal amount of Bonds purchased in accordance with Section 1403(b), whether or not the Bonds so purchased are presented by the Owners thereof, bearing a number or numbers not contemporaneously outstanding. Every Bond authenticated and delivered as provided in this Section 1403(c) shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder. The Registrar shall maintain a record of the Bonds purchased as provided in this Section 1403, together with the names and addresses of the former Owners thereof.

(ii) In the event any Bonds purchased as provided in this Section 1403 shall not be presented to the Tender Agent, the Tender Agent shall segregate and hold the moneys for the purchase price of such Bonds in trust for the benefit of the former Owners of such Bonds, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such Bonds. Any moneys which the Tender Agent shall segregate and hold in trust for the payment of the purchase price of any Bond and remaining unclaimed for one year after the date of purchase shall, upon the Borrower's written request to the Tender Agent, be paid to the Borrower. After the payment of such unclaimed moneys to the Borrower, the former Owner of such Bond shall look only to the Borrower for the payment thereof. In the absence of any such written request from the Borrower, the Tender Agent shall from time to time deliver such unclaimed funds to or as directed by pertinent escheat authority, as identified by the Tender Agent in its sole discretion, pursuant to and in accordance with applicable unclaimed property laws, rules or regulations. Any such delivery shall be in accordance with the customary practices and procedures of the Tender Agent and the escheat authority. Any money held by the Tender Agent pursuant to this paragraph shall be held uninvested and without any liability for interest.

SECTION 1404 [RESERVED].

SECTION 1405 [RESERVED].

SECTION 1406 REMARKETING OF BONDS; NOTICE OF INTEREST RATES.

(a) Upon notice of the tender for purchase of Bonds, or in connection with any mandatory tender for purchase of Bonds, in accordance with Section 202 hereof, the relevant Remarketing Agent shall offer for sale and use its best efforts to sell such Bonds, any such sale to be made on the date of such purchase in accordance with Section 202. Any Bond which is tendered for purchase, pursuant to Sections 202(a) or (b) hereof, or after that Bond has become subject to mandatory tender for purchase pursuant to Sections 202(c) or (d) hereof, shall be sold only to a purchaser who agrees to refrain from selling that Bond other than under the terms of this Indenture and hold that Bond only to the date of mandatory purchase.

(b) The relevant Remarketing Agent shall determine the rate of interest to be borne by the Bonds during each Interest Rate Period and by each Bond during each Commercial Paper Term for such Bond and the Commercial Paper Terms for each Bond during each Commercial Paper Interest Rate Period as provided in Section 201 hereof and shall furnish to the Registrar, Paying Agent, the Company and the Trustee on the Business Day of determination each rate of interest and Commercial Paper Term so determined.

(c) The relevant Remarketing Agent shall give telephonic or electronic notice to the Trustee and the Tender Agent on each date on which Bonds shall have been purchased pursuant to Section 1403(b) hereof, specifying the principal amount of Bonds, if any, sold by it pursuant to Section 1406(a) hereof.

SECTION 1407 DELIVERY OF BONDS.

(a) Bonds purchased with moneys described in clause (i) of Section 1403(b) hereof shall be delivered to the Trustee for cancellation.

(b) Bonds purchased with moneys described in clause (ii) of Section 1403(b) hereof shall be made available for delivery by the Tender Agent to the relevant Remarketing Agent for delivery to the purchasers thereof against payment therefor in accordance with the Tender Agreement.

(c) Bonds purchased with moneys described in clause (iii) of Section 1403(b) hereof shall at the direction of the Borrower, be (i) held by the Tender Agent for the account of the Borrower, (ii) delivered to the Trustee for cancellation or (iii) delivered to the Borrower; provided, however, that any Bonds so purchased after the selection thereof by the Trustee for redemption shall be delivered to the Trustee for cancellation.

(d) Bonds delivered as provided in this Section 1407 shall be registered in the manner directed by the recipient thereof.

SECTION 1408 DELIVERY OF PROCEEDS OF SALE. The proceeds of the sale by the relevant Remarketing Agent of any Bonds delivered to it by, or held by it for the account of, the Trustee, or the Borrower, or delivered to it by any other Owner, shall be turned over to the Tender Agent, the Borrower, or such other Owner, as the case may be; provided, however, that if any such Bond is sold by the relevant Remarketing Agent at a price in excess of the principal amount thereof (exclusive of that portion, if any, of such price representing accrued interest), such excess shall be paid to the Borrower.

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ARTICLE XV
MISCELLANEOUS PROVISIONS

SECTION 1501 COVENANTS BINDING UPON SUCCESSORS. In the event of the dissolution of the Issuer, all of the covenants, stipulations, obligations and agreements contained in this Indenture by or on behalf of or for the benefit of the Issuer shall bind or inure to the benefit of the successor or successors of the Issuer from time to time and any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law, and the word "Issuer" as used in this Indenture shall include such successor or successors.

SECTION 1502 NOTICES. Any notice, demand, direction, request or other instrument authorized or required by this Indenture to be given to or filed with the Issuer or the Trustee shall be (subject, with respect to the Trustee, to Section 913 hereof) deemed to have been sufficiently given or filed for all purposes of this Indenture if and when sent by certified mail, return receipt requested:

to the Issuer, if addressed to:

Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director;

to the Trustee, if addressed to:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway, Second Floor
Jacksonville, FL 32256
Attention: Corporate Trust;

to the Borrower, if addressed as provided in the Loan Agreement;

to the Tender Agent, if addressed to:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway, Second Floor
Jacksonville, FL 32256
Attention: Corporate Trust;

to the relevant Remarketing Agent for the Series 2016A Bonds, if addressed to:

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036
Attention: Municipal Short Term Products; or

to the relevant Remarketing Agent for the Series 2016B Bonds, if addressed to:

SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326
Attention: Dara Smith.

The Issuer, the Trustee, the Borrower, the Tender Agent, and each Remarketing Agent may, by notice given hereunder, designate any further or different addresses to which subsequent communications under this Indenture may be sent.

Furthermore, the Trustee shall have the right to accept and act upon any notice, demand, direction, request or other instructions, including funds transfer instructions ("Instructions"), given pursuant to this Indenture and delivered using Electronic Means (as defined below); provided, however, that the Borrower, the Issuer or and such other party giving such instruction (the "Sender") shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Sender whenever a person is to be added or deleted from the listing. If the Sender elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Borrower, the Issuer and any other Sender understand and agree that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. Each Sender shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Sender and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Sender. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. the Borrower agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated

with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Borrower for use by the Borrower, the Issuer and the other parties who may give instructions to the Trustee under this Indenture; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

All documents received by the Trustee under the provisions of this Indenture, or photographic copies thereof, shall be retained in its possession until this Indenture shall be released under the provisions of this Indenture, subject at all reasonable times to the inspection of the Issuer, the Borrower, any Bondholder and any agent or representative thereof. A copy of any notice, certificate or other communication given pursuant to this Indenture shall also be given to the Borrower at the address set forth in Section 12.1 of the Loan Agreement.

SECTION 1503 MANNER OF NOTICE. If, because of the temporary or permanent suspension of publication of any newspaper or financial journal or for any other reason, the Trustee shall be unable to publish in a newspaper or financial journal any notice required to be published by the provisions of this Indenture, the Trustee shall give such notice in such other manner as directed by the Issuer in writing, and the giving of such notice in such manner shall for all purposes of this Indenture be deemed to be in compliance with the requirement for the publication thereof.

SECTION 1504 ISSUER, TRUSTEE, THE BORROWER AND BONDHOLDERS ALONE HAVE RIGHTS UNDER INDENTURE. Except as herein otherwise expressly provided, nothing in this Indenture express or implied is intended or shall be construed to confer upon any person, other than the parties hereto, the Borrower and the holders from time to time of the Bonds issued under and secured by this Indenture, any right, remedy or claim, legal or equitable, under or by reason of this Indenture or any provision thereof, this Indenture and all its provisions being intended to be and being for the sole and exclusive benefit of the parties hereto, the Borrower and the holders from time to time of the Bonds issued hereunder.

SECTION 1505 SEVERABILITY AND EFFECT OF INVALIDITY. In case any one or more of the provisions of this Indenture or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of said Bonds. In case any covenant, stipulation, obligation or agreement contained in the Bonds or in this Indenture shall for

any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Issuer to the full extent permitted by law.

SECTION 1506 RELEASE OF OFFICERS, EMPLOYEES AND AGENTS OF ISSUER. All covenants, stipulations, obligations and agreements of the Issuer contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Issuer to the full extent permitted by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the Issuer, the Mayor, or other officer, agent or employee of the Issuer in his individual capacity, and neither the members of the Issuer, nor the Mayor or any other officer of the Issuer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Issuer, the Mayor, and no other officer, agent or employee of the Issuer shall incur any personal liability in acting or proceeding or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture.

SECTION 1507 IF PAYMENT OR PERFORMANCE DATE NOT A BUSINESS DAY. If the date for making any payment of principal or premium, if any, or interest or the last date for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day on which banking institutions in the city in which the Trustee or the Paying Agent shall be located are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

SECTION 1508 HEADINGS NOT PART OF INDENTURE. Any headings preceding the texts of the several articles hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

SECTION 1509 COUNTERPARTS. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

SECTION 1510 APPLICABLE LAW. This Indenture shall be governed by, and construed in accordance with, the laws of the State of Florida.

IN WITNESS WHEREOF, LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY has caused this Indenture to be executed by its Mayor and the official seal of the Issuer to be impressed hereon, and attested by the County Administrator and Ex-Officio Clerk of the Board of County Commissioner of the Issuer, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., has caused this Indenture to be executed by an authorized signatory and its corporate seal to be impressed hereon for and on its behalf, all as of the day and year first above written.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

Attest: _____

Secretary

Wayne R. Kirkwood

By: _____

Chair

Douglas S. Ayure

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: _____

Authorized Signatory

IN WITNESS WHEREOF, LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY has caused this Indenture to be executed by its Mayor and the official seal of the Issuer to be impressed hereon, and attested by the County Administrator and Ex-Officio Clerk of the Board of County Commissioner of the Issuer, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., has caused this Indenture to be executed by an authorized signatory and its corporate seal to be impressed hereon for and on its behalf, all as of the day and year first above written.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Chair

Attest:

_____
Secretary

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: _____
Authorized Signatory

EXHIBIT A

FORM OF BONDS

R-[A][B] $\$$_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT REVENUE BOND
(FLORIDA POWER & LIGHT COMPANY PROJECT),
SERIES 2016[A][B]

Interest Rate Period	Original Issue Date	Maturity Date	CUSIP No.

[To be filled in only if the Interest Rate Period identified above is the Commercial Paper Rate]:

Purchase Date	Commercial Paper Term	Commercial Paper Term Rate	Interest Payable

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (the "Issuer"), a public body corporate and politic duly created and existing under the laws of the State of Florida, for value received, hereby promises to pay, solely from the special fund provided therefor as hereinafter referred to, to the Registered Owner referred to above or registered assigns, on the Maturity Date stated above or earlier as hereinafter referred to) upon the presentation and surrender hereof at the corporate trust office of the Trustee (hereinafter mentioned), the Principal Amount stated above, and to pay, solely from said special fund, to the Registered Owner at his address as it appears on the Bond registration books of the Issuer, interest on said Principal Amount until payment of such Principal Amount, at the rates and on the dates determined as described herein and in the Indenture (hereinafter defined). The principal of and any premium on this Bond are payable at the designated office of The Bank of New York Mellon Trust Company, N.A., as Trustee. Interest on this Bond is payable by (i) check mailed to the Registered Owner

hereof at the address of the Registered Owner of this Bond as of the close of business on the Record Date (as defined in the Indenture) in respect of such interest, or (ii) except for interest in respect of a Long-Term Interest Rate Period (described herein), upon the request of the Registered Owner hereof, by wire transfer to such Registered Owner at an account maintained at a commercial bank located within the United States of America; provided that the Registered Owner hereof shall have provided transfer instructions to the Paying Agent at least two Business Days (hereinafter defined) prior to the applicable Record Date; provided further, that interest payable in respect of a Commercial Paper Term (described herein) is payable only upon delivery hereof to the Tender Agent (hereinafter identified). Principal or redemption price and interest shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts without deduction for the services of the Paying Agent.

Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture or the Loan Agreement (herein defined).

THE PRINCIPAL OF AND INTEREST ON, AND PURCHASE PRICE OF, THIS BOND ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE, INCLUDING AMOUNTS PAYABLE BY FLORIDA POWER & LIGHT COMPANY (THE "BORROWER") UNDER THE LOAN AGREEMENT (IDENTIFIED BELOW), OTHER REVENUES AND, IF APPLICABLE, FROM PAYMENTS MADE ON THE PLEDGED BONDS (IDENTIFIED BELOW) OR UNDER ANY OTHER CREDIT ENHANCEMENT PROVIDED BY THE BORROWER IN ACCORDANCE WITH THE PROVISIONS OF THE INDENTURE AND THE LOAN AGREEMENT. THE BONDS AND THE INTEREST AND ANY PREMIUM THEREON AND THE PAYMENT OF THE PURCHASE PRICE THEREOF SHALL NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE ISSUER, LEE COUNTY, FLORIDA OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE ISSUER, LEE COUNTY, FLORIDA OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY PREMIUM ON, OR PURCHASE PRICE OF, THE BONDS.

No recourse shall be had for the payment of the principal or redemption price or purchase price of, or interest on, this Bond, or for any claim based hereon or on the Indenture, against any member, officer, agent or employee, past, present or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

This Bond is one of a duly authorized series of revenue bonds of the Issuer in the aggregate principal amount of $_____ known as "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016[A][B]" (the "Bonds"), dated December __, 2016, and issued to (i) finance the cost of acquisition, construction, and equipping of certain wastewater facilities used for the collection, transfer, treatment, processing, recycling and disposal of equipment drainage, floor drainage, process drainage, chemical and oily wastes, storm water, sanitary wastes, and other plant effluents and certain solid waste facilities used for the collection, transfer, storage, processing, remediation, disposal or recycling of solid wastes resulting from the Borrower's plant operations and functionally related and subordinate facilities at plants of the Borrower in Lee and Okeechobee Counties (collectively, the "Projects"); (ii) fund any necessary reserves; and (iii) pay related costs of issuance of the Bonds, all as more specifically described in EXHIBIT A to the Loan Agreement.

The Bonds are issued under and pursuant to a Trust Indenture (said Trust Indenture, together with all trust indentures supplemental thereto as therein permitted, being herein called the "Indenture"), dated as of December 1, 2016, by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., a national banking association, having a corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under the Indenture being herein called the "Trustee"). Copies of the Indenture are on file at the designated office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues, a description of the funds charged with and pledged to the payment of the principal of and premium, if any, and interest on, or purchase price of, the Bonds, the nature and extent of the security, the terms and conditions under which the Bonds are or may be issued, the rights, duties and obligations of the Issuer and of the Trustee and the rights of the holders of the Bonds.

This Bond is issued, and the Indenture was made and entered into, under and pursuant to and in full compliance with Parts II, III and IV Chapter 159, Florida Statutes, Part I Chapter 163, Florida Statutes , and other applicable provisions of the law (collectively, the "Act"), and under and pursuant to a resolution duly adopted by the Issuer.

The Issuer has entered into a Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), with the Borrower, under the provisions of which the Issuer will loan the proceeds of the Bonds to the Borrower and the Borrower has agreed to apply such proceeds to financing the cost of the Projects. The Loan Agreement, in accordance with and as required by the Act, provides for the payment by the Borrower of amounts ("Loan Repayments") sufficient to pay the principal of and premium, if any, and interest

on the Bonds as the same shall become due and payable and the Loan Agreement further obligates the Borrower to pay the cost of maintaining, repairing and operating the Projects. The Loan Agreement provides that the Loan Repayments shall be paid directly to the Trustee for the account of the Issuer. Such Loan Repayments shall be deposited to the credit of a special fund created by the Indenture and designated "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016 Bond Fund" (the "Bond Fund"), which special fund is pledged to and charged with the payment of the principal of and premium, if any, and interest on all Bonds issued under the Indenture. The Loan Agreement further obligates the Borrower to pay the purchase price of Bonds tendered for purchase by the Registered Owners thereof pursuant to the provisions thereof, to the extent that funds are not otherwise available under the Indenture. The Loan Agreement provides that the Borrower is unconditionally obligated to meet its obligations to pay the Loan Repayments and to perform and observe the other agreements on its part contained therein.

In the manner hereinafter provided, the term of the Bonds will be divided into consecutive Interest Rate Periods during each of which the Bonds shall bear interest at a Daily Interest Rate (the "Daily Interest Rate Period"), a Weekly Interest Rate (the "Weekly Interest Rate Period"), or a Long-Term Interest Rate or Rates (the "Long-Term Interest Rate Period"), or each Bond may bear interest at a Commercial Paper Term Rate during one or more consecutive Commercial Paper Terms (the "Commercial Paper Interest Rate Period"). The first Interest Rate Period shall be as specified in the Indenture.

This Bond while bearing interest at a rate other than a Commercial Paper Term Rate shall bear interest from and including the Interest Accrual Date (as hereinafter defined) immediately preceding the date of authentication hereof, or, if such date of authentication shall be an Interest Accrual Date to which interest on this Bond has been paid in full or duly provided for, or the date of initial authentication hereof, from its date of authentication and this Bond while bearing interest at a Commercial Paper Term Rate shall bear interest from and including the first day of the related Commercial Paper Term; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for Bonds surrendered for registration of transfer or exchange shall bear interest from the date to which interest has been paid in full on the Bonds or, if no interest has been paid on the Bonds, the date of the first authentication of Bonds under the provisions of the Indenture. For any Daily Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date (as hereinafter defined) for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding the next Interest Accrual Date, unless the Interest Payment Date shall be the day next succeeding the last day of a Daily Interest Rate Period, in which case interest shall be payable on such Interest Payment Date for the period commencing on the Interest Accrual Date to which interest

shall have been paid in full and ending on the day immediately preceding such Interest Payment Date. For any Weekly Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date (or, if any Interest Payment Date is not a Wednesday, commencing on the second preceding Interest Accrual Date) and ending on the Tuesday immediately preceding the Interest Payment Date (or, if the period ends sooner than that Tuesday, ending on the last day of the Weekly Rate Period). For any Commercial Paper Interest Rate Period or Long-Term Interest Rate Period, interest on this Bond shall be payable on each Interest Payment Date for the period commencing on the immediately preceding Interest Accrual Date and ending on the day immediately preceding such Interest Payment Date. In any event, interest on this Bond shall be payable for the final Interest Rate Period to the date on which this Bond shall have been paid in full. Interest shall be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve, 30-day months, and in the case of any other Interest Rate Period, on the basis of a 365 or 366-day year, as appropriate, and the actual number of days elapsed. The Bonds shall be deliverable in the form of registered Bonds without coupons in the denomination of (i) $5,000 and any integral multiple thereof, during any Long-Term Interest Rate Period, (ii) $100,000 and any integral multiple of $5,000 in excess thereof during the Daily or Weekly Interest Rate Period, and (iii) $100,000 and any integral multiple of $1,000 in excess of $100,000, during any Commercial Paper Interest Rate Period (such denominations referred to herein as "Authorized Denominations").

The term "Interest Accrual Date" means (i) with respect to any Daily or Weekly Interest Rate Period, the first day thereof and, thereafter, the first Business Day of each calendar month during that Daily or Weekly Interest Rate Period, (ii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, other than the last such Interest Payment Date, and (iii) with respect to each Commercial Paper Term within a Commercial Paper Interest Rate Period, the first day thereof.

The term "Interest Payment Date" means (1) with respect to any Daily or Weekly Interest Rate Period, the fifth Business Day (as hereinafter defined) of each calendar month, (2) the fifth day of the calendar month that is six calendar months after the calendar month in which an adjustment to any Long-Term Interest Rate Period occurs and the fifth day of the calendar month every six months after each such payment date thereafter until the end of such Long-Term Interest Rate Period with the last Interest Payment Date thereof being on the fifth day of such last month, (3) with respect to any Commercial Paper Term, the day next succeeding the last day thereof, (4) with respect to each Interest Rate Period, the day next succeeding the last day thereof, and (5) the Maturity Date. The term "Business Day" means any day other than (i) a Saturday or Sunday and (ii) a day on which banks located in the cities in which the Principal Offices

of the Trustee, the Remarketing Agent or the Tender Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

(1) (i) Determination of Daily Interest Rate. During each Daily Interest Rate Period, this Bond shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent, hereinafter referred to, on each Business Day for such Business Day. The Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof; provided, however, that if for any reason, the Daily Interest Rate cannot be determined for any Business Day by the Remarketing Agent as hereinbefore provided, then (1) the Daily Interest Rate for such day shall be the same as the Daily Interest Rate for the immediately preceding day if the Daily Interest Rate for such preceding day was determined by the Remarketing Agent or (2) if no Daily Interest Rate for the immediately preceding day was determined by the Remarketing Agent or in the event that the Daily Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the interest rate for such day shall be equal to 100% of the SIFMA Index, made available for such day, or if such index is no longer available, or no such index was so made available for such day, 70% of the interest rate on 30 day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal or The Bond Buyer on the day the Daily Interest Rate would otherwise be determined as provided herein for such Daily Interest Rate Period.

(ii) Adjustment to Daily Interest Rate. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Daily Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Daily Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Daily Interest Rate.

(2) (i) Determination of Weekly Interest Rate. During each Weekly Interest Rate Period, this Bond shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent no later than the Business Day immediately preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day immediately preceding Wednesday of each week during such Weekly Interest Rate Period. The Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt

obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent as hereinbefore provided, then (1) the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week if the Weekly Interest Rate for such immediately preceding week was determined by the Remarketing Agent or (2) if no Weekly Interest Rate for the immediately preceding week was determined by the Remarketing Agent or if the Weekly Interest Rate determined by the Remarketing Agent shall be held to be invalid or unenforceable by a court of law, then the Weekly Interest Rate for such week shall be equal to 100% of the SIFMA Index, made available for the week preceding the date of determination, or if such index is no longer available, or no such index was made available for the week preceding the date of determination, 70% of the interest rate on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in *The Wall Street Journal* or *The Bond Buyer* on the day such Weekly Interest Rate would otherwise be determined as provided herein for such Weekly Interest Rate Period.

(ii) Adjustment to Weekly Interest Rate. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Weekly Interest Rate. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Weekly Interest Rate Period commencing on the date specified in such direction and ending on the day immediately preceding the effective date of the next succeeding Interest Rate Period, the interest rate borne by the Bonds shall be a Weekly Interest Rate.

(3) (i) Determination of Long-Term Interest Rate. During each Long-Term Interest Rate Period, the Bonds shall bear interest at the Long-Term Interest Rate. The Long-Term Interest Rate for the Bonds, or, in the case of an adjustment from a Commercial Paper Interest Rate Period pursuant to Alternative (II) as described in Paragraph 4(iii) hereof, the Long-Term Interest Rate for each Bond, shall be determined by the Remarketing Agent on the effective date, or on a Business Day selected by it not more than 30 days prior to such effective date, of such Long-Term Interest Rate Period, with respect to the Bonds or such Bond. The Long-Term Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by the Bonds, would enable the Remarketing Agent to sell the Bonds on such effective date at a price (without regard to accrued interest) equal to the principal amount thereof. If for any reason, the Long-Term Interest Rate for any

Long-Term Interest Rate Period cannot be determined by the Remarketing Agent as hereinabove provided, the Long-Term Interest Rate for such Long-Term Interest Rate Period the Long-Term Interest Rate will be at the Weekly Interest Rate as provided in the Indenture, and shall continue to bear interest at a Weekly Interest Rate determined in accordance with Indenture until such time as the interest rate on the Bonds shall have been adjusted to another Interest Rate Period as provided herein, and the Bonds shall continue to be subject to mandatory purchase as described in the Indenture.

(ii) Adjustment to Long-Term Interest Rate. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at a Long-Term Interest Rate or Rates during a Long-Term Interest Rate Period or series of successive Long-Term Interest Rate Periods, and if it shall so elect, shall specify the duration of the Long-Term Interest Rate Period or Periods during which the Bonds shall bear interest at such Long-Term Interest Rate or Rates, which duration shall be at least one year; provided that, as set forth below, in connection with the adjustment to a Long-Term Interest Rate Period or the commencement of any subsequent Long-Term Interest Rate Period, the Borrower may, at its discretion, deliver to the Trustee a series of its first mortgage bonds. During each Long-Term Interest Rate Period, the interest rate borne by the Bonds shall be a Long-Term Interest Rate. If, in connection with the expiration of any Long-Term Interest Rate Period (other than one of a succession of Long-Term Interest Rate Periods of substantially equal duration), by the Business Day preceding the date on which the Registrar must mail notice to the Registered Owners of the Bonds of an adjustment of Interest Rate Period as described in Paragraph (5)(i) hereof, the Trustee shall not have received notice of the Borrower's election that the Bonds shall bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or Commercial Paper Term Rates the next succeeding Interest Rate Period shall be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Weekly Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period, in which case no Favorable Opinion of Bond Counsel need be delivered. The foregoing notwithstanding, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent may rescind its direction that the Bonds shall bear interest at a Long-Term Interest Rate or Rates provided that notice of such recession is sent to the Trustee and the Remarketing Agent not less than 1 day prior to the effective date of such Long-Term Interest Rate Period in which case the Bonds will remain in the then current Interest Rate Period; provided, however, that notwithstanding such rescission the Bonds shall continue to be subject to mandatory purchase as described in Paragraph 6(iv) hereof.

(iii) Adjustment from Long-Term Interest Rate Period. In addition to an adjustment from a Long-Term Interest Rate Period on the day immediately following the last day of the Long-Term Interest Rate Period, at any time during a Long-Term Interest Rate Period, the Borrower may elect that the Bonds no longer shall bear interest at a Long-Term Interest Rate and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Term Rates or a new Long-Term Interest Rate, as specified in such election. In the notice of such election, the Borrower shall also specify the effective date of the new Interest Rate Period, which date shall be no earlier than the first date, not less than thirty-five days following the date of receipt by the Trustee of the notice of election from the Borrower, on which the Bonds shall be subject to optional redemption as described in Paragraph 7(iii) hereof. Bonds shall be subject to mandatory tender for purchase on the effective date of the new Interest Rate Period, in accordance with the Indenture and as described in Paragraph 6(iv) hereof, at a purchase price equal to the optional redemption price as described in Paragraph 7(iii) hereof which would be applicable on that date.

(4) (i) Determination of Commercial Paper Terms and Commercial Paper Term Rates. During each Commercial Paper Interest Rate Period, this Bond shall bear interest during each Commercial Paper Term for this Bond at the Commercial Paper Term Rate for this Bond. Each of such Commercial Paper Terms and Commercial Paper Term Rates for this Bond shall be determined by the Remarketing Agent no later than the first day of each Commercial Paper Term. Each Commercial Paper Term for each Bond shall be a period of not more than 270 days, determined by the Remarketing Agent to be the period which, together with all other Commercial Paper Terms for all Bonds then outstanding under the Indenture, will result in the lowest overall interest expense on the Bonds over the next succeeding 270 days. Further, each Commercial Paper Term shall end on either a day which immediately precedes Business Day or on a day immediately preceding the Maturity Date. If for any reason a Commercial Paper Term for the Bond cannot be so determined by the Remarketing Agent, it will extend by one Business Day (or until the earlier stated maturity of the Bonds) automatically until the Remarketing Agent is able to set a rate and, if in that instance the Remarketing Agent fails for whatever reason to determine the interest rate for the Bonds, then the interest rate for the Bond for that Commercial Paper Rate Period shall be the interest rate in effect for the preceding Commercial Paper Rate Period. In determining the number of days in each Commercial Paper Term, the Remarketing Agent shall take into account the following factors: (I) existing short-term tax-exempt market rates and indices of such short-term rates, (II) the existing market supply and demand for short-term tax-exempt securities, (III) existing yield curves for short-term and long-term tax-exempt securities for obligations of credit quality comparable to the Bonds, (IV) general economic conditions, (V) industry economic and financial conditions that may affect or be relevant to the Bonds, and (VI) such other facts, circumstances and conditions as the Remarketing Agent, in its sole discretion, shall determine to be relevant. The Commercial Paper Term

Rate for each Commercial Paper Term for this Bond shall be the rate of interest per annum determined by the Remarketing Agent (based on the examination of tax-exempt obligations comparable to the Bonds known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate which, if borne by this Bond, would enable the Remarketing Agent to sell this Bond on the date and at the time of determination at a price (without regard to accrued interest) equal to the principal amount thereof.

(ii) Adjustment to Commercial Paper Term Rates. At any time, the Borrower, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent and the then current Remarketing Agent, may elect that the Bonds shall bear interest at Commercial Paper Term Rates. Such direction shall be in the form and shall be given in the manner provided in the Indenture. During each Commercial Paper Interest Rate Period commencing on the date specified in such direction and ending on the day (with respect to each Bond) immediately preceding the effective date of the next succeeding Interest Rate Period, each Bond shall bear interest at a Commercial Paper Term Rate during each Commercial Paper Term for such Bond.

(iii) Adjustment from Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, the Borrower may elect that the Bonds no longer shall bear interest at Commercial Paper Term Rates and shall instead bear interest at a Daily Interest Rate, a Weekly Interest Rate or a Long-Term Interest Rate, as specified in such election. Such election shall specify an alternative from the immediately succeeding Alternatives (I) and (II), and the Remarketing Agent shall effect one of such alternatives. Alternative (I): determine Commercial Paper Terms of such duration that, as soon as possible, all Commercial Paper Terms shall end on the same date; or Alternative (II): determine Commercial Paper Terms of such duration that will, in the judgment of the Remarketing Agent, best promote an orderly transition to the next succeeding Interest Rate Period, and beginning on the 14th day following the second Business Day after the receipt by the Trustee of the direction of the Borrower effecting such election, the day next succeeding the last day of the Commercial Paper Term determined in accordance with Alternative (II) with respect to each Bond shall be, with respect to such Bond, the effective date of the Daily Interest Rate Period, Weekly Interest Rate Period or Long-Term Interest Rate Period elected by the Borrower.

(5) Notice of Adjustment to Daily, Weekly or Long-Term Interest Rate or Commercial Paper Term Rates; Bond Counsel Opinions; Remarketing Agent; Tender Agent.

(i) The Registrar shall give notice by first-class mail of an adjustment to a Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period, as the

case may be, to the Registered Owners of the Bonds not less than 15 days (unless the then-current Interest Rate Period shall be a Long-Term Interest Rate Period and such Long-Term Interest Rate Period shall end on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of such Daily, Weekly, Commercial Paper or Long-Term Interest Rate Period.

(ii) Adjustment to an Interest Rate Period in certain circumstances set forth in the Indenture requires a contemporaneous Favorable Opinion of Bond Counsel. "Favorable Opinion of Bond Counsel" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving opinions on the issuance of, municipal bonds and acceptable to the Borrower and the Trustee, addressed to the Issuer and the Trustee, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

(iii) The initial Remarketing Agents for the Bonds, appointed under the Indenture, shall be [Morgan Stanley & Co. LLC][SunTrust Robinson Humphrey, Inc.]. The term of appointment of the Remarketing Agent shall expire, and the Borrower shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Bonds as described above; provided, however, that the Borrower may elect to appoint the then current Remarketing Agent as the successor Remarketing Agent. Notice of such appointment shall be given as provided in the Indenture.

(iv) The initial Tender Agent appointed under the Indenture shall be The Bank of New York Mellon Trust Company, N.A. For purposes hereof, the principal office of the Tender Agent shall mean 10161 Centurion Parkway, Second Floor, Jacksonville, FL 32256, Attention: Corporate Trust, or such other office as designated by the Tender Agent in accordance with the Indenture.

(6) (i) Purchase of Bonds During Daily Interest Rate Period. During any Daily Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date, in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office, by no later than 11:00 a.m., New York City time, on such Business Day, of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of this Bond or such portion hereof and the date of purchase. For

payment of such purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on such Business Day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined in Rule 17Ad-15 under the Securities Exchange Act of 1934 (an "Eligible Guarantor Institution"). Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as EXHIBIT B to the Indenture.

(ii) Purchase of Bonds During Weekly Interest Rate Period. During any Weekly Interest Rate Period, this Bond or any portion hereof in an Authorized Denomination shall be purchased from its Registered Owner at the option of the Registered Owner on any Business Day at a purchase price equal to the principal amount hereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, unless the date of purchase shall be an Interest Accrual Date in which case at a purchase price equal to the principal amount hereof, payable in immediately available funds, upon delivery to the Tender Agent at its principal office of an irrevocable written notice or an irrevocable telephonic notice, promptly confirmed by tested telex, telecopy or other writing, which states the principal amount of this Bond or such portion hereof and the date on which the same shall be purchased, which date shall be a Business Day not prior to the seventh day next succeeding the date of the delivery of such notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, this Bond must be delivered, at or prior to 12:00 noon, New York City time, on the date specified in such notice, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution. Notwithstanding the foregoing, during any period when the Bonds are registered in the name of Cede & Co. or such other nominee of DTC as DTC shall designate and held by DTC in its book-entry system, the optional tender of Bonds shall be accomplished in accordance with the Letter of Representation with DTC with respect to the Bonds and a tender of such Bonds must be initiated by the delivery of a notice to the Tender Agent in the form set forth as EXHIBIT B to the Indenture.

(iii) Mandatory Tender for Purchase On Business Day Next Succeeding the Last Day of Each Commercial Paper Term. On the Business Day next

succeeding the last day of each Commercial Paper Term for this Bond, unless such day is the first day of a new Interest Rate Period (in which event Paragraph 6(iv) hereof shall be applicable), this Bond shall be purchased from its Registered Owner at a purchase price equal to the principal amount hereof, payable in immediately available funds. For payment of such purchase price on such day, this Bond must be delivered at or prior to 12:30 P.M., New York City time, on such day, to the Tender Agent at its principal office, accompanied by an instrument of transfer hereof, in form satisfactory to the Tender Agent, executed in blank by the Registered Owner hereof or his duly-authorized attorney, with such signature guaranteed by an Eligible Guarantor Institution.

(iv) Mandatory Tender for Purchase on First Day of Each Interest Rate Period. This Bond shall be subject to mandatory tender for purchase, at the purchase price, payable in immediately available funds, specified in the Indenture, on the first day of each Interest Rate Period.

(v) Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of this Bond in accordance with Paragraph 6(iv) above, the Registrar shall give notice by first-class mail to the Registered Owner of this Bond at the time and in the form specified in the Indenture.

(vi) Irrevocable Notice Deemed to be Tender of Bonds; Undelivered Bonds. The giving of notice by a Registered Owner of this Bond as provided in Paragraphs 6(i) or (ii) hereof shall constitute the irrevocable tender for purchase of this Bond with respect to which such notice shall have been given, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs, except that Bonds held at DTC and for which an optional tender has been made by delivery of the notice set forth as EXHIBIT B to the Indenture shall not be purchased unless such Bonds are transferred to the name of the Tender Agent in DTC's book-entry-only system on the tender date as provided in such notice; further, this Bond shall be deemed irrevocably tendered for purchase on the first day of each Commercial Paper Term or Interest Rate Period as provided in Paragraphs 6(iii) or (iv) hereof, in each case irrespective of whether this Bond shall be delivered as provided in such Paragraphs.

The Tender Agent may refuse to accept delivery of any Bonds for which a proper instrument of transfer has not been provided. In the event that any Registered Owner of a Bond who shall have given notice of tender for purchase pursuant to Paragraphs 6(i) or (ii) hereof, or whose Bond shall be subject to mandatory tender for purchase pursuant to Paragraphs 6(iii) or (iv) hereof, shall fail to deliver such Bond to the Tender Agent at the place and on the applicable date and time specified, or shall fail to deliver such Bond properly endorsed, such Bond shall constitute an Undelivered Bond. If funds in the amount of the purchase price of the Undelivered Bond are available for payment to the Registered Owner thereof on the date and at the time specified, from and after the date

and time of that required delivery, (A) the Undelivered Bond shall no longer be deemed to be outstanding under the Indenture; (B) interest shall no longer accrue thereon; and (C) funds in the amount of the purchase price of the Undelivered Bond shall be held by the Tender Agent for the benefit of the Registered Owner thereof (provided that the Registered Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (or proper endorsement) of the Undelivered Bond to the Tender Agent. Any funds held by the Tender Agent as described in clause (C) of the preceding sentence shall be held uninvested.

Upon the purchase as provided in the above referenced Paragraphs by the Tender Agent of each Bond so deemed to be tendered, such Bond shall cease to bear interest payable to the former Registered Owner thereof, who thereafter shall have no rights with respect thereto, other than the right to receive the purchase price thereof upon surrender of such Bond to the Tender Agent.

(7) Redemption Provisions. The Bonds shall be subject to redemption prior to maturity as follows:

(i) On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Bonds shall be subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at 100% of the principal amount thereof, plus accrued interest, if any, to the redemption date.

(ii) On the day succeeding the last day of any Commercial Paper Term with respect to any Bond, such Bond shall be subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at 100% of the principal amount thereof.

(iii) During any Long-Term Interest Rate Period, the Series 2016 Bonds are subject to optional redemption by the Issuer, at the direction of the Borrower (i) on the final Interest Payment Date for such Long-Term Interest Rate Period, at a redemption price equal to 100% of the principal amount thereof plus interest accrued, if any, to the redemption date, and (ii) prior to the end of the then current Long-Term Interest Rate Period, at any time during the redemption periods and at the redemption prices set forth below, plus interest accrued, if any, to the redemption date:

Original Length of Current Term Rate Period (Years)	Commencement of Redemption Period	Redemption Price as Percentage of Principal
More than 10 years	Tenth anniversary of commencement of Long-Term Interest Rate	100%

Original Length of Current Term Rate Period (Years)	Commencement of Redemption Period	Redemption Price as Percentage of Principal
	Period	
Equal to or less than 10 years	Non-callable	Non-callable

If the Borrower has given notice of a change in the Long-Term Interest Rate Period or notice of an adjustment of the Interest Rate Period for the Bonds to the Long-Term Interest Rate Period and, at least 1 day prior to such change in the Long-Term Interest Rate Period or such adjustment the Borrower has provided (i) a certification of the Remarketing Agent to the Trustee and the Issuer that the foregoing schedule is not consistent with prevailing market conditions and (ii) a Favorable Opinion of Bond Counsel addressed to the Trustee and the Issuer that a change in the redemption provisions of the Bonds will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes, the foregoing redemption periods and redemption prices may be revised, effective as of the date of such adjustment in the Long-Term Interest Rate Period or an adjustment to the Long-Term Interest Rate Period, as determined by the Remarketing Agent in its judgment, taking into account the then prevailing market conditions as set forth in such certification. Any such revision of the redemption periods and redemption prices will not be considered an amendment of or a supplement to the Indenture and will not require the consent of any Bondholder or any other Person or entity.

(iv) In addition, during any No Call Period, the Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of the Borrower, in whole or in part, at any time, if the Borrower delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Projects or any portion thereof, the Borrower has been unable, after reasonable effort, to obtain an opinion of Bond Counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Code (or successor provision of similar import) does not prevent that portion of the Loan Repayments payable under the Loan Agreement and attributable to interest on the Bonds from being deductible by the Borrower for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Bonds from being excluded for federal income tax purposes from the gross income of the Registered Owners thereof (other than a Registered Owner who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(f) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of Bond Counsel, the Borrower has elected to prepay amounts due under the Loan Agreement equal to the redemption price of

the Bonds to be so redeemed and (iii) specifying the principal amount of the Bonds which the Borrower has determined to be the minimum necessary to be so redeemed in order for the Borrower to retain its rights to such interest deductions and for interest on the Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Bonds will be so redeemed). The redemption price for the Bonds shall be equal to the outstanding principal amount thereof plus accrued interest.

(v) During any Long-Term Interest Rate Period, in the event of the prepayment by the Borrower of the Loan Repayments with respect to the Bonds pursuant to subsection (a) of Section 10.1 of the Loan Agreement, the Bonds shall be redeemed in whole on the date selected by the Borrower at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(a) the Borrower shall have determined that the continued operation of any portion of the Projects is impracticable, uneconomical or undesirable; or

(b) all or substantially all or any portion of the Projects shall have been condemned or taken by eminent domain; or

(c) the operation by the Borrower of any portion of the Projects shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by the Borrower in good faith, the Indenture, the Loan Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Loan Agreement.

(vi) In addition, the Bonds shall be subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by the Borrower) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and the Borrower of an opinion of Bond Counsel obtained by the Borrower and rendered at the request of the Borrower, to the effect that (x) as a result of a failure by the Borrower to perform or observe any covenant or agreement in the Loan Agreement, or the inaccuracy of any representation, the interest on the Bonds is included for federal income tax purposes in the gross income of the Bondholders thereof, or would be so included absent such redemption, or (y) such redemption is required under the terms of a closing agreement or other

similar agreement with the Internal Revenue Service settling an issue raised in connection with an audit of the Bonds or in connection with a submission to the Internal Revenue Service Voluntary Closing Agreement Program or similar program. No determination by any court or administrative agency shall be considered final for purposes of this paragraph unless the Borrower shall have had the opportunity to participate in the proceeding which resulted in such determination, either directly or through a Registered Owner, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Bonds shall be redeemed either in whole or in part in such principal amount that the interest payable on the Bonds remaining outstanding after such redemption would not be included in the gross income of any Registered Owner thereof, other than a Registered Owner who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended.

(vii) If less than all of the Bonds shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate in the principal amounts designated by the Borrower, all as provided in, and subject to the provisions of, the Indenture.

(viii) Any such redemption, either in whole or in part, shall be made upon at least thirty (30) days' prior notice by first-class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Registrar and shall be made in the manner and under the terms and conditions provided in the Indenture, but failure so to mail any such notice to the Registered Owner of any Bond shall not affect the validity of the proceedings for redemption of any other Bond. Any notice of redemption, except a notice of a redemption pursuant to Paragraph (7)(vi), shall, unless at the time such notice is given the Bonds to be redeemed are deemed to have been paid in accordance with the Indenture, state that the redemption to be effected is conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bonds shall not be required to be redeemed.

If any Bonds are not presented for payment on their redemption date or at maturity, the Registered Owners thereof shall look only to the moneys set aside for such purpose by the Trustee. After one year, such moneys may be paid to the Borrower, and the Registered Owners of such Bonds shall thereafter look only to the Borrower for payment thereof.

At the designated corporate trust office of the Registrar, in the manner and subject to the limitations, conditions and charges provided in the Indenture, Bonds may be

exchanged for an equal aggregate principal amount of Bonds of Authorized Denominations and bearing interest at the same rate.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Modifications, alterations or amendments of the Indenture or of any trust indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

The transfer of this Bond may be registered by the Registered Owner hereof in person or by his attorney or legal representative at the corporate trust office of the Registrar, but only in the manner and subject to the limitations and conditions provided in the Indenture and upon surrender and cancellation of this Bond. Upon any such registration of transfer the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of Authorized Denominations, in aggregate principal amount equal to the principal amount of this Bond and bearing interest at the same rate.

This Bond shall be governed by and construed in accordance with the laws of the State of Florida.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture and the Loan Agreement have happened, exist and have been performed as so required.

The Registered Owner of this Bond, by acceptance hereof, is deemed to have agreed and consented to the terms and provisions of the Indenture and the Loan Agreement and, in the event this Bond bears interest at a Long-Term Interest Rate and any Pledge Agreement.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Registrar of the Certificate of Authentication endorsed hereon.

[Signature page follows]

[SIGNATURE PAGE TO LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BOND (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2016[A][B]]

IN WITNESS WHEREOF, LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY has caused this Bond to be executed in its name by the manual or facsimile signatures of its Chairman and Secretary and the official seal of said Authority to be affixed hereon, as of the __ day of December, 2016.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

_____
Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the bonds of the series designated therein and issued under the provisions of the within-mentioned Indenture.

Date of authentication: December __, 2016

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A,
as Registrar

By: _____
Title:

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, _____ the undersigned, hereby sells. assigns and transfers unto:

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

_____

TAX IDENTIFICATION OR SOCIAL SECURITY NO.

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever. Signature must be guaranteed by a member of a Medallion Signature Program.

EXHIBIT B

NOTICE OF TENDER OF BOOK-ENTRY BONDS
WEEKLY INTEREST RATE PERIOD

Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project), Series 2016[A][B]

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount ($100,000 and integral multiples of $5,000 in excess thereof)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:
Representing

Signature of DTC Participant

the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS
DAILY INTEREST RATE PERIOD

Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project), Series 2016[A][B]

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or its successor as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 11:00 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount ($100,000 and integral multiples of $5,000 in excess thereof)	DTC Participant Number	CUSIP Number
$		

* "Business Day" shall have the meaning ascribed thereto by the Trust Indenture under which the Bonds are issued.

THE UNDERSIGNED ACKNOWLEDGES AND AGREES BY THE EXECUTION AND DELIVERY OF THIS NOTICE (1) THAT THE TENDER OF THE TENDERED BOOK-ENTRY BONDS IS IRREVOCABLE; (2) THAT THE UNDERSIGNED IS CONTRACTUALLY BOUND TO TENDER SUCH TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON THE TENDER DATE; AND (3) THAT IN THE EVENT OF A FAILURE TO TENDER THE TENDERED BOOK-ENTRY BONDS TO THE TENDER AGENT ON OR BEFORE 12:00 NOON NEW YORK TIME ON THE TENDER DATE THE UNDERSIGNED SHALL PAY TO THE TENDER AGENT AN AMOUNT (THE "DEFAULT AMOUNT") EQUAL TO THE DIFFERENCE BETWEEN (A) THE COSTS ARISING OUT OF THE FAILURE TO TENDER AND (B) THE PURCHASE PRICE, AS DEFINED ABOVE, WHICH WOULD HAVE BEEN PAID TO THE UNDERSIGNED UPON A TENDER. AS USED HEREIN THE "COSTS ARISING OUT OF THE FAILURE TO TENDER" SHALL MEAN THE SUM OF (X) THE AMOUNT EXPENDED BY THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, IN ACQUIRING BOOK-ENTRY BONDS IN SUBSTITUTION OF THE TENDERED BOOK-ENTRY BONDS (INCLUDING INTEREST THEREON) AND (Y) THE ADMINISTRATIVE AND OTHER CHARGES, EXPENSES OR COMMISSIONS INCURRED IN CONNECTION WITH THE ACQUISITION OF SUCH SUBSTITUTE BOOK-ENTRY BONDS.

THE UNDERSIGNED AGREES THAT THE TENDER AGENT, EITHER DIRECTLY OR THROUGH AN AGENT, MAY ACQUIRE SUCH SUBSTITUTE BONDS IN SUCH MANNER AND MARKET AS IT DEEMS COMMERCIALLY REASONABLE, AND FURTHER AGREES THAT THE DEFAULT AMOUNT IS REASONABLE IN LIGHT OF THE ANTICIPATED HARM CAUSED BY THE FAILURE TO TENDER AND THE INCONVENIENCE OF OBTAINING ANY OTHER REMEDY.

THE UNDERSIGNED HEREBY IRREVOCABLY APPOINTS THE TENDER AGENT AS HIS DULY AUTHORIZED ATTORNEY AND DIRECTS THE TENDER AGENT TO EFFECT THE TRANSFER OF THE TENDERED BOOK-ENTRY BONDS.

Date of Notice:
Representing

Signature of DTC Participant

the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

Exhibit l (c)

Loan Agreement, dated as of December 1, 2016, between FPL and Lee County Industrial Development Authority, with respect to the Lee County Series 2016 Bonds.

LOAN AGREEMENT

Between

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

and

FLORIDA POWER & LIGHT COMPANY

$30,000,000
LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BONDS (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2016A

$30,000,000
LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT REVENUE BONDS (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2016B

Dated as of December 1, 2016

(This Table of Contents is not a part of the Loan Agreement
but is for convenience of reference only)

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EXHIBIT A - Description of the Projects

LOAN AGREEMENT

This LOAN AGREEMENT, made and entered into as of the 1st day of December, 2016 is by and between LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a political subdivision of the State of Florida (the "Issuer"), and FLORIDA POWER & LIGHT COMPANY (the "Borrower"), a corporation duly organized and validly existing under the laws of the State of Florida:

W I T N E S S E T H:

In consideration of the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a debt, liability or obligation of the Issuer or the State of Florida or any political subdivision thereof, except to the extent that the Bonds hereinafter mentioned shall be a limited obligation of the Issuer, payable solely out of moneys derived from this Loan Agreement, the sale of the bonds referred to in Section 4.2 hereof and from any other credit enhancement delivered pursuant to in Section 5.3 hereof):

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1 DEFINITIONS.

(a) When used in this Loan Agreement (except as otherwise expressly provided or unless the context otherwise requires), the following terms shall have the meanings specified in the Indenture (as defined below):

Act
Authorized Borrower Representative
Bond Counsel
Bond Fund
Code
Commercial Paper Interest Rate Period
Construction Fund
Cost of Issuance Account
Daily Interest Rate Period
Interest Payment Date
Interest Rate Periods
Long-Term Interest Rate Period
Outstanding
Paying Agent
Pledge Agreement

Purchase Fund
Registrar
Remarketing Agent
Series 2016 Bonds
Series 2016A Bonds
Series 2016B Bonds
Tender Agent
Trustee
Weekly Interest Rate Period

(b) When used herein, the word defined below shall have the meanings given to them by the language employed in this Section 1.1(b) defining such words and terms, unless the context clearly indicates otherwise.

"Authorized Issuer Representative" means each of the persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Borrower and the Trustee containing the specimen signatures of such persons and signed on behalf of the Issuer by the Chairman.

"Bonds" means, collectively, the Bonds authorized to be issued under Sections 201 or 215 of the Indenture, including the Series 2016 Bonds, for the purpose of financing the cost of acquisition, construction and equipping of the Projects.

"Borrower" means Florida Power & Light Company, a corporation duly organized and validly existing under the laws of the State of Florida, and its successors or assigns and any surviving, resulting or transferee corporation as provided in Section 7.2 hereof.

"Chairman" means the Chairman or Vice-Chairman of the Issuer or such person's designee.

"Completion Date" means the date established in accordance with the provisions of Section 4.5 hereof.

"Cost" means any item of cost within any proper definition of such word under the Act and as defined for purposes of the Indenture.

"Favorable Opinion of Bond Counsel" means an opinion of Bond Counsel addressed to the Issuer and the Trustee to the effect that the action proposed to be taken is authorized or permitted by the laws of the State and this Loan Agreement and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Bonds.

"Force Majeure" means the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of

the United States of America or of the State or any of their departments, agencies or officials or any political subdivision thereof, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery; partial or entire failure of utilities; terrorist activity; or any other cause or event not reasonably within the control of the Borrower.

"Indenture" means the Trust Indenture, of even date herewith, between the Issuer and The Bank of New York Mellon Trust Company, N.A., as Trustee, pursuant to which (i) the Bonds are authorized to be issued and (ii) the Issuer's rights under this Loan Agreement (except the Issuer's rights under Sections 5.1(c) and 9.4 hereof relating to payment of certain costs and expenses and under Section 7.3 hereof relating to indemnification), including the Loan Repayments and other revenues and proceeds receivable by the Issuer from the sale, leasing and operation of the Projects are pledged and assigned as security for the payment of principal of and premium, if any, and interest on the Bonds, and any amendments or supplements thereto.

"Issuer" means the Lee County Industrial Development Authority, a public body corporate and politic duly created and existing under the laws of the State of Florida, and its successors and assigns and any resulting entity from or surviving any consolidation or merger to which it or its successors may be a party.

"Loan Agreement" means this Loan Agreement, as amended or supplemented.

"Loan Repayments" means the payments required by Section 5.1(a) hereof.

"Projects" means the industrial wastewater, solid waste and functionally related and subordinate facilities of the Borrower described in EXHIBIT A attached, as the same may be amended from time to time, together with all additions thereto and substitutions therefor, and less any deletions therefrom, as they may at any time exist.

"State" means the State of Florida.

SECTION 1.2 RULES OF CONSTRUCTION. (a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Unless the context shall otherwise indicate, the words "Bond", "owner", "holder" and "person" shall include the plural as well as the singular number; the word "person" shall include any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; and the words "Holder", "Bondholder" or "Owner" when used herein with respect to Bonds shall mean the

registered owner of one or more Bonds at the time issued and outstanding under the Indenture.

(c) Words importing the redemption or calling for redemption of the Bonds shall not be deemed to refer to or to connote the payment of Bonds at their stated maturities.

(d) The captions or headings in this Loan Agreement are for convenience only and in no way limit the scope or intent of any provision or section of this Loan Agreement.

(e) All references herein to particular articles or sections are references to articles or sections of this Loan Agreement unless some other reference is indicated.

ARTICLE II
REPRESENTATIONS

SECTION 2.1 REPRESENTATIONS BY THE ISSUER. The Issuer makes the following representations, as of the date of delivery of this Loan Agreement:

(a) The Issuer is duly authorized under the provisions of the Act to enter into, execute and deliver this Loan Agreement, to undertake the transactions contemplated by this Loan Agreement, and to carry out its obligations hereunder, and the Issuer has duly authorized the execution and delivery of this Loan Agreement;

(b) The Issuer proposes to issue under Section 201 of the Indenture not to exceed $60,000,000 aggregate principal amount of its Bonds for the purpose of financing the Cost of the Projects; and

(c) By proper action of the Issuer, the officers of the Issuer executing and attesting this Loan Agreement have been duly authorized to execute and deliver this Loan Agreement.

SECTION 2.2 REPRESENTATIONS BY THE BORROWER. The Borrower makes the following representations, as of the date of delivery of this Loan Agreement:

(a) The Borrower is a corporation organized and existing under the laws of the State and has power to enter into this Loan Agreement, and by proper corporate action has duly authorized the execution and delivery of this Loan Agreement.

(b) The consummation of the transactions contemplated herein and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which the Borrower is now a party.

(c) The Projects constitute "projects" within the meaning of the Act.

(d) At least 95% of the proceeds of the Bonds will be used to provide "sewage or solid waste disposal facilities" or land, buildings or other property functionally related and subordinate thereto within the meaning of Section 142(a)(5) or (6) of the Code, and the applicable existing and proposed regulations promulgated thereunder, in each case the original use of which facilities commenced with the Borrower. All of the proceeds of the Bonds will be spent for Costs of the Projects or to pay costs of issuance of the Bonds. Less than 3% of the proceeds of the Bonds will be used to provide working capital.

(e) Not more than 2% of the proceeds (within the meaning of Section 147(g) of the Code) of the Bonds will be used to pay for any costs of issuance of the Bonds.

(f) No portion of the proceeds of the Bonds will be used to provide a skybox or other private luxury box, airplane, any health club facility, store the principal business of which is the sale of alcoholic beverages for consumption off premises or facility used primarily for gambling.

(g) Any portion of the proceeds of the Bonds to be used to pay the cost of acquisition of any real or personal property (or any interest therein) to be included in the Projects is or will be with respect to land or either (i) real or personal property of which the Borrower is the first user; or (ii) a building (and the equipment therefor) if the rehabilitation expenditures (as defined in Section 147(d)(3) of the Code) with respect to such building equals or exceeds fifteen percent (15%) of the portion of the cost of acquiring such building (and equipment) to be financed with the proceeds of the Bonds; or (iii) a structure other than a building (and equipment therefor) if the rehabilitation expenditures (as defined in Section 147(d)(3) of the Code) with respect to such structure equals or exceeds one hundred percent (100%) of the portion of the cost of acquiring such property to be financed with the proceeds of the Bonds.

(h) (1) No portion of the proceeds of the Bonds will be used directly or indirectly for the acquisition of land or any interest therein to be used for the purpose of farming.

(2) Less than twenty-five percent (25%) of the proceeds of the Bonds will be used directly or indirectly for the acquisition of land or any interest therein to be used for purposes other than farming.

(i) All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by the Borrower of this Loan Agreement have been obtained and are in full force and effect.

(j) The information furnished by the Borrower and used by the Issuer in preparing the certification with respect to the Bonds pursuant to Section 148 of the Code and in preparing the information statement pursuant to Section 149(e) of the Code is accurate and complete as of the date of issuance of the Bonds.

(k) The Projects do not include any office except for offices (i) located at the site of the Projects and (ii) not more than a de minimis amount of the functions to be performed at which is not directly related to the day-to-day operations of the Projects.

(l) The representations of the Borrower in that certain tax certificate and agreement executed in connection with the execution and delivery of the Bonds are true and accurate.

ARTICLE III
LOAN OF PROCEEDS OF THE BONDS

SECTION 3.1 AMOUNT AND SOURCE OF LOAN. Concurrently with the delivery of the Bonds, the Issuer will, upon the terms and conditions of this Loan Agreement, lend the proceeds of the Bonds to the Borrower, by deposit thereof in accordance with the provisions of the Indenture.

ARTICLE IV
COMPLETION OF THE PROJECTS; ISSUANCE OF THE BONDS

SECTION 4.1 AGREEMENT TO ACQUIRE AND CONSTRUCT THE PROJECTS. In accordance with the provisions of Section 4.3 hereof and Section 404 of the Indenture and except as otherwise provided in the Indenture, it is agreed that the proceeds, except accrued interest, from the sale of the Bonds (other than Refunding Bonds) will be used solely for the purpose of paying all or a portion of the Cost of the Projects and thereby to cause the acquisition, construction and installation of the Projects substantially in accordance with the plans and specifications of the Projects, including any and all supplements, amendments and additions thereto and in accordance with change orders approved in writing by the Borrower, and to reimburse the Borrower for any Cost of the Projects heretofore or hereafter paid by the Borrower from its own funds; provided, however, that no supplement, amendment, addition or change order relating to the plans and specifications shall be inconsistent with the representations made in Section 2.2 hereof or, except as permitted by the third paragraph of this Section 4.1, change the essential character and function of the Projects initially described in EXHIBIT A hereto.

The Borrower agrees to use commercially reasonable efforts to cause the acquisition, construction and installation of the Projects to be performed with reasonable dispatch in accordance with the plans and specifications therefor, delays by reason of Force Majeure beyond the reasonable control of the Borrower excepted, but if for any reason such acquisition, construction and installation is not completed there shall be no diminution in the Loan Repayments and other amounts required to be paid by the Borrower.

In addition to supplementing, amending and adding to the plans and specifications for the Projects including any change orders, within the limits set forth in the first paragraph of this Section, it is understood and agreed that the Borrower may cause components of the Projects to be omitted or deleted or new components to be substituted or added as an addition to the Projects or in substitution of components thereof so omitted or deleted, provided that, if any change would alter the essential character or function of the Projects, the Borrower shall, prior to causing any such change, file with the Trustee a written opinion of Bond Counsel to the effect that such change will not result in the interest on the Bonds, or any thereof, becoming subject to inclusion in gross income for purposes of federal income taxes then in effect. In the event of an omission, deletion, addition or substitution as aforesaid which shall cause EXHIBIT A to be inaccurate in any material respect, the Borrower and the Issuer shall revise EXHIBIT A to this Loan Agreement to reflect such omission, deletion, addition or substitution and mail a copy of such revised EXHIBIT A to the Trustee.

SECTION 4.2 AGREEMENT TO ISSUE THE BONDS; APPLICATION OF THE BOND PROCEEDS. (a) The Issuer agrees that it will, as promptly as possible, issue, sell and cause to be delivered to the purchasers thereof

$60,000,000 aggregate principal amount of its Bonds for the purpose of paying a portion of the Cost of the Projects. The Issuer will cause proceeds of the Series 2016 Bonds to be applied in the manner required by the Indenture in accordance with directions of the Borrower provided upon issuance of the Series 2016 Bonds.

(b) The Borrower hereby approves the terms and conditions of the Indenture and the Series 2016 Bonds, and the terms and conditions under which the Series 2016 Bonds have been issued, sold and delivered.

SECTION 4.3 DISBURSEMENTS FROM THE CONSTRUCTION FUND AND COST OF ISSUANCE ACCOUNT. The Issuer and the Borrower hereby agree that (a) moneys in the Construction Fund shall be applied to the payment of the Cost of the Projects or otherwise in accordance with Article IV of the Indenture, and (b) moneys in the Cost of Issuance Account shall be applied to the payment of issuance expenses related to the Series 2016 Bonds or otherwise in accordance with Article IV of the Indenture.

SECTION 4.4 THE BORROWER REQUIRED TO PAY REMAINING COST OF THE PROJECTS. In the event that moneys in the Construction Fund available for the payment of the Cost of the Projects should not be sufficient to pay the Cost of the Projects, the Borrower agrees to pay all that portion of the Cost of the Projects not available therefor in the Construction Fund. The Issuer does not make any warranty that the foregoing amounts paid into the Construction Fund will be sufficient to pay the Cost of the Projects. The Borrower agrees that if, after exhaustion of the moneys in the Construction Fund, the Borrower should pay any portion of the Cost of the Projects it shall not be entitled to any reimbursement therefor from the Trustee, except as contemplated by Section 403(a) of the Indenture, or from the holders of any of the Bonds, and that it shall not be entitled to any abatement or diminution of the Loan Repayments payable under Section 5.1(a) hereof.

SECTION 4.5 ESTABLISHMENT OF COMPLETION DATE. The Completion Date shall be evidenced to the Trustee by a certificate dated and signed by an Authorized Borrower Representative setting forth the Cost of the Projects and stating that, except for amounts not then due and payable or the liability for the payment of which is being contested or disputed by the Borrower, (i) the acquisition, construction and installation of the Projects have been completed substantially in accordance with the plans and specifications therefor and the Cost of the Projects has been paid, and (ii) all other facilities necessary in connection with the Projects have been acquired, constructed and installed in accordance with the plans and specifications therefor and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

SECTION 4.6 INVESTMENT OF FUND MONEYS; ARBITRAGE COVENANT. Any moneys held as part of the Bond Fund or Construction Fund shall be invested or reinvested by the Trustee as provided in the Indenture. The Issuer and the Borrower each hereby covenants that it will restrict that investment and reinvestment and the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code.

The Borrower shall provide the Issuer with, and the Issuer may base its certificate required under Section 148 of the Code on, a certificate of an appropriate officer, employee or agent of or consultant to the Borrower for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the Borrower on the date of delivery of and payment for the Bonds regarding the amount and use of the proceeds of the Bonds and the facts, estimates and circumstances on which those expectations are based.

SECTION 4.7 THE BORROWER AND ISSUER NOT TO ADVERSELY AFFECT EXCLUSION OF INTEREST ON BONDS FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES. The Borrower and the Issuer each hereby represents and covenants, for the benefit of the holders of the Bonds, that, to the best of its knowledge, information and belief, respectively, it has taken and caused to be taken and that it shall take and cause to be taken all actions that may be required of it for the interest on the Bonds to be and to remain excluded from the gross income of the owners thereof for federal income tax purposes, and that, to the best of its knowledge, information and belief, respectively, it has not taken or permitted to be taken on its behalf, and that it shall not take, or permit to be taken on its behalf, any action which, if taken, would adversely affect that exclusion for federal income tax purposes. The Borrower further covenants with the Issuer, for the benefit of the holders of the Bonds, that it shall take all steps necessary to comply with the provisions of Section 148(f) of the Code, relating to rebate payments to the United States of America, to the extent applicable.

SECTION 4.8 NO THIRD PARTY BENEFICIARY. It is specifically agreed between the parties executing this Loan Agreement that it is not intended by any of the provisions of any part of this Loan Agreement to create in favor of the public or any member thereof, other than as expressly provided herein or in the Indenture, the rights of a third party beneficiary hereunder, or to authorize anyone not a party to this Loan Agreement, or specifically indemnified hereunder, to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Loan Agreement. The duties, obligations and responsibilities of the parties to this Loan Agreement with respect to third parties shall remain as imposed by law.

ARTICLE V
PAYMENT PROVISIONS

SECTION 5.1 LOAN REPAYMENTS AND OTHER AMOUNTS PAYABLE. (a) The Borrower agrees to repay the loan made by the Issuer by paying to the Trustee for the account of the Issuer an amount equal to the principal amount of the Bonds plus the interest accrued thereon and any premium in installments (the "Loan Repayments") due on the dates, in the amounts and in the manner provided in the Indenture for the Issuer to cause payment to be made to the holders of the Bonds of the principal of and interest and any premium on the Bonds, whether at maturity, upon redemption or otherwise, provided that any amount credited under the Indenture against any payment required to be made by the Issuer thereunder shall be credited against the corresponding payment required to be made by the Borrower hereunder. Notwithstanding anything to the contrary contained herein, the Borrower covenants that it will pay the Loan Repayments at such times and in such amounts to assure that payment of the principal of and interest and any premium on the Bonds shall be made when due.

(b) The Borrower agrees to pay to the Trustee promptly upon billing, until the principal of and premium, if any, and interest on all Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture, (i) the reasonable fees and charges of the Trustee, Paying Agent, Registrar, Remarketing Agent and Tender Agent and all expenses (including reasonable counsel fees) incurred by such parties under this Loan Agreement, the Indenture or any Pledge Agreement as the same become due, (ii) any expenses incurred in connection with the purchase or redemption of Bonds and (iii) the amounts owed to the Trustee pursuant to Section 902 of the Indenture.

(c) The Borrower agrees to pay to the Issuer promptly upon billing, an amount equal to the reasonable costs and expenses (including reasonable counsel fees) of the Issuer incurred in connection with this Loan Agreement, the Indenture and the Bonds, until the principal of and premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the provisions of the Indenture.

(d) The Borrower covenants, for the benefit of the owners of the Bonds, to pay or cause to be paid, to the Tender Agent for deposit in the Purchase Fund, such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, all as more particularly described in Article XIV of the Indenture.

SECTION 5.2 OBLIGATIONS OF THE BORROWER HEREUNDER UNCONDITIONAL. Until such time as the principal of and premium, if any, and interest on all Bonds shall have been fully paid or deemed to have been paid in accordance with Article XIII of the Indenture, the Borrower's obligations under this Loan

Agreement shall be absolute and unconditional, and the Borrower (a) will not suspend or discontinue payment of any amounts required to be paid by it pursuant to Section 5.1 hereof, (b) will perform and observe all of its other agreements contained in this Loan Agreement, and (c) except as permitted by this Loan Agreement, will not terminate this Loan Agreement for any cause, including, without limiting the generality of the foregoing, the occurrence of any act or circumstance that may constitute failure of consideration, destruction of or damage to the Projects, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either of them, or any failure of the Issuer to perform or observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement.

Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and in the event the Issuer should willfully fail to perform any such agreement on its part, the Borrower may institute such action against the Issuer as the Borrower may deem necessary to compel performance so long as such action shall not violate the agreements on the part of the Borrower contained in the first sentence of this Section or diminish the amounts required to be paid by the Borrower pursuant to Section 5.1 hereof. The Borrower may also, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which the Borrower deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the Issuer hereby agrees to cooperate fully with the Borrower and to take all action necessary to effect the substitution of the Borrower for the Issuer in any action or proceeding if the Borrower shall so request.

SECTION 5.3 OTHER CREDIT ENHANCEMENT. The Borrower may at its discretion in connection with an adjustment of the Bonds to a Long-Term Interest Rate Period provide additional collateral security for the payment of principal of and interest on the Bonds including, but not limited to, an insurance policy, irrevocable transferable letter of credit, guaranty, surety bond, line of credit, revolving credit agreement or other agreement or device providing for the payment of the principal, interest and redemption premium on, and purchase price of, the Bonds; provided, however, that prior to the delivery of such other credit enhancement, the Borrower shall cause to be delivered to the Trustee (1) a Favorable Opinion of Bond Counsel, and (2) an opinion of counsel to the provider of such credit enhancement with respect to the enforceability of such credit enhancement. Notwithstanding anything to the contrary contained in the Indenture, the Bonds or this Loan Agreement, upon delivery of such credit enhancement, the principal, interest and redemption premium on, and purchase price of, the Bonds shall also be secured by, and payable from, such credit enhancement.

ARTICLE VI
MAINTENANCE AND REMOVAL

SECTION 6.1 MAINTENANCE AND MODIFICATIONS OF PROJECTS BY THE BORROWER. Subject to the provisions of Section 6.2 hereof, the Borrower agrees that so long as any Bonds are outstanding it will, at no expense to the Issuer, maintain, repair and operate the Projects, or cause the Projects to be maintained, repaired and operated, in accordance with the Act. The Borrower may cause modifications to be made to completed components of the Projects.

SECTION 6.2 REMOVAL OF PORTIONS OF THE PROJECTS. The Borrower shall not be under any obligation to cause renewal, repair or replacement of any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary portion of the Projects. In any instance where the Borrower determines that any portion of the Projects have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Borrower may cause such portion of the Projects to be removed and cause the sale, trade in, exchange or other disposal of such removed portion of the Projects without any responsibility or accountability to the Issuer, the Trustee or the holders of the Bonds.

The removal of any portion of the Projects pursuant to the provisions of this Section shall not entitle the Borrower to any abatement or diminution of the amounts required to be paid pursuant to Section 5.1 hereof.

ARTICLE VII
SPECIAL COVENANTS

SECTION 7.1 NO WARRANTY OF CONDITION OR SUITABILITY BY THE ISSUER. The Issuer makes no warranty, either express or implied, as to the condition of the Projects or their suitability for the Borrower's purposes or needs.

SECTION 7.2 THE BORROWER TO MAINTAIN ITS LEGAL EXISTENCE; CONDITIONS UNDER WHICH EXCEPTIONS PERMITTED. The Borrower agrees that, so long as any Bonds are outstanding, it will maintain its legal existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided that the Borrower may, without violating its agreement contained in this Section, consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than the Borrower), assumes or assume in writing all of the obligations of the Borrower herein, and, if not organized under the laws of the State, is or are qualified to do business in the State.

SECTION 7.3 INDEMNIFICATION COVENANTS. (a) The Borrower hereby agrees to indemnify and hold harmless the Trustee and its officers, directors, agents and employees from and against any and all costs, claims, liabilities, losses or damages whatsoever (including reasonable costs and fees of counsel, auditors or other experts), asserted or arising out of or in connection with the acceptance or administration of the trusts established pursuant to the Indenture, except costs, claims, liabilities, losses or damages resulting from the negligence or willful misconduct of the Trustee, including the reasonable costs and expenses (including the reasonable fees and expenses of its counsel) of defending itself against any such claim or liability in connection with its exercise or performance of any of its duties hereunder and of enforcing this indemnification provision. The Borrower hereby agrees to indemnify and hold harmless the Trustee and its officers, directors, agents and employees from and against any and all costs, claims, liabilities, losses or damages whatsoever (including reasonable costs and fees of counsel, auditors or other experts), asserted or arising out of or in connection with claims arising out of the construction agreements and the construction or operation of the Projects. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges are sought to be imposed, the Trustee shall give prompt notice to the Borrower, and the Borrower shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion. The indemnifications set forth herein shall survive the termination of the Indenture and this Loan Agreement and the resignation or removal of the Trustee.

(b) The Borrower agrees to indemnify the Issuer, its members, officers, employees and agents (the "Issuer Indemnified Parties") against all claims arising out of (1) the breach by the Borrower of the Borrower's covenants under Sections 4.4 and 4.5 hereof and (2) the Indenture, this Loan Agreement, any Pledge Agreement, construction agreements and the construction or operation of the Projects and to pay or bond or discharge and indemnify and hold harmless the Issuer Indemnified Parties from and against (a) any lien or charge upon payments by the Borrower, to or for the account of the Issuer hereunder, and (b) any taxes, assessments, impositions and other charges of any federal, state or municipal government or political body in respect of the Projects; provided, however, the Borrower shall not indemnify the Issuer Indemnified Parties against claims resulting from any willfully wrongful act of the Issuer. If any such claim is asserted, or any such lien or charge upon payments or any such taxes, assessments, impositions or other charges are sought to be imposed, the Issuer will give prompt notice to the Borrower, and the Borrower shall pay the same or bond and assume the defense thereof, with full power to contest, litigate, compromise or settle the same in its sole discretion.

(c) The Borrower shall at all times protect and hold the Issuer Indemnified Parties harmless against any claims or liability resulting from any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Projects or the use thereof, including without limitation any assignment of its interest in this Loan Agreement, such indemnification to include reasonable expenses and attorneys' fees incurred by the Issuer Indemnified Parties in connection therewith, provided that such indemnity shall be effective only to the extent of any loss that may be sustained by the Issuer Indemnified Parties in excess of the net proceeds received by it or them from any insurance carried by the Borrower with respect to such loss and provided further that the benefits of this Section 7.3(c) shall not inure to any person other than the Issuer Indemnified Parties and provided that the Borrower shall not indemnify the Issuer Indemnified Parties against any claim or liability resulting from the willfully wrongful act of the Issuer.

(d) The Borrower further agrees to indemnify and hold harmless the Issuer Indemnified Parties against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any disclosure or offering document prepared in connection with the initial sale of the Bonds or any remarketing of the Bonds, including any documents incorporated into such disclosure or offering document, or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which

they were made, not misleading. The Issuer agrees promptly to notify the Borrower of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees in connection with the issuance and sale or remarketing of the Bonds. The omission so to notify the Borrower of any such action shall not relieve the Borrower from any liability which it may have to the Issuer otherwise than on account of the foregoing indemnity. In case such notice of any such action shall be so given, the Borrower shall be entitled to participate at its own expense in the defense of such action, in which event such defense shall be conducted by counsel chosen by the Borrower satisfactory to the Issuer and the Issuer shall bear the fees and expenses of any additional counsel retained by it; but if the Borrower shall elect not to assume the defense of such action, the Borrower will reimburse the Issuer Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the Issuer Indemnified Parties in any such action include both the Borrower and the Issuer Indemnified Parties and counsel for the Borrower shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the Borrower and the Issuer Indemnified Party, the Issuer Indemnified Party or Parties shall have the right to select separate counsel, satisfactory to the Borrower, to participate in the defense of such action on behalf of such Issuer Indemnified Party or Parties (it being understood, however, that the Borrower shall not be liable for the expenses of more than one separate counsel representing the Issuer Indemnified Parties who are parties to such action).

SECTION 7.4 LIMITATION OF LIABILITY OF THE ISSUER. In the event of any default by the Issuer hereunder, the liability of the Issuer to the Borrower shall be enforceable only out of its interest under this Loan Agreement and there shall be no other recourse by the Borrower against the Issuer, its members, officers, agents and employees, past, present or future, or any of the property now or hereafter owned by it or them. No obligation of the Issuer hereunder or under the Bonds shall be deemed to constitute a debt, liability or obligation of the Issuer, Lee County, Florida, Okeechobee County, Florida or of the State or any other political subdivision thereof.

ARTICLE VIII
ASSIGNMENT, LEASING AND SALE

SECTION 8.1 ASSIGNMENT, LEASING AND SALE BY THE BORROWER. This Loan Agreement may be assigned, and the Projects may be leased or sold as a whole or in part, by the Borrower without the necessity of obtaining the consent of either the Issuer or the Trustee, subject, however, except as provided in Section 7.2 hereof, to each of the following conditions:

(a) no assignment, lease or sale shall relieve the Borrower from liability for any of its obligations hereunder, and in the event of any such assignment, lease or sale (unless the Issuer and the Trustee otherwise consent) the Borrower shall continue to remain primarily liable for the payments required to be made pursuant to Sections 5.1 and 5.3 hereof and for the performance and observance of the other agreements on its part contained herein;

(b) the assignee, lessee or buyer shall assume the obligations of the Borrower hereunder to the extent of the interest assigned, leased or sold, except, at the option of the Borrower, the Borrower may retain its obligations under Sections 5.1 and 5.3 hereof, including without limitation, its obligations with respect to Loan Repayments hereunder; and

(c) The Borrower shall, not later than 10 days prior to the delivery thereof, furnish or cause to be furnished to the Issuer and to the Trustee a true and complete copy of the form of each such proposed assignment, lease or conveyance, as the case may be.

SECTION 8.2 ASSIGNMENT OF RIGHTS BY THE ISSUER. The Borrower hereby consents to the pledge and assignment by the Issuer of all of its rights under this Loan Agreement (except its rights under Sections 5.1(c) and 9.4 hereof relating to payment of certain costs and expenses and under Section 7.3 hereof relating to indemnification) to the Trustee under the Indenture for the benefit of the holders from time to time of the Bonds, and the Borrower hereby agrees that by virtue of such assignment the Trustee may enjoy and enforce all such rights of the Issuer hereunder.

The Issuer agrees that, except for such pledge and assignment, it will not pledge, assign, mortgage, encumber, convey or otherwise transfer any of its interests or rights under this Loan Agreement; provided, however, that if the laws of the State at the time shall so permit, nothing contained in this Section shall prevent the consolidation of the Issuer with, or merger of the Issuer into, any public entity the property and income of which are not subject to, or are exempt from, taxation; and provided, further, that upon any such consolidation, merger or transfer, the due and punctual payment of the principal of, premium, if any, and interest on the Bonds according to their tenor, and the due and punctual performance and observance of all the agreements and conditions of this Loan

Agreement to be kept and performed by the Issuer, shall be expressly assumed in writing by the entity resulting from such consolidation or surviving such merger.

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

SECTION 9.1 EVENTS OF DEFAULT DEFINED. The following shall be "events of default" under this Loan Agreement, and the terms "event of default" and "default" shall mean, whenever they are used in this Loan Agreement, any one or more of the following events:

(a) Failure by the Borrower to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in Section 5.1(a) hereof or the amounts payable under Section 5.1(e) hereof necessary to enable the Tender Agent to pay the purchase price of Bonds delivered to it for purchase, which failure shall have resulted in an event of default under subsection (a), (b) or (c) of Section 801 of the Indenture.

(b) Failure by the Borrower to observe or to perform any covenant, condition, representation or agreement in this Loan Agreement on its part to be observed or performed, other than as referred to in clause (a) of this Section, for a period of 90 days after written notice, specifying such failure and requesting that it be remedied, has been given to the Borrower by the Issuer or the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than a majority in principal amount of the Bonds then outstanding, unless the Issuer and the Trustee, or the Issuer, the Trustee and the holders of a principal amount of Bonds not less than the principal amount of Bonds the holders of which requested such notice, as the case may be, agree in writing to an extension of such period prior to its expiration; provided, however, that the Issuer and the Trustee, or the Issuer, the Trustee and the holders of such principal amount of Bonds, as the case may be, shall be deemed to have agreed to an extension of such period if corrective action has been instituted by the Borrower within the applicable period and is being diligently pursued.

(c) The expiration of a period of ninety (90) days following:

(1) the adjudication of the Borrower as a bankrupt by any court of competent jurisdiction;

(2) the entry of an order approving a petition seeking reorganization or arrangement of the Borrower under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or of any state thereof; or

(3) the appointment of a trustee or a receiver of all or substantially all of the property of the Borrower;

unless during such period such adjudication, order or appointment of a trustee or receiver shall be vacated or shall be stayed on appeal or otherwise or shall have otherwise ceased to continue in effect.

(d) The filing by the Borrower of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by the Borrower to the appointment of a receiver or trustee of all or any part of its property; the filing by the Borrower of a petition or answer seeking reorganization or arrangement under the Federal Bankruptcy Laws, or any other applicable law or statute of the United States of America, or any state thereof; or the filing by the Borrower of a petition to take advantage of any insolvency act.

The provisions of clause (b) of this Section are subject to the following limitations: If by reason of Force Majeure the Borrower is unable as a whole or in part to carry out its agreements herein contained, other than the obligations on the part of the Borrower contained in Article V and Sections 7.3, 7.4 and 9.4 hereof, the Borrower shall not be deemed in default during the continuance of such inability. The Borrower agrees, however, to use its best efforts to remedy with all reasonable dispatch the cause or causes preventing the Borrower from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Borrower, and the Borrower shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Borrower unfavorable to the Borrower.

SECTION 9.2 REMEDIES ON DEFAULT. Upon the occurrence and continuance of an event of default specified in clause (a), (c) or (d) of Section 9.1 hereof, and further upon the condition that all Bonds outstanding under the Indenture shall have become immediately due and payable, all Loan Repayments hereunder shall, without further action, become immediately due and payable.

Any waiver of an event of default under the Indenture and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under this Loan Agreement and a rescission and annulment of the consequences thereof.

Upon the occurrence and continuance of any event of default, the Issuer may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Loan Agreement.

Any amounts collected pursuant to action taken under this Section 9.2 shall, after deducting the costs of collection, be paid into the Bond Fund and applied in accordance

with the provisions of the Indenture or, if the Bonds have been fully paid (or deemed to have been paid in accordance with the provisions of Article XIII of the Indenture), to the Borrower.

In the enforcement of the remedies provided in this Section, the Issuer may treat, and the Borrower agrees to pay, all expenses of enforcement, including, without limitation, reasonable legal, accounting and advertising expenses and Trustee's fees and expenses, as amounts then due and owing under Section 5.1(b) or (c) hereof.

SECTION 9.3 NO REMEDY EXCLUSIVE. No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

SECTION 9.4 AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES. In the event the Borrower should default under any of the provisions of this Loan Agreement or any Pledge Agreement and the Issuer should employ attorneys or incur other expenses for the collection of the Loan Repayments hereunder or the enforcement of performance or observance of any obligation or agreement of the Borrower herein or therein contained, the Borrower agrees that it will on demand therefor pay to the Issuer the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Issuer, to the extent permitted by law.

SECTION 9.5 NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER. In the event any agreement contained in this Loan Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE X
PREPAYMENT

SECTION 10.1 RIGHT TO PREPAY LOAN REPAYMENTS. (a) During any Long-Term Interest Rate Period, the Borrower shall have, and is hereby granted, the option to prepay Loan Repayments due hereunder with respect to the Bonds at any time by taking, or causing the Issuer to take, the actions required by the Indenture for the redemption, or provision therefor, of all Bonds then outstanding, if:

(i) The Borrower shall have determined that the continued operation of any portion of the Projects is impracticable, uneconomical or undesirable; or

(ii) all or substantially all of any of the Projects shall have been condemned or taken by eminent domain; or

(iii) the operation by the Borrower of any portion of the Projects shall have been enjoined for a period of at least six consecutive months; or

(iv) as a result of any change in the Constitution of the State or the Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by the Borrower in good faith, the Indenture, the Agreement or the Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

(b) The Borrower shall have, and is hereby granted, the option to prepay all or any portion of the unpaid Loan Repayments hereunder, together with interest thereon, at any time by taking, or causing the Issuer to take, the actions required by the Indenture (i) to discharge the lien thereof through the redemption, or provision for payment or redemption, of all Bonds then outstanding or (ii) to effect the redemption, or provision for payment or redemption, of less than all Bonds then outstanding.

SECTION 10.2 PROCEDURE FOR PREPAYMENTS. To exercise an option granted in Section 10.1 hereof, the Borrower shall give written notice to the Issuer and the Trustee which shall designate therein the principal amount and maturities of the Bonds to be redeemed, or for the payment or redemption of which provision is to be made, and, in the case of a redemption of Bonds, shall specify (a) the date of redemption, which shall not be less than 45 days from the date the notice is mailed and (b) the applicable redemption provision of the Indenture. The exercise of an option granted in Section 10.1 hereof is revocable by the Borrower at any time prior to the time at which the Bonds to be redeemed, or for the payment or redemption of which provision is to be

made, are first deemed to have been paid in accordance with Article XIII of the Indenture.

Upon receipt of a notice pursuant to this Section, the Issuer shall forthwith take or cause to be taken all actions required under the Indenture to effect the redemption, or provision for payment or redemption, of Bonds in accordance with such notice and, in the case of a prepayment of the entire unpaid balance of the Loan Repayments, together with interest thereon, to discharge the lien of the Indenture.

SECTION 10.3 RELATIVE POSITION OF AGREEMENT AND INDENTURE. The rights granted to the Borrower in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not the Borrower is in default hereunder, provided that such default will not result in nonfulfillment of any condition to the exercise of any such right.

SECTION 10.4 COMPLIANCE WITH INDENTURE. Anything in this Loan Agreement to the contrary notwithstanding, the Issuer and the Borrower shall take all actions required by this Loan Agreement and the Indenture in order to comply with the provisions of Section 301(d) of the Indenture or any similar provision contained in any indenture supplemental thereto.

ARTICLE XI
PURCHASE AND REMARKETING OF BONDS

SECTION 11.1 PURCHASE OF BONDS; INITIAL REMARKETING AGENT; INITIAL TENDER AGENT. (a) In consideration of the issuance of the Bonds by the Issuer, but for the benefit of the holders of the Bonds, the Borrower has agreed, and does hereby covenant, to cause the necessary arrangements to be made and to be thereafter continued whereby, from time to time, the Bonds will be purchased from the holders thereof in accordance with the provisions of the Indenture. In furtherance of the foregoing covenant of the Borrower, the Issuer, at the direction of the Borrower, has set forth in Section 202 of the Indenture the terms and conditions relating to such purchases and has set forth in Article XIV of the Indenture the duties and responsibilities of the Tender Agent with respect to the purchase of Bonds and of the Remarketing Agent with respect to the remarketing of Bonds. The Borrower appoints (i) Morgan Stanley & Co. LLC, as the initial Remarketing Agent with respect to the Series 2016A Bonds, (ii) SunTrust Robinson Humphrey, as the initial Remarketing Agent with respect to the Series 2016B Bonds, and (iii) The Bank of New York Mellon Trust Company, N.A., as the initial Tender Agent and hereby authorizes and directs the Tender Agent and the Remarketing Agents to purchase, offer, sell and deliver Bonds in accordance with the provisions of Section 202 and Article XIV of the Indenture. The Issuer acknowledges that the Remarketing Agents, in undertaking their respective duties set forth in the Indenture with respect to the determination of the interest rates borne by the Bonds, will be acting as agent for and on behalf of the Issuer.

Without limiting the generality of the foregoing covenant of the Borrower, and in consideration of the Issuer's having set forth in the Indenture the aforesaid provisions of Section 202 and Article XIV thereof, the Borrower has covenanted and agreed in Section 5.1(d) hereof, for the benefit of the holders of the Bonds, to pay, or cause to be paid, to the Tender Agent such amounts as shall be necessary to enable the Tender Agent to pay the purchase price of Bonds, all as more particularly described in Section 202 and Article XIV of the Indenture.

(b) The Issuer shall have no obligation or responsibility, financial or otherwise, with respect to the purchase or remarketing of Bonds or the making or continuation of arrangements therefor, except that the Issuer shall generally cooperate with the Borrower, the Trustee, the Tender Agent and the Remarketing Agents as contemplated in Article XIV of the Indenture.

SECTION 11.2 OPTIONAL PURCHASE OF BONDS. Except after the occurrence of an event of default, the Borrower, at any time and from time to time, may furnish moneys to the Tender Agent accompanied by a notice directing that such moneys be applied to the purchase of Bonds to be purchased pursuant to Section 202 and Article XIV of the Indenture. Bonds so purchased shall be delivered to the Borrower in accordance with Section 1407(a) of the Indenture.

SECTION 11.3 DETERMINATION OF INTEREST RATE PERIODS. The Borrower may determine the duration and type of the Interest Rate Periods and certain redemption and other provisions relating to Long-Term Interest Rate Periods as, and to the extent, set forth in Section 201 of the Indenture.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1 NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given on the fifth day following the day on which the same have been mailed by registered mail, postage prepaid, addressed as follows: if to the Issuer, to Lee County Industrial Development Authority, 2201 Second Street, Suite 500, Fort Myers, Florida 33901, Attention: Executive Director; if to the Borrower, to Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408, Attention: Chief Financial Officer; and if to the Trustee, to The Bank of New York Mellon Trust Company, N.A., 10161 Centurion Parkway, Second Floor, Jacksonville, Florida 32256, Attention: Corporate Trust. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Borrower to the other shall also be given to the Trustee. The Issuer, the Borrower and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 12.2 BINDING EFFECT. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer, the Borrower and their respective successors and assigns, subject, however, to the limitations contained in this Loan Agreement and particularly in Sections 7.2, 8.1 and 8.2 hereof.

SECTION 12.3 SEVERABILITY AND EFFECT OF INVALIDITY. In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. In the event any covenant, stipulation, obligation or agreement contained in this Loan Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation or agreement of the Issuer or the Borrower, as the case may be, shall be enforced to the full extent permitted by law.

SECTION 12.4 TERMINATION. This Loan Agreement shall remain in full force and effect from the date hereof until all of the Bonds shall have been paid or be deemed to have been paid in accordance with Article XIII of the Indenture and the fees, charges, expenses and costs of the Trustee and the Issuer and all other amounts payable by the Borrower under the Indenture and this Loan Agreement shall have been paid. After such payment or provision for payment has been made, any surplus amounts remaining in the Bond Fund not required for the payment of Bonds and surplus amounts in any other fund created under the Indenture shall belong to and be paid to the Borrower, as provided in Article XIII of the Indenture.

SECTION 12.5 IF PAYMENT OR PERFORMANCE DATE A LEGAL HOLIDAY. If the date for making any payment, or the last date for performance of any

act or the exercising of any right, as provided in this Loan Agreement, shall be a legal holiday or a day on which banking institutions in the State of Florida or the City of New York, New York are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or not a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Loan Agreement, and no interest shall accrue for the period after such nominal date.

SECTION 12.6 TRUSTEE, THE BORROWER AND ISSUER MAY RELY ON AUTHORIZED REPRESENTATIVES. Whenever under the provisions of this Loan Agreement the approval of the Borrower is required or the Issuer or the Trustee is required to take some action at the request of the Borrower, such approval shall be given or such request shall be made by an Authorized Borrower Representative unless otherwise specified in this Loan Agreement and the Issuer and the Trustee shall be authorized to act on any such approval or request and the Borrower shall have no complaint or recourse against the Issuer or the Trustee as a result of any such action taken. Whenever under the provisions of this Loan Agreement, the approval of the Issuer is required or the Borrower or the Trustee is required to take some action at the request of the Issuer, such approval shall be given or such request shall be made by an Authorized Issuer Representative unless otherwise specified in this Loan Agreement, the Borrower and the Trustee shall be authorized to act on any such approval or request and the Issuer shall have no complaint or recourse against the Borrower or the Trustee as a result of any such action taken.

SECTION 12.7 AGREEMENT REPRESENTS COMPLETE AGREEMENT. This Loan Agreement represents the entire agreement between the parties. This Loan Agreement may be modified, supplemented and amended only as provided in the Indenture.

SECTION 12.8 OTHER INSTRUMENTS. The Borrower shall file and refile and record and re-record or cause to be filed and refiled and recorded and re-recorded all instruments, financing statements, continuation statements, notices and other instruments required by applicable law to be filed and refiled and recorded and re-recorded and shall continue or cause to be continued the liens of such instruments for so long as the Bonds shall be outstanding in order fully to preserve and protect the rights of the holders of the Bonds and the Trustee.

SECTION 12.9 EXECUTION OF COUNTERPARTS. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 12.10 APPLICABLE LAW. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Loan Agreement to be executed in their respective names by their duly authorized officers and, in the case of the Issuer, its seal to be hereunto affixed and attested by a duly authorized officer for and on its behalf, all as of the date first above written.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Chairman
Douglas S. Gayer

Attest:

_____
Secretary
Wayne R. Kirkwood

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

IN WITNESS WHEREOF, the Issuer and the Borrower have caused this Loan Agreement to be executed in their respective names by their duly authorized officers and, in the case of the Issuer, its seal to be hereunto affixed and attested by a duly authorized officer for and on its behalf, all as of the date first above written.

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Chairman

Attest:

_____
Secretary

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

EXHIBIT A
DESCRIPTION OF THE PROJECTS

The financing of all or a portion of the cost of the acquisition, construction, installation and equipping of certain facilities of the Borrower including but not limited to: (A) industrial wastewater facilities used for collection, transfer, treatment, processing, recycling and disposal of equipment drainage, floor drainage, process drainage, chemical and oily wastes, storm water, sanitary wastes, and other plant effluents; those facilities include, but are not limited to, drains, piping, sewers, sumps, curbs and dikes, collection systems, ponds and impoundments, lift stations, treatment systems, conveyance systems, yard grading, pumps, tanks, oil-water separators, PH adjustment equipment, monitoring equipment, and disposal equipment; (B) solid waste facilities used for the collection, transfer, storage, processing, remediation, disposal or recycling of solid wastes resulting from plant operations; those facilities include, but are not limited to, collection equipment, storage equipment, handling systems, processing equipment, disposal and recycling systems, remediation equipment, earthen cap, ground water monitoring systems, soil caps and covers, reclamation components, loading and transportation equipment, asphalt and related monitoring equipment; and (C) functionally related and subordinate facilities necessary to the operation of the foregoing facilities described in (A) and (B) above including, but not limited to, mechanical and electrical auxiliaries, controls and instrumentation, plant utilities, related building and structures, associated site development, and other functionally related and subordinate facilities.

Exhibit l (d)

Official Statement and Appendices thereto dated November 21, 2016 with respect to the Lee County Series 2016 Bonds

NEW ISSUES *BOOK-ENTRY ONLY*

In the opinion of Squire Patton Boggs (US) LLP, Special Tax Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2016 Bonds is excluded from gross income for federal income tax purposes, except interest on any Series 2016 Bond for any period during which it is held by a "substantial user" of the facilities financed or a "related person," as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Series 2016 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Interest on the Series 2016 Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

$30,000,000	*$30,000,000*
Lee County Industrial Development Authority	*Lee County Industrial Development Authority*
Industrial Development Revenue Bonds	*Industrial Development Revenue Bonds*
(Florida Power & Light Company Project),	*(Florida Power & Light Company Project),*
Series 2016A	*Series 2016B*
CUSIP: 52349KBP0	*CUSIP: 52349KBQ8*

Interest Accrual Date: Date of Delivery **Due: December 1, 2046**

The above captioned bonds (the "Series 2016A Bonds" and the "Series 2016B Bonds," collectively, the "Series 2016 Bonds") may bear interest at a Daily, Weekly, Commercial Paper, Long-Term or Alternate Interest Rate, as described herein. The initial Interest Rate Period for the Series 2016 Bonds will be a Daily Interest Rate Period.

The Series 2016 Bonds will be subject to repurchase and redemption upon the terms and in the manner described herein.

THE SERIES 2016 BONDS WILL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "ISSUER"), LEE COUNTY, FLORIDA, OKEECHOBEE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, LEE COUNTY, FLORIDA, OKEECHOBEE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT THEREOF. THE SERIES 2016 BONDS ARE PAYABLE SOLELY FROM, AND ARE SECURED BY, A PLEDGE OF LOAN REPAYMENTS TO BE RECEIVED BY THE ISSUER UNDER A LOAN AGREEMENT WITH,

Florida Power & Light Company

The Series 2016 Bonds will be issuable as fully registered bonds and will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2016 Bonds. Purchases of Series 2016 Bonds may only be made (1) in the principal amount of $100,000 and any integral multiple of $5,000 in excess thereof while the Series 2016 Bonds bear interest at a Daily or Weekly Interest Rate, (2) in the principal amount of $100,000 and any integral multiple of $1,000 in excess of $100,000 while the Series 2016 Bonds bear interest at a Commercial Paper Interest Rate, (3) in the principal amount of $5,000 and any integral multiple of $5,000 while the Series 2016 Bonds bear interest at a Long-Term Interest Rate, and (4) in principal amounts that will be set forth in a supplement to this Official Statement if the Interest Rate Period is adjusted to be an Alternate Interest Rate Period. Except under the limited circumstances described herein, beneficial owners of interests in the Series 2016 Bonds will not receive certificates representing their interests in the Series 2016 Bonds. Payments of principal and premium, if any, and interest on Series 2016 Bonds will be made through DTC and its participants and disbursements of such payments to purchasers will be the responsibility of such participants (see "THE SERIES 2016 BONDS—Book-Entry System" herein). The Series 2016 Bonds are subject to redemption prior to maturity as described herein. The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, is the Trustee for the Series 2016 Bonds. The Bank of New York Mellon Trust Company, N.A. is the Tender Agent/Paying Agent/Registrar for the Series 2016 Bonds.

Price: 100%

The Series 2016 Bonds will be offered by the Underwriters when, as and if issued by the Issuer and accepted by the Underwriters, subject to the approving opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, and Squire Patton Boggs (US) LLP, Special Tax Counsel, and to certain other conditions. Squire Patton Boggs (US) LLP, as Special Counsel for Florida Power & Light Company ("FPL"), will pass upon certain legal matters pertaining to FPL. Certain legal matters will be passed upon for the Underwriters by Ballard Spahr LLP, Philadelphia, Pennsylvania, counsel to the Underwriters. Knott Ebelini Hart, Fort Myers, Florida will pass upon certain legal matters for the Issuer. The Series 2016 Bonds will be available for delivery through the facilities of DTC on or about December 2, 2016.

Morgan Stanley	*SunTrust Robinson Humphrey*
Series 2016A Bonds Underwriter	*Series 2016B Bonds Underwriter*

November 21, 2016

CUSIP® is a registered trademark of the American Banking Association. CUSIP data herein is provided by CUSIP Global Services managed on behalf of the American Bankers Association by S&P Capital IQ, a division of McGraw Hill Financial. The CUSIP Numbers are provided for convenience reference only. None of the Issuer (as defined herein), FPL or the Underwriters assumes any responsibility for the accuracy of such CUSIP Numbers.

In connection with this offering, the Underwriters may over allot or effect transactions that stabilize or maintain the market price of the Series 2016 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

Addresses Of Certain Parties	
FPL	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Treasurer
Initial Remarketing Agent for the Series 2016A Bonds	Morgan Stanley & Co. LLC 1585 Broadway, 2nd Floor New York, New York 10036 Attention: Municipal Short Term Products
Initial Remarketing Agent for the Series 2016B Bonds	SunTrust Robinson Humphrey, Inc. 3333 Peachtree Road, 11th Floor Atlanta, Georgia 30326 Attention: Tax Exempt Finance
Trustee/ Tender Agent/Paying Agent/Registrar	The Bank of New York Mellon Trust Company, N.A. 10161 Centurion Parkway Jacksonville, Florida 32256 Attention: Corporate Trust Division

No dealer, salesman or any other person has been authorized by the Issuer, by FPL or by the Underwriters to give any information or to make any representation other than as contained in this Official Statement or in the Appendices hereto in connection with the offering described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No representation or warranty is made as to the accuracy or completeness of the information contained in this Official Statement, and nothing contained in this Official Statement is, or shall be relied on as, a promise or representation by the Issuer or the Underwriters. This Official Statement is submitted in connection with the sale of securities as referred to herein, and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information herein or in the Appendices hereto is correct as of any time subsequent to its date.

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SELECTED INFORMATION RELATING TO THE SERIES 2016 BONDS

The following information is furnished solely to provide limited introductory information regarding the terms of the Series 2016 Bonds and does not purport to be comprehensive. A summary of such terms in chart form appears as Appendix B to this Official Statement. All such information is qualified in its entirety by reference to the more detailed descriptions appearing in this Official Statement and should be read together therewith. Certain terms used in the following selected information are defined under "CERTAIN DEFINITIONS." The offering of the Series 2016 Bonds is made only by means of this entire Official Statement. No person is authorized to make offers to sell, or solicit offers to buy, Series 2016 Bonds unless this entire Official Statement is delivered in connection therewith.

Each series of Series 2016 Bonds is an entirely separate issue, although both series of Series 2016 Bonds are being issued under the same Indenture. Redemption of one series of Series 2016 Bonds may be made in the manner described below without the redemption of the other series of Series 2016 Bonds. Bonds of one series may accrue interest in an Interest Rate Period that is different from the other series of Series 2016 Bonds. All references in this summary to the Interest Rate Period, Remarketing Agent and Underwriter should be read as referring separately to each issue of Series 2016 Bonds.

General

The Series 2016 Bonds will mature on December 1, 2046. The term of the Series 2016 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL, during which the Series 2016 Bonds may bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates applicable to each Series 2016 Bond, a Long-Term Interest Rate or an Alternate Interest Rate.

The initial Interest Rate Period for the Series 2016 Bonds will be a Daily Interest Rate Period. Morgan Stanley & Co. LLC has been appointed initial Remarketing Agent with respect to the Series 2016A Bonds and SunTrust Robinson Humphrey, Inc. has been appointed initial Remarketing Agent with respect to the Series 2016B Bonds. The initial Interest Payment Date shall be January 9, 2017.

Daily Interest Rate Period

Interest Rate	The interest rate for each Business Day will be established by the Remarketing Agent on that Business Day. The interest rate for a day that is not a Business Day will be the same as the interest rate for the preceding Business Day. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2016 Bonds at 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue on a calendar month basis and will be payable on the fifth Business Day of each month.
Purchase of Series 2016 Bonds Upon Demand	Owners may demand purchase of Series 2016 Bonds on any Business Day by giving an irrevocable notice by 11:00 a.m., New York City time.
Optional Redemption	Series 2016 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2016 Bonds may be adjusted from a Daily Interest Rate Period to a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2016 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2016 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest Rate Period.

Weekly Interest Rate Period

Interest Rate	The interest rate for each seven-day period, Wednesday through Tuesday, will be established by the Remarketing Agent no later than the Business Day preceding each Wednesday. The interest rate will be the minimum rate that the Remarketing Agent determines would permit the sale of the Series 2016 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 365/366-day year and the actual number of days elapsed.
Interest Payment	Interest will accrue on a calendar month basis and will be payable on the fifth Business Day of each month.
Purchase of Series 2016 Bonds Upon Demand	Owners may demand purchase of Series 2016 Bonds on any Business Day by giving at least seven days' irrevocable notice to the Tender Agent of the day of purchase.
Optional Redemption	Series 2016 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of their principal amount plus accrued interest on any Business Day.
Change of Interest Rate Period	At any time, the Interest Rate Period for the Series 2016 Bonds may be adjusted from a Weekly Interest Rate Period to a Daily Interest Rate Period, a Commercial Paper Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owners of the Series 2016 Bonds will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase	The Series 2016 Bonds are subject to mandatory tender for purchase on the effective date of any change in the Interest

Rate Period.

Commercial Paper Interest Rate Period

Interest Periods and Rates for Each Series 2016 Bond ..... A Commercial Paper Interest Rate Period will be comprised, for each Series 2016 Bond, of a series of consecutive and individual Commercial Paper Periods. Each Commercial Paper Period will be not less than one nor more than 270 days. Each Commercial Paper Period will commence on a Business Day (the "Commercial Paper Date") and end on a day preceding a Business Day. During each Commercial Paper Period for each Series 2016 Bond, such Series 2016 Bond will bear interest at a fixed rate (the "Commercial Paper Interest Rate"). Each Series 2016 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate.

Interest Rate (Commercial Paper Interest Rate) ..... The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2016 Bond will be established by the Remarketing Agent not later than the Commercial Paper Date for such Commercial Paper Period. The Commercial Paper Interest Rate for each Commercial Paper Period for each Series 2016 Bond will be the minimum rate that the Remarketing Agent determines would permit the sale of such Series 2016 Bond at a price equal to 100% of its principal amount on the Commercial Paper Date.

Interest will be calculated on a 365/366-day year and the actual number of days elapsed.

Interest Payment..... Interest will accrue from each Commercial Paper Date for each Series 2016 Bond through and including the last day of the related Commercial Paper Period and will be payable on the day after the last day of such Commercial Paper Period, upon presentation of such Series 2016 Bond to

	the Tender Agent.
Optional Redemption	Each Series 2016 Bond will be redeemable, upon 30 days' notice, at the option of FPL, at a price equal to 100% of its principal amount on the day after the last day of each Commercial Paper Period for such Series 2016 Bond.
Change of Interest Rate Period	On the day after the last day of any Commercial Paper Period for a Series 2016 Bond, the Interest Rate Period for such Series 2016 Bond may be adjusted from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Long-Term Interest Rate Period or an Alternate Interest Rate Period. Notice to the Owner of such Series 2016 Bond will be given at least 15 days prior to the effective date of the new Interest Rate Period.
Mandatory Tender for Purchase.....	Each Series 2016 Bond will be purchased on the Business Day after the last day of each Commercial Paper Period with respect to such Series 2016 Bond.

Long-Term Interest Rate Period

Interest Rate	The interest rate for each Long-Term Interest Rate Period will be established by the Remarketing Agent not later than the first day of that period. The interest rate will be the minimum rate that Remarketing Agent determines would permit the sale of the Series 2016 Bonds at a price equal to 100% of their principal amount. Interest will be calculated on a 360-day year consisting of twelve 30-day months.
Interest Payment.....	Interest will be payable the fifth day of the calendar month that is six months after the calendar month in which the adjustment date occurs and the fifth day of the calendar

month every six months after each such payment date thereafter until the end of such Long-Term Interest Rate Period.

Optional Redemption ..... Series 2016 Bonds will be redeemable, upon 30 days' notice, at the option of FPL, after the no-call period as described herein. Series 2016 Bonds will also be redeemable upon 30 days' notice, at the option of FPL, upon the occurrence of certain extraordinary events as described herein, at the principal amount thereof, plus accrued interest as described herein.

Change of Interest Rate Period ..... The Interest Rate Period may be adjusted from a Long-Term Interest Rate Period to a Daily Interest Rate Period, a Weekly Interest Rate Period, a Commercial Paper Interest Rate Period, an Alternate Interest Rate Period or another Long-Term Interest Rate Period. The effective date for such change must be the day after the end of the Long-Term Interest Rate Period or a day on which the Series 2016 Bonds could be redeemed at the option of FPL. Notice to the Owners of the Series 2016 Bonds will be given at least 15 days prior to the effective date (30 days if the effective date is not the day after the originally scheduled last day of the Long-Term Interest Rate Period).

Mandatory Tender for Purchase..... The Series 2016 Bonds are subject to mandatory tender for purchase on the first day of each Interest Rate Period.

Alternate Interest Rate Period

General ..... If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Length of Interest Rate Periods

Each Commercial Paper Interest Rate Period, Daily Interest Rate Period and Weekly Interest Rate Period will continue until the date on which FPL determines that a different Interest Rate Period will begin. Each Long-Term Interest Rate Period shall be for a term selected by FPL, which shall be one year or more. FPL may also specify a succession of Long-Term Interest Rate Periods. Each Commercial Paper Period within a Commercial Paper Interest Rate Period will be for a term of 270 days or less. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

CERTAIN DEFINITIONS

As used in this Official Statement:

"Alternate Interest Rate" means an interest rate established periodically in accordance with the Indenture.

"Alternate Interest Rate Period" means each period during which an Alternate Interest Rate is in effect.

"Business Day" means any day other than (i) a Saturday or Sunday and (ii) a day on which banks located in the cities in which the Principal Offices of the Trustee, the Remarketing Agent or the Tender Agent are located, are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Commercial Paper Interest Rate" means, with respect to each Series 2016 Bond, a fixed, non-variable interest rate on such Series 2016 Bond established periodically in accordance with the Indenture.

"Commercial Paper Interest Rate Period" means each period, comprised of Commercial Paper Periods, during which Commercial Paper Interest Rates are in effect.

"Commercial Paper Period" means, with respect to any Series 2016 Bond, each period established in accordance with the Indenture during which such Series 2016 Bond shall bear interest at a Commercial Paper Interest Rate.

"Daily Interest Rate" means a variable interest rate on the Series 2016 Bonds established in accordance with the Indenture.

"Daily Interest Rate Period" means each period during which a Daily Interest Rate is in effect.

"Favorable Opinion" means an opinion of counsel nationally recognized on the subject of, and qualified to render approving legal opinions on the issuance of, municipal bonds, acceptable to FPL, the Trustee and the Issuer, to the effect that the action proposed to be taken is authorized or permitted by the laws of the State of Florida and the Indenture and will not adversely affect any exclusion from gross income for federal income tax purposes of interest on the Series 2016 Bonds.

"Interest Accrual Date" means (i) with respect to any Daily or Weekly Interest Rate Period, the first day thereof and, thereafter, the first Business Day of each month, (ii) with respect to any Long-Term Interest Rate Period, the first day thereof and, thereafter, each Interest Payment Date in respect thereof, (iii) with respect to each Commercial Paper Period, the first day thereof, and (iv) with respect to each Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement.

"Interest Payment Date" means (i) with respect to any Daily or Weekly Interest Rate Period, the fifth Business Day of each calendar month, (ii) with respect to any Long-Term

Interest Rate Period, the fifth day of the calendar month that is six months after the calendar month in which the adjustment date occurs and the fifth day of the calendar month every six months after each such payment date thereafter until the end of such Long-Term Interest Rate Period, (iii) with respect to any Commercial Paper Period, the day after the last day thereof, (iv) with respect to any Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement, (v) with respect to each Interest Rate Period, the day after the last day thereof and (vi) the Maturity Date.

"Interest Rate Period" means any Daily Interest Rate Period, any Weekly Interest Rate Period, any Commercial Paper Interest Rate Period, any Long-Term Interest Rate Period, or any Alternate Interest Rate Period.

"Long-Term Interest Rate" means, with respect to each Series 2016 Bond, a fixed, non-variable interest rate on such Series 2016 Bond established in accordance with the Indenture.

"Long-Term Interest Rate Period" means each period during which a Long-Term Interest Rate is in effect.

"Owner" means the person or entity in whose name any Series 2016 Bond is registered upon the registration books for the Series 2016 Bonds.

"Principal Office" of the Trustee, Tender Agent, Remarketing Agent or Registrar, means the address of such party listed under "Addresses of Certain Parties" in this Official Statement, or such other address as is established or designated as such pursuant to the Indenture.

"Record Date" means, (i) with respect to any Interest Payment Date in respect of a Daily or Weekly Interest Rate Period, the Business Day next preceding each Interest Payment Date, (ii) with respect to any Interest Payment Date in respect of a Commercial Paper Period, the Business Day preceding such Interest Payment Date, (iii) with respect to any Interest Payment Date in respect of an Alternate Interest Rate Period, each date specified as such in a supplement to this Official Statement and (iv) with respect to any Interest Payment Date in respect of a Long-Term Interest Rate Period, the fifteenth day preceding such Interest Payment Date or, in the case of an Interest Payment Date which is not at least 15 days after the first day of a Long-Term Interest Rate Period, such first day.

"Weekly Interest Rate" means a variable interest rate on the Series 2016 Bonds established in accordance with the Indenture.

"Weekly Interest Rate Period" means each period during which a Weekly Interest Rate is in effect.

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016A

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016B

INTRODUCTORY STATEMENT

This Official Statement sets forth certain information with respect to the issuance by Lee County Industrial Development Authority (the "Issuer") of $60,000,000 aggregate principal amount of Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016, consisting of its Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016A in the aggregate principal amount of 30,000,000 (the "Series 2016A Bonds") and its Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B Bonds in the aggregate principal amount of $30,000,000 (the "Series 2016B Bonds" and, together with the Series 2016A Bonds, the "Series 2016 Bonds"). The Issuer is a public body corporate and politic and an industrial development authority duly created and existing under the laws of the State of Florida. The Series 2016 Bonds will bear interest and will be subject to prior redemption as set forth herein, will mature on the date set forth on the cover page hereof, shall be purchased at the option of their Owners or upon mandatory tender, and shall have such other terms as are described herein under the heading "THE SERIES 2016 BONDS."

The proceeds of the Series 2016 Bonds will be used, together with funds provided by Florida Power & Light Company ("FPL" or the "Company"), to (i) finance the cost of acquisition, construction, and equipping of certain wastewater facilities and certain solid waste facilities used at FPL's existing power plant sites in Lee County, Florida and the Okeechobee Clean Energy Center to be located in Okeechobee County, Florida and functionally related and subordinate facilities (collectively, the "Projects"); (ii) fund any necessary reserves for the Series 2016 Bonds; and (iii) pay related costs of issuance of the Series 2016 Bonds, all as more specifically described in the Agreement (defined below).

Pursuant to a Loan Agreement, dated as of December 1, 2016 (the "Agreement") by and between the Issuer and FPL, the Issuer will lend the net proceeds from the sale of the Series 2016 Bonds to FPL.

The Series 2016 Bonds will be issued under a Trust Indenture, dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as trustee (the "Trustee"), and under a resolution of the governing body of the Issuer.

THE PRINCIPAL OF AND INTEREST ON, AND PURCHASE PRICE OF, THE SERIES 2016 BONDS ARE PAYABLE SOLELY FROM THE FUNDS PLEDGED FOR THEIR BENEFIT PURSUANT TO THE INDENTURE, INCLUDING AMOUNTS PAYABLE BY FPL UNDER THE AGREEMENT, OTHER REVENUES OR UNDER ANY OTHER CREDIT ENHANCEMENT PROVIDED BY FPL IN ACCORDANCE WITH THE PROVISIONS OF THE INDENTURE AND THE AGREEMENT. THE SERIES 2016 BONDS

AND THE INTEREST AND ANY PREMIUM THEREON AND THE PAYMENT OF THE PURCHASE PRICE THEREOF SHALL NOT BE DEEMED TO CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE ISSUER, LEE COUNTY, FLORIDA, OKEECHOBEE COUNTY, FLORIDA OR OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE ISSUER, LEE COUNTY, FLORIDA, OKEECHOBEE COUNTY, FLORIDA OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST OR ANY PREMIUM ON, OR PURCHASE PRICE OF, THE SERIES 2016 BONDS.

This Official Statement contains a brief description of the Series 2016 Bonds and summaries of certain provisions of the Agreement and the Indenture. Appendix A to this Official Statement has been furnished by FPL and contains and incorporates by reference information concerning FPL. Appendix B to this Official Statement contains a summary of the terms of the Series 2016 Bonds. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete terms and conditions. All statements herein are qualified in their entirety by reference to each such document and, with respect to the enforceability of certain rights and remedies, to laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Terms not defined herein shall have the meanings set forth in the respective documents. Copies of the Agreement and the Indenture are available for inspection at the offices of the Trustee.

THE ISSUER

The Lee County Industrial Development Authority, Florida or the "Authority" is a public body corporate and politic of the State of Florida only, created pursuant to and operating under Chapter 159, Florida Statutes, as amended. The Issuer, pursuant to parts II, III and VI, Chapter 159, Florida Statutes, Part I, Chapter 163, Florida Statutes and other applicable provisions of law (collectively, the "Act"), is authorized to issue the Series 2016 Bonds, to finance the costs of the Projects and to secure the Series 2016 Bonds by an assignment of the payments to be received under the Agreement. In order to accomplish the foregoing, the Issuer is authorized to enter into and/or accept delivery of the Indenture and the Agreement.

THE SERIES 2016 BONDS

Each series of Series 2016 Bonds is an entirely separate issue, although both series of Series 2016 Bonds are being issued under the same Indenture. Redemption of one series of Series 2016 Bonds may be made in the manner described below without the redemption of the other series of Series 2016 Bonds. Bonds of one series may accrue interest in an Interest Rate Period that is different from the other series of Series 2016 Bonds. All references in this Summary to the Interest Rate Period, Remarketing Agent and Underwriter should be read as referring separately to each issue of Series 2016 Bonds.

General

Interest on the Series 2016 Bonds will accrue from their date of delivery, and the Series 2016 Bonds will mature on the date specified on the cover page hereof, subject to redemption prior to maturity as hereinafter described.

Series 2016 Bonds may be transferred or exchanged for other Series 2016 Bonds in authorized denominations at the Principal Office of The Bank of New York Mellon Trust Company, N.A., as Registrar, in Jacksonville, Florida. During a Daily Interest Rate Period or a Weekly Interest Rate Period, the authorized denominations will be $100,000 and any integral multiple of $5,000 in excess thereof. During a Commercial Paper Interest Rate Period, the authorized denominations will be $100,000 and any integral multiple of $1,000 in excess of $100,000. During a Long-Term Interest Rate Period, the authorized denominations will be $5,000 and any integral multiple of $5,000. During an Alternate Interest Rate Period, the authorized denominations will be as set forth in a supplement to this Official Statement. Exchanges and transfers shall be made without charge to the Owners, except for any applicable tax, fee or governmental charge required. Except in connection with the remarketing of Series 2016 Bonds, the Registrar shall not be obligated to make any such exchange or transfer of Series 2016 Bonds during the 15 days preceding the date of the first mailing of notice of any proposed redemption of Series 2016 Bonds, nor shall the Registrar be required to make any registration or transfer of Series 2016 Bonds called for redemption.

Trustee. The Bank of New York Mellon Trust Company, N.A. is the Trustee.

Tender Agent, Paving Agent and Registrar. The Bank of New York Mellon Trust Company, N.A. is the Tender Agent/Paying Agent/Registrar. The Tender Agent/Paying Agent/Registrar may be removed or replaced by FPL.

Remarketing Agents. Morgan Stanley & Co. LLC ("Morgan Stanley") has been appointed initial Remarketing Agent with respect to the Series 2016A Bonds under the Indenture. SunTrust Robinson Humphrey, Inc. ("STRH") has been appointed initial Remarketing Agent with respect to the Series 2016B Bonds under the Indenture. The term of appointment of any Remarketing Agent shall expire, and FPL shall appoint a successor Remarketing Agent, upon the adjustment of the interest rate determination method for the Series 2016 Bonds; provided, however, that FPL may appoint the then current Remarketing Agent of such Series 2016 Bonds as the successor Remarketing Agent. In addition, FPL may from time to time remove and replace any Remarketing Agent.

Book-Entry System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2016 Bonds. The Series 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each series of the Series 2016 Bonds, in the aggregate principal amount of such Bonds, and will be deposited with the Trustee as custodian for DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2016 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2016 Bonds, except in the event that use of the book-entry system for the Series 2016 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2016 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2016 Bond documents. For example, Beneficial Owners of Series 2016 Bonds may wish to ascertain that the nominee holding the Series 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them. The Issuer, the Company, the Remarketing Agent, the Underwriter and the Trustee will not have any responsibility or obligation to such Direct and Indirect Participants or the persons for whom they act as nominees with respect to the Series 2016 Bonds.

Redemption notices will be sent to DTC. If less than all of the Series 2016 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2016 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee, on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such

payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner will give notice to elect to have its Series 2016 Bonds purchased or tendered, through its Participant, to the Tender Agent, and will effect delivery of such Series 2016 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2016 Bonds, on DTC's records, to the Tender Agent. The requirement for physical delivery of Series 2016 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2016 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2016 Bonds to the Tender Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2016 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. In addition, FPL may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer, the Trustee, the Company, the Remarketing Agent and the Underwriter shall not have any responsibility or obligation to any Direct or Indirect Participant, any Beneficial Owner or any other person claiming a beneficial ownership interest in the Series 2016 Bonds under or through DTC or any DTC Participant, or any other person which is not shown on the registration books of the Trustee as being a holder, with respect to the accuracy of any records maintained by DTC or any Direct or Indirect Participant; the payment by DTC or any Direct or Indirect Participant of any amount in respect of the principal of, purchase price, premium, if any, or interest on the Series 2016 Bonds; any notice which is permitted or required to be given to owners under the Indenture; the selection by DTC or any Direct or Indirect Participant of any person to receive payment in the event of a partial redemption of the Series 2016 Bonds; any consent given or other action taken by DTC as an owner; or any other procedures or obligations of DTC under the book-entry system.

So long as Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the registered owner of the Series 2016 Bonds, as nominee of DTC, references herein to the holders or owners or registered holders or registered owners of the Series 2016 Bonds means Cede & Co., as aforesaid, and does not mean the beneficial owners of the Series 2016 Bonds.

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2016 Bonds, payment of principal, interest and other payments on the Series 2016 Bonds to Direct and Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Series 2016 Bonds and other related transactions by and between DTC, the Direct and Indirect Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters, and neither the Direct nor Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC.

None of the Issuer, FPL, the Underwriter or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in any Series 2016 Bond or for maintaining, supervising or reviewing any records relating to such beneficial interests.

Security for the Series 2016 Bonds

The Series 2016 Bonds are payable from the payments required to be made by FPL pursuant to the Agreement. All rights of the Issuer under the Agreement have been pledged and assigned by the Issuer to the Trustee, except certain rights to indemnification and reimbursement of expenses.

Any Series 2016 Bonds that bear interest at a Long-Term Interest Rate may, at the Company's discretion, also be secured by additional collateral or other credit enhancement as provided in the Agreement and the Indenture.

The Series 2016 Bonds will not constitute a debt, liability or obligation of the Issuer, the State of Florida or any political subdivision thereof. Neither the faith and credit nor the taxing power of the Issuer, Lee County, Florida and Okeechobee County, Florida, the State of Florida or any political subdivision thereof is pledged to the payment thereof.

Interest Rate Periods

The term of the Series 2016 Bonds will be divided into consecutive Interest Rate Periods at the direction of FPL. Each series of Series 2016 Bonds may bear different rate modes from one another during the term. Each Interest Rate Period will be a Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Interest Rate Period, Long-Term Interest Rate Period or Alternate Interest Rate Period.

If FPL elects at any time to change to an Alternate Interest Rate Period, a supplement to this Official Statement will set forth the details thereof, including, without limitation, the manner of determining interest rates, the effective date of adjustment, the term of the Interest Rate Period, the interest payment dates and the provisions for tender for purchase and redemption, if any.

The initial Interest Rate Period for each of the Series 2016 Bonds will be a Daily Interest Rate Period. The interest rate or rates applicable during each subsequent Interest Rate Period will be determined as described below.

Determination of Interest Rates

General. During or with respect to each Interest Rate Period, other than any Alternate Interest Rate Period, the Remarketing Agent will determine the interest rate or rates applicable to the Series 2016 Bonds, which will be the minimum interest rate or rates which, if borne by the Series 2016 Bonds, would enable the Remarketing Agent to sell the Series 2016 Bonds on the applicable date at a price (without regard to accrued interest) equal to the principal amount thereof. The Remarketing Agent will base that determination on its examination of tax-exempt obligations comparable to the Series 2016 Bonds known by the Remarketing Agent to have been

priced or traded under then-prevailing market conditions. The Indenture sets forth certain fall-back rates if, for any reason, an interest rate or rates for the Series 2016 Bonds during any Interest Rate Period is not so determined by the Remarketing Agent. Except during a Long-Term Interest Rate Period ending on the day immediately preceding the Maturity Date, the Daily, Weekly, Commercial Paper or Long-Term Interest Rate shall not exceed 15% per annum. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to Alternate Interest Rates and the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Commencing on the first day of each Interest Rate Period and ending on the day preceding the effective date of the next Interest Rate Period, the Series 2016 Bonds will bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Commercial Paper Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, all determined as set forth below:

Daily Interest Rate. The Daily Interest Rate will be determined by the Remarketing Agent on each Business Day for that Business Day. The Daily Interest Rate for any day that is not a Business Day will be the same as the Daily Interest Rate in effect for the preceding Business Day.

Weekly Interest Rate. The Weekly Interest Rate will be determined by the Remarketing Agent no later than the Business Day preceding the first day of each Weekly Interest Rate Period and thereafter no later than the Business Day preceding Wednesday of each week during the Weekly Interest Rate Period. If, for any reason, the Weekly Interest Rate cannot be determined for any week by the Remarketing Agent, then the Weekly Interest Rate for such week shall be the same as the Weekly Interest Rate for the immediately preceding week.

Commercial Paper Periods and Commercial Paper Interest Rate. During a Commercial Paper Interest Rate Period, each Series 2016 Bond will bear interest at the Commercial Paper Interest Rate for that Series 2016 Bond through the day preceding the effective date of the next Commercial Paper Period for that Series 2016 Bond or the day preceding the next Interest Rate Period. Each Series 2016 Bond may have a different Commercial Paper Period and Commercial Paper Interest Rate. Each Commercial Paper Period and Commercial Paper Interest Rate for each Series 2016 Bond will be determined by the Remarketing Agent no later than the first day of the Commercial Paper Period.

Each Commercial Paper Period will be a period of not more than 270 days determined by the Remarketing Agent (taking into account certain factors set forth in the Indenture) to be the period which, together with all other Commercial Paper Periods for Series 2016 Bonds then outstanding, will result in the lowest overall interest expense on the Series 2016 Bonds over the next 270 days. However, the Commercial Paper Period must end on either a day which precedes a Business Day or the day preceding the Maturity Date of the Series 2016 Bonds. If for any reason a Commercial Paper Period for any Series 2016 Bond cannot be so determined by the Remarketing Agent, it will extend by one Business Day (or until the earlier stated maturity of the Series 2016 Bonds) automatically until the Remarketing Agent is able to set the rate.

Long-Term Interest Rate. During each Long-Term Interest Rate Period, commencing and ending on the date or dates specified or determined as described below, and during each successive Long-Term Interest Rate Period, if any, so determined, the Long-Term Interest Rate will be determined by the Remarketing Agent on the effective date of the Long-Term Interest Rate Period or on a Business Day selected by the Remarketing Agent not more than 30 days prior to such effective date. In the event of an adjustment from a Commercial Paper Interest Rate Period which results in the commencement of the Long-Term Interest Rate Period on two or more dates, a separate Long-Term Interest Rate will be determined by the Remarketing Agent effective as of each such date with respect to the particular Series 2016 Bonds adjusting to the Long-Term Interest Rate Period on such date.

Alternate Interest Rate. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period and Alternate Interest Rates will be set forth in a supplement to this Official Statement.

Payment of Principal and Interest. The principal of and premium, if any, on the Series 2016 Bonds shall be payable to the Owners of the Series 2016 Bonds upon presentation and surrender thereof at the Principal Office of the Trustee. Interest shall be payable by the Paying Agent by checks mailed to the Owners as of the Record Date in respect thereof or (except for interest in respect of a Long-Term Interest Rate Period) in immediately available funds by deposit to an account with the Paying Agent or by wire transfer to the accounts with commercial banks located within the United States of the Owners which shall have provided deposit or wire transfer instructions to the Paying Agent at least two Business Days prior to such Record Date, but, in the case of interest payable in respect of a Commercial Paper Period, only upon delivery of the Series 2016 Bond to the Tender Agent. So long as the Series 2016 Bonds are registered in the name of Cede & Co., payments of principal, premium, if any, and interest will be made as described above under "THE SERIES 2016 BONDS – Book-Entry System."

Interest will be computed, in the case of a Long-Term Interest Rate Period, on the basis of a 360-day year consisting of twelve 30-day months and, in the case of any other Interest Rate Period, on the basis of a 365-or 366-day year, as appropriate, and the actual number of days elapsed.

Each Series 2016 Bond will bear interest from and including the Interest Accrual Date preceding the date of authentication thereof or, if that date of authentication is an Interest Accrual Date to which interest on the Series 2016 Bonds has been paid in full or duly provided for or the date of initial authentication of the Series 2016 Bonds, from that date of authentication. During each Interest Rate Period, interest on the Series 2016 Bonds will accrue and be payable as follows:

Daily Interest Rate Period. Interest on the Series 2016 Bonds will accrue on a monthly basis and will be payable on the fifth Business Day of each month.

Weekly Interest Rate Period. Interest on the Series 2016 Bonds will accrue on a monthly basis and will be payable on the fifth Business Day of each month.

Commercial Paper Interest Rate Period. Interest on each Series 2016 Bond will accrue from the first day of each Commercial Paper Period for such Series 2016 Bond through and including the last day of the Commercial Paper Period for such Series 2016 Bond and will be payable on the day after the last day of such Commercial Paper Period.

Long-Term Interest Rate Period. Interest on the Series 2016 Bonds will accrue from the Interest Payment Date through and including the day preceding the next Interest Payment Date and will be payable semiannually on the fifth day of the calendar month that is six months after the calendar month in which the adjustment to any Long-Term Interest Rate Period occurs and the fifth day of the calendar month every six months after each such payment date thereafter until the end of such Long-Term Interest Rate Period.

Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Adjustment of Interest Rate Period

General. At any time, by written direction to the Issuer, the Trustee, the Registrar, the Tender Agent, the Remarketing Agent and, with respect to an adjustment to an Alternate Interest Rate Period, any additional parties specified in a supplement to this Official Statement, FPL may elect to adjust the method of determining the interest rate with respect to the Series 2016 Bonds by adjusting to a different Interest Rate Period. That direction must specify the effective date of the new Interest Rate Period, which effective date must be a Business Day and may not be less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) following the second Business Day after the receipt by the Trustee of the direction. Except in connection with adjustments from a Daily Interest Rate Period to a Weekly Interest Rate Period or Commercial Paper Interest Rate Period, from a Weekly Interest Rate Period to a Daily Interest Rate Period or Commercial Paper Interest Rate Period or from a Commercial Paper Interest Rate Period to a Daily Interest Rate Period or Weekly Interest Rate Period, that direction must be accompanied by a Favorable Opinion. Commencing on the effective date of an adjustment to another Interest Rate Period, the Series 2016 Bonds will bear interest at the applicable interest rate as described above.

Adjustment to Long – Term Interest Rate Period. In connection with its election to adjust to a Long-Term Interest Rate Period, FPL must specify, among other things:

(1) the effective date of the Long-Term Interest Rate Period; and

(2) a date or dates on or prior to which Owners are required to deliver Series 2016 Bonds to be purchased (if other than the effective date).

The direction by FPL to adjust to a Long-Term Interest Rate Period also may specify:

(1) that the initial Long-Term Interest Rate Period will be followed by one or more successive Long-Term Interest Rate Periods and the durations thereof; and

(2) redemption prices greater or lesser, and after periods longer or shorter, than those set forth in the Indenture.

If FPL designates successive Long-Term Interest Rate Periods, but does not, with respect to the second or any subsequent Long-Term Interest Rate Period, specify a date or dates on or prior to which Owners are required to deliver Series 2016 Bonds or any modified redemption provisions, all as contemplated above, FPL may later specify any of such information not previously specified with respect to such Long-Term Interest Rate Period.

Adjustment From Long – Term Interest Rate Period. At any time during a Long-Term Interest Rate Period, FPL may elect that the Series 2016 Bonds no longer will bear interest at the Long-Term Interest Rate and instead will bear interest at a Daily Interest Rate, a Weekly Interest Rate, Commercial Paper Interest Rates, an Alternate Interest Rate or a new Long-Term Interest Rate, as specified in such election. The effective date of an adjustment from a Long-Term Interest Rate Period must be the day after the last day of the Long-Term Interest Rate Period or a day on which the Series 2016 Bonds may be redeemed at the option of the Issuer, at the direction of FPL. The notice of such election must be given to the Trustee not later than 35 days before the effective date of the new Interest Rate Period. Series 2016 Bonds will be subject to mandatory tender for purchase on such effective date at a purchase price equal to the optional redemption price which would have been applicable on that date.

If, by the Business Day preceding the fifteenth day prior to the last day of any Long-Term Interest Rate Period, other than one of a succession of Long-Term Interest Rate Periods, FPL has not elected that the Series 2016 Bonds are to bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate, Commercial Paper Interest Rates or an Alternate Interest Rate, the next Interest Rate Period will be (i) if the Long-Term Interest Rate Period to expire is longer than one year in duration, a Long-Term Interest Rate Period ending on the day immediately preceding the next Interest Payment Date (which must be a Business Day) which is at least one year and one day after the first day of the new Long-Term Interest Rate Period, in which case a Favorable Opinion will not be required or (ii) if the Long-Term Interest Rate Period to expire is one year in duration, a Daily Interest Rate Period and a Favorable Opinion will not be required.

Adjustment From Commercial Paper Interest Rate Period. At any time during a Commercial Paper Interest Rate Period, FPL may elect that Series 2016 Bonds no longer will bear interest at Commercial Paper Interest Rates and will instead bear interest at a Daily Interest Rate, a Weekly Interest Rate, a Long-Term Interest Rate or an Alternate Interest Rate, as specified in the election. That election also must specify whether the effective date of the new Interest Rate Period will be (1) a single day for all Series 2016 Bonds, in which case the effective date will be the day after the earliest date on which all Commercial Paper Periods shall end as determined by the Remarketing Agent, or (2) different for each Series 2016 Bond, in which case the effective date will be the day after the last day of the Commercial Paper Period then in effect (or to be in effect) with respect to such Series 2016 Bond.

Adjustment From Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to adjustments from an Alternate

Interest Rate Period to any other Interest Rate Period will be set forth in a supplement to this Official Statement.

Notice to Owners of Adjustment of Interest Rate Period. The Registrar will be required to give notice by first-class mail of an adjustment of the Interest Rate Period to the Owners of the Series 2016 Bonds not less than 15 days (unless the then current Interest Rate Period is a Long-Term Interest Rate Period and such Long-Term Interest Rate Period ends on a day prior to the day originally established as the last day thereof, in which case not less than 30 days) prior to the effective date of the adjustment of the Interest Rate Period. That notice must state the following:

(1) the effective date of the new Interest Rate Period; and

(2) that the Series 2016 Bonds are subject to mandatory tender for purchase on the effective date, setting forth the applicable purchase price and the procedures of such purchase.

Determinations Binding

The determination of the various interest rates and the bases therefor and the Commercial Paper Periods shall be conclusive and binding upon the Remarketing Agent, the Trustee, the Tender Agent, the Issuer, FPL and the Owners of the Series 2016 Bonds.

Purchase of Series 2016 Bonds

The Series 2016 Bonds during any Daily or Weekly Interest Rate Period will be purchased on the demand of the Owners thereof, and will be subject to mandatory tender for purchase, at the times and subject to the conditions described below. Payment for Series 2016 Bonds purchased will be made by the close of business on the date specified for purchase, if the conditions for that purchase described below have been strictly complied with by the Owners thereof.

During any Daily or Weekly Interest Rate Period when the Series 2016 Bonds are registered in the name of Cede & Co., tenders of the Series 2016 Bonds will be effected by means of DTC's Delivery Order Procedures. See "THE SERIES 2016 BONDS — Book-Entry System." Notice of any such tender must be given to the Tender Agent in the form set forth in Appendix D to this Official Statement. If a beneficial owner of a Series 2016 Bond fails to cause its beneficial ownership of such Series 2016 Bond to be transferred to the DTC account of the Tender Agent by the deadlines specified below, such Series 2016 Bond shall not be purchased and the beneficial owner may be subject to damages as specified in such notice.

If the book entry system is discontinued, tendered Series 2016 Bonds must be accompanied by an instrument of transfer satisfactory to the Tender Agent, executed in blank by the Owner thereof or his duly authorized attorney, with such signature guaranteed by an "eligible guarantor institution" as defined by Rule 17Ad-15 promulgated under the Exchange Act. The Tender Agent may refuse to accept delivery of any Series 2016 Bond for which a proper instrument of transfer has not been provided. Notice of tender for purchase of Series 2016 Bonds by the Owners thereof will be irrevocable, once given to the Tender Agent as described below. In the event that any Owner of a Series 2016 Bond giving notice of tender for purchase

fails to deliver its Series 2016 Bond to the Tender Agent at the place and on the applicable date and the time specified below, or fails to deliver the Series 2016 Bond properly endorsed and provided that funds in the amount of the purchase price thereof are available for payment to such Owner at the date and the time specified below, from and after the date and time of that required delivery, (i) such Series 2016 Bond shall no longer be deemed to be outstanding under the Indenture, (ii) interest will no longer accrue thereon to such former Owner and (iii) funds in the amount of the purchase price of Series 2016 Bond, without interest, will be held by the Tender Agent for the benefit of such former Owner, to be paid on delivery (or proper endorsement) thereof to the Tender Agent

During Daily Interest Rate Period. During any Daily Interest Rate Period, any Series 2016 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof, plus accrued interest from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon delivery to the Tender Agent at its Principal Office, not later than 11:00 a.m., New York City time, on that Business Day, of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2016 Bond or such portion thereof and the date of purchase. For payment of such purchase price on the date specified in such notice, the Series 2016 Bond must be delivered, not later than 12:00 Noon, New York City time, on such Business Day (together with necessary endorsements) to the Tender Agent at its Principal Office.

During Weekly Interest Rate Period. During any Weekly Interest Rate Period, any Series 2016 Bond or portion thereof in an authorized denomination will be purchased at the option of its Owner on any Business Day at a purchase price equal to the principal amount thereof plus accrued interest, if any, from the Interest Accrual Date immediately preceding the date of purchase through the day immediately preceding the date of purchase, or, if the date of purchase is an Interest Accrual Date, at a purchase price equal to the principal amount thereof, payable in immediately available funds, upon the delivery to the Tender Agent at its Principal Office of an irrevocable written notice, or an irrevocable telephonic notice, promptly confirmed by telecopy or other writing, which states the principal amount of the Series 2016 Bond or such portion thereof and the date on which the Series 2016 Bond is to be purchased, which date must be a Business Day not prior to the seventh day after the date of the delivery of the notice to the Tender Agent. For payment of such purchase price on the date specified in such notice, the Series 2016 Bond must be delivered, not later than 12:00 Noon, New York City time, on the date specified in the notice (together with necessary endorsements) to the Tender Agent as its Principal Office.

During Commercial Paper Interest Rate Period – Mandatory Tender for Purchase on Day After the Last Day of Each Commercial Paper Period. On the Business Day after the last day of the Commercial Paper Period for a Series 2016 Bond, unless such day is the first day of a new Interest Rate Period (in which event such Series 2016 Bond will be subject to mandatory tender for purchase as described under "Mandatory Tender for Purchase on First Day of Each Interest Rate Period"), such Series 2016 Bond will be purchased, at a purchase price equal to the principal amount thereof, payable in immediately available funds. For payment of such purchase

price on such day, such Series 2016 Bond must be delivered (together with necessary endorsements) at or prior to 12:30 P.M., New York City time on such day, to the Tender Agent at its Principal Office. During any Commercial Paper Period, with respect to a Series 2016 Bond, the Owner of that Series 2016 Bond will not have the right to demand the purchase thereof.

Mandatory Tender for Purchase on First Day of Each Interest Rate Period. The Series 2016 Bonds will be subject to mandatory tender for purchase, at a purchase price equal to 100% of the principal amount thereof (or, if applicable, upon adjustment from a Long-Term Interest Rate Period prior to the expiration of such Long-Term Interest Rate Period, at a purchase price equal to the applicable optional redemption price), payable in immediately available funds, on the first day of the succeeding Interest Rate Period.

Purchase During Alternate Interest Rate Period. If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the purchase of Series 2016 Bonds during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

Purchase and Remarketing of Series 2016 Bonds

On the date on which Series 2016 Bonds are required to be purchased, the Tender Agent shall purchase such Series 2016 Bonds with funds provided from the remarketing of such Series 2016 Bonds or by FPL pursuant to the Agreement. The Issuer has no obligation to provide any moneys whatsoever for the payment of the purchase price for the Series 2016 Bonds.

On the day of purchase of Series 2016 Bonds by the Tender Agent, the Remarketing Agent shall use its best efforts to sell such Series 2016 Bonds in accordance with the Indenture.

Redemption

Optional Redemption During Daily or Weekly Interest Rate Period. On any Business Day during a Daily Interest Rate Period or a Weekly Interest Rate Period, the Series 2016 Bonds shall be subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest, if any, to the redemption date.

Optional Redemption During Commercial Paper Interest Rate Period. During any Commercial Paper Interest Rate Period, each Series 2016 Bond will be subject to optional redemption by the Issuer, at the direction of FPL, on the day after the last day of each Commercial Paper Period for that Series 2016 Bond, in whole or in part, at a redemption price equal to the principal amount thereof.

Optional Redemption During Long-Term Interest Rate Period. During any Long-Term Interest Rate Period, the Series 2016 Bonds are subject to optional redemption by the Issuer, at the direction of FPL (i) on the final Interest Payment Date for such Long-Term Interest Rate Period, at a redemption price equal to 100% of the principal amount thereof plus interest accrued, if any, to the redemption date, and (ii) prior to the end of the then current Term Rate

Period, at any time during the redemption periods and at the redemption prices set forth below, plus interest accrued, if any, to the redemption date:

Original Length of Current Term Rate Period (Years)	Commencement of Redemption Period	Redemption Price as Percentage of Principal
More than 10 years	Tenth anniversary of commencement of Long-Term Interest Rate Period	100%
Equal to or less than 10 years	Non-callable	Non-callable

If FPL has given notice of a change in the Long-Term Interest Rate Period or notice of an adjustment of the Interest Rate Period for the Series 2016 Bonds to the Long-Term Interest Rate Period and, prior to such change in the Long-Term Interest Rate Period or such adjustment, FPL has provided (i) a certification of the Remarketing Agent to the Trustee and the Issuer that the foregoing schedule is not consistent with prevailing market conditions and (ii) a Favorable Opinion of Bond Counsel addressed to the Trustee and the Issuer that a change in the redemption provisions of the Series 2016 Bonds will not adversely affect the exclusion from gross income of interest on the Series 2016 Bonds for federal income tax purposes, the foregoing redemption periods and redemption prices may be revised, effective as of the date of such adjustment in the Long-Term Interest Rate Period or an adjustment to the Long-Term Interest Rate Period, as determined by the Remarketing Agent in its judgment, taking into account the then prevailing market conditions as set forth in such certification. Any such revision of the redemption periods and redemption prices will not be considered an amendment of or a supplement to the Indenture and will not require the consent of any Owner or any other Person or entity.

Extraordinary Optional Redemption

During any Long-Term Interest Rate Period, the Series 2016 Bonds will be subject to redemption in whole, upon the optional prepayment by FPL of all the Loan Repayments (as defined below), at a redemption price of 100% of the principal amount thereof plus accrued interest to the date fixed for redemption, if:

(a) FPL shall have determined that the continued operation of any portion of the Projects is impracticable, uneconomical or undesirable; or

(b) all or substantially all of or any portion of the Projects shall have been condemned or taken by eminent domain; or

(c) the operation by FPL of any portion of the Projects shall have been enjoined for a period of at least six consecutive months; or

(d) as a result of any change in the Constitution of the State of Florida or the

Constitution of the United States of America, or as a result of any legislative or administrative action (whether state or federal) or by final decree, judgment or order of any court or administrative body (whether state or federal) after any contest thereof by FPL in good faith, the Indenture, the Agreement or the Series 2016 Bonds shall become void or unenforceable or impossible of performance in accordance with the intent and purposes of the parties as expressed in the Agreement.

In addition, during any period during a Long-Term Interest Rate Period during which the Series 2016 Bonds are not subject to optional redemption by the Issuer at the direction of FPL as described under "REDEMPTION – Optional Redemption During Long-Term Interest Rate Period" above, the Series 2016 Bonds will be nonetheless subject to optional redemption by the Issuer, at the direction of FPL, in whole or in part, at any time, if FPL delivers to the Trustee a written certificate (i) to the effect that by reason of a change in use of the Projects or any portion thereof, FPL has been unable, after reasonable effort, to obtain an opinion of nationally recognized bond counsel to the effect that a court, in a properly presented case, should decide that (a) Section 150 of the Internal Revenue Code of 1986, as amended (the "Code") (or successor provision of similar import), does not prevent that portion of the Loan Repayments payable under the Agreement and attributable to interest on the Series 2016 Bonds from being deductible by FPL for federal income tax purposes and (b) Treasury Regulations Section 1.142-2 (or a successor provision of similar import) does not prevent interest on the Series 2016 Bonds from being excluded for federal income tax purposes from the gross income of the owners thereof (other than in the hands of an owner of a Series 2016 Bond who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(a) of the Code), (ii) specifying that as a result of its inability to obtain such opinion of nationally recognized bond counsel, FPL has elected to prepay amounts due under the Agreement equal to the redemption price of the Series 2016 Bonds to be so redeemed and (iii) specifying the principal amount of the Series 2016 Bonds which FPL has determined to be the minimum necessary to be so redeemed in order for FPL to retain its rights to such interest deductions and for interest on the Series 2016 Bonds to retain such exclusion from gross income for federal income tax purposes (which principal amount of the Series 2016 Bonds will be so redeemed). The redemption price for the Series 2016 Bonds shall be equal to the outstanding principal amount thereof, plus accrued interest, if any, to the redemption date.

Extraordinary Mandatory Redemption

The Series 2016 Bonds are subject to mandatory redemption by the Issuer, at the principal amount thereof plus accrued interest to the redemption date, on the 180th day (or such earlier date as may be designated by FPL) after a final determination by a court of competent jurisdiction or an administrative agency, or receipt by the Issuer and FPL of an opinion of a nationally recognized bond counsel obtained by FPL and rendered at the request of FPL, to the effect that (a) as a result of a failure by FPL to perform or observe any covenant or agreement in the Agreement, or the inaccuracy of any representation, the interest on the Bonds is included for federal income tax purposes in the gross income of the Bondholders thereof, or would be so included absent such redemption, or (b) such redemption is required under the terms of a closing agreement or other similar agreement with the Internal Revenue Service settling an issue raised in connection with an audit of the Series 2016 Bonds or in connection with a submission to the

Internal Revenue Service Voluntary Closing Agreement Program or similar program. No determination by any court or administrative agency will be considered final for such purpose unless FPL has had an opportunity to participate in the proceeding which resulted in such determination, either directly or through an owner of a Series 2016 Bond, to a degree it deems sufficient and until the conclusion of any court proceeding initiated after a final agency determination, and of any appellate review sought by any party to such agency or court proceeding or the expiration of the time for seeking such review. The Series 2016 Bonds will be redeemed either in whole or in part in such principal amount that the interest payable on the Series 2016 Bonds remaining outstanding after such redemption would not be included in the gross income of any owner thereof, other than an owner of a Series 2016 Bond who is a "substantial user" of the Projects or a "related person" within the meaning of Section 147(a) of the Code.

Selection of Series 2016 Bonds to be Redeemed

In the case of the redemption of less than all of the outstanding Series 2016 Bonds, the Series 2016 Bonds to be redeemed shall be selected by the Trustee, by lot or in such other manner as the Trustee in its discretion may determine to be fair and appropriate, in the principal amounts designated by FPL or otherwise as required by the Indenture; provided, however, that in connection with any redemption of Series 2016 Bonds, the Trustee shall first select for redemption any Series 2016 Bond held by the Tender Agent for the account of FPL, and that if FPL shall have offered to purchase all Series 2016 Bonds then outstanding and less than all of such Series 2016 Bonds have been tendered to FPL for such purchase, the Trustee, at the direction of FPL, shall select for redemption all such Series 2016 Bonds which have not been so tendered; and provided further that the portion of any Series 2016 Bond to be redeemed shall be in a principal amount constituting an authorized denomination of such Series 2016 Bond and that, in selecting Series 2016 Bonds for redemption, the Trustee shall treat each Series 2016 Bond as representing that number of Series 2016 Bonds which is obtained by dividing the principal amount of such Series 2016 Bond by the minimum authorized denomination of such Series 2016 Bond. See "THE SERIES 2016 BONDS – Book-Entry System."

Notice and Effect of Redemption

A notice of redemption will be mailed, at least 30 days before the redemption date of any Series 2016 Bonds, to all owners of Series 2016 Bonds to be redeemed in whole or in part, but failure to mail any such notice to the owner of a Series 2016 Bond shall not affect the validity of the proceedings for the redemption of any other Series 2016 Bonds.

Any notice of redemption, except a notice of extraordinary mandatory redemption, shall, unless at the time such notice is given the Series 2016 Bonds to be redeemed shall be deemed to have been paid under the terms of the Indenture (see "THE INDENTURE – Defeasance"), state that the redemption to be effected is, and such redemption shall be, conditioned upon the receipt by the Trustee on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the Series 2016 Bonds to be redeemed and if such moneys are not so received such notice shall be of no force or effect and such Series 2016 Bonds shall not be redeemed.

Any Series 2016 Bonds selected for redemption which are deemed to have been paid under the terms of the Indenture will cease to bear interest on the date fixed for redemption.

Redemption During Alternate Interest Rate Period

If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to redemption during an Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

SPECIAL CONSIDERATIONS RELATING TO THE SERIES 2016 BONDS

The Remarketing Agent is Paid by FPL

The Remarketing Agent's responsibilities include determining the interest rate from time to time and remarketing the Series 2016 Bonds that are optionally or mandatorily tendered by the owners thereof (subject, in each case, to the terms of the Indenture and the Remarketing Agreement), all as further described in this Official Statement. The Remarketing Agent is appointed by FPL and is paid by FPL for its services. As a result, the interests of the Remarketing Agent may differ from those of existing holders and potential purchasers of the Series 2016 Bonds.

The Remarketing Agent Routinely Purchases Bonds for its Own Account

The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account. The Remarketing Agent is permitted, but not obligated, to purchase tendered Series 2016 Bonds for its own account and, in its sole discretion, may routinely acquire such tendered Series 2016 Bonds in order to achieve a successful remarketing of the Series 2016 Bonds (i.e., because there otherwise are not enough buyers to purchase the Series 2016 Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Bonds, and may cease doing so at any time without notice. The Remarketing Agent also may make a market in the Series 2016 Bonds by routinely purchasing and selling Series 2016 Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Series 2016 Bonds. The Remarketing Agent also may sell any Series 2016 Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Series 2016 Bonds. The purchase of Series 2016 Bonds by the Remarketing Agent may create the appearance that there is greater third party demand for the Series 2016 Bonds in the market than is actually the case. The practices described above also may result in fewer Series 2016 Bonds being tendered in a remarketing.

Bonds May be Offered at Different Prices on Any Date Including an Interest Rate Determination Date

Pursuant to the Indenture and the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Series 2016 Bonds bearing interest at the applicable interest rate at

par plus accrued interest, if any, on and as of the applicable interest rate determination date. The interest rate will reflect, among other factors, the level of market demand for the Series 2016 Bonds (including whether the Remarketing Agent is willing to purchase Series 2016 Bonds for its own account). There may or may not be Series 2016 Bonds tendered and remarketed on an interest rate determination date, the Remarketing Agent may or may not be able to remarket any Series 2016 Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Series 2016 Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Series 2016 Bonds at the remarketing price. In the event the Remarketing Agent owns any Series 2016 Bonds for its own account, it may, in its sole discretion in a secondary market transaction outside the tender process, offer such Series 2016 Bonds on any date, including the interest rate determination date, at a discount to par to some investors.

The Ability to Sell the Series 2016 Bonds Other Than Through the Tender Process May Be Limited

The Remarketing Agent may buy and sell Series 2016 Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their Series 2016 Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Series 2016 Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Series 2016 Bonds other than by tendering the Series 2016 Bonds in accordance with the tender process.

Under Certain Circumstances, the Remarketing Agent May Be Removed, Resign or Cease Remarketing the Series 2016 Bonds, Without a Successor Being Named

Under certain circumstances, the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Indenture and the Remarketing Agreement.

THE AGREEMENT

Loan Repayments

FPL has agreed to pay to the Trustee for the account of the Issuer an amount equal to the principal amount of the Series 2016 Bonds and an amount equal to the aggregate of the premium, if any, and interest on the Series 2016 Bonds (the "Loan Repayments") at such times and in such amounts and in the manner provided in the Indenture for the Issuer to cause payments to be made to the Owners of the Series 2016 Bonds of the principal of and premium, if any, and interest on the Series 2016 Bonds.

Agreement to Acquire and Construct the Projects

FPL is obligated in the Agreement to use commercially reasonably efforts to cause the acquisition, construction and installation of the Projects to be performed with reasonable dispatch in accordance with the plans and specifications therefor, delays by reason of "force

majeure" beyond the reasonable control of FPL excepted, but if for any reason such acquisition, construction and installation is not completed there shall be no diminution in the Loan Repayments and other amounts required to be paid by FPL under the Agreement.

FPL Obligations Unconditional

Until such time as the principal of and premium, if any, and interest on the Series 2016 Bonds shall have been fully paid or deemed paid in accordance with the Indenture, FPL's obligations under the Agreement are absolute and unconditional and FPL has agreed that it (a) will not suspend or discontinue payment of any amounts required to be paid by it under the Agreement, (b) will perform and observe all of its other agreements contained in the Agreement, and (c) except as permitted by the Agreement, will not terminate the Agreement for any cause.

Payments for Series 2016 Bonds Delivered for Purchase

FPL will agree to deposit, on or prior to the purchase date of the Series 2016 Bonds to be purchased from the Owners thereof as described under the heading "THE SERIES 2016 BONDS – Purchase of Series 2016 Bonds," an amount of money which, together with other moneys available for such purpose, will be sufficient to effect the purchase of such Series 2016 Bonds.

Merger, Sale or Consolidation

FPL has agreed that, so long as any Series 2016 Bonds are outstanding, it will maintain its legal existence, will not dissolve or otherwise dispose of all or substantially all of its assets and will not consolidate with or merge into one or more other entities or permit one or more other entities to consolidate with or merge into it; provided, that FPL may consolidate with or merge into one or more other entities, or permit one or more other entities to consolidate with or merge into it, or sell or otherwise transfer to one or more other entities all or substantially all of its assets as an entirety and thereafter dissolve, provided the surviving, resulting or transferee entity or entities, as the case may be (if other than FPL), assumes or assume in writing all of the obligations of FPL in the Agreement, and, if not organized under the laws of the State of Florida, is or are qualified to do business in the State of Florida.

Events of Default

The occurrence of any one or more of the following is an event of default under the Agreement: (a) failure by FPL to pay or cause to be paid when due the Loan Repayments in the amounts and at the times specified in the Agreement or the amounts necessary to enable the Tender Agent to pay the Purchase Price of Series 2016 Bonds delivered to it for purchase, which failure shall have resulted in an event of default described in clause (a), (b) or (c) under "THE INDENTURE – Events of Default;" (b) failure by FPL to observe or to perform any other covenant, condition, representation or agreement in the Agreement on its part to be observed or performed for a period of 90 days after written notice thereof to FPL by the Issuer or the Trustee, which may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of the Series 2016 Bonds shall, give such notice, unless such period is extended by the Issuer and the Trustee or the Issuer, the Trustee and the Owners of Series 2016 Bonds, as provided in the Agreement (provided, however, that the Issuer and the Trustee or the Issuer, the Trustee and the Owners of the Series 2016 Bonds, as provided in the Agreement, as the case may

be, will be deemed to have agreed to an extension of such period if corrective action is initiated by FPL within such period and is being diligently pursued), or unless such obligations are suspended by reason of force majeure, as defined in the Agreement; (c) 90 days after certain events of bankruptcy, liquidation or reorganization or (d) certain events of bankruptcy, dissolution, liquidation or reorganization by FPL.

Remedies

Acceleration and Limitations Thereon

Upon the occurrence and continuance of an event of default described in clause (a), (b) or (d) in "Events of Default," and further upon the condition that all Series 2016 Bonds outstanding under the Indenture shall have become immediately due and payable, the Loan Repayments shall, without further action, become immediately due and payable.

Any waiver of an event of default under the Indenture and a rescission and annulment of its consequences shall constitute a waiver of the corresponding event of default under the Agreement and a rescission and annulment of the consequences thereof.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee as the Issuer's assignee may take whatever action at law or in equity may appear necessary or desirable to collect the Loan Repayments then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of FPL under the Agreement.

Amendment

As provided in the Indenture, the Issuer and FPL may enter into, and the Trustee may consent to, without the consent of the Owners of the Series 2016 Bonds, such agreements supplemental to the Agreement as shall not be inconsistent with the terms and provisions of the Agreement, and shall not be, in the opinion of Bond Counsel, detrimental to the interests of the Owners of the Series 2016 Bonds: (a) to cure any ambiguity or defect or omission in the Agreement or in any supplemental agreement, (b) to grant to or confer upon the Issuer or the Trustee for the benefit of the Owners of the Series 2016 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Issuer or the Owners of the Series 2016 Bonds or the Trustee, (c) to correct any description of, or to reflect changes in, any properties comprising the Projects, (d) in connection with any other changes which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of FPL to make the Loan Repayments or otherwise materially impair the security of the Owners of the Series 2016 Bonds under the Indenture, or (e) to make amendments in connection with the issuance of Completion Bonds (as defined below). Any other amendment of the Agreement requires the consent of the Owners of a majority in aggregate principal amount of all Series 2016 Bonds then outstanding.

THE INDENTURE

Assignment of Issuer's Interest

Under the Indenture, the Issuer has pledged and assigned to the Trustee the Issuer's rights under the Agreement, including the Loan Repayments, except for certain rights to indemnification and reimbursement of expenses.

Creation of Construction Fund

The Indenture creates a Construction Fund. The Trustee will deposit the proceeds of the sale of the Series 2016 Bonds, minus the Underwriter's discount and expenses, into the Construction Fund. The moneys in the Construction Fund shall be held by the Trustee in trust and, subject to the terms of the Indenture, will be applied to the payment of the Cost of the Projects (as described in the Indenture) and, pending such application, shall be subject to the lien of the Indenture.

Creation of Bond Fund

The Indenture creates a Bond Fund. Moneys deposited in the Bond Fund are to be held in trust by the Trustee and, pending application in accordance with the Indenture, are subject to a lien and charge in favor of the Owners of the Series 2016 Bonds outstanding under the Indenture and to the prior lien of the Trustee for payment of its fees and expenses.

There shall be deposited to the credit of the Bond Fund (a) the accrued interest, if any, received on the sale of the Series 2016 Bonds, (b) all Loan Repayments, and (c) all other moneys received by the Trustee under and pursuant to any of the provisions of the Agreement or otherwise which are required or are accompanied by directions from FPL or the Issuer that such moneys are to be paid into the Bond Fund.

Moneys in the Bond Fund shall be used for the payment of the principal of and premium, if any, and interest on the Series 2016 Bonds or for the redemption or purchase of Series 2016 Bonds in accordance with the terms of the Indenture.

Creation of a Purchase Fund

The Indenture creates a Purchase Fund. Moneys deposited in the Purchase Fund are to be held by the Tender Agent for the purchase of Series 2016 Bonds pursuant to the Indenture and are not pledged to pay principal of or interest or any premium on the Series 2016 Bonds.

Investment of Funds

The Trustee shall, at the request of FPL, invest moneys held in the Bond Fund in the investments or securities specified in the Indenture. Gains or losses resulting from the investment of moneys in the Bond Fund will be credited or charged to such Fund.

Completion Bonds

At the direction of FPL, and upon satisfaction of the conditions set forth in the Indenture, the Issuer may issue up to $40,000,000 aggregate principal amount of completion bonds in one or more series to complete the Projects ("Completion Bonds"). Each issue of Completion Bonds will be on a parity and equally and ratably secured under the Indenture with the Series 2016 Bonds and any other Completion Bonds previously issued, without preference, priority, or distinction of any Series 2016 Bonds or Completion Bonds over any other Series 2016 Bonds or Completion Bonds. In the event Completion Bonds are to be issued it is expected that the Indenture and the Agreement will be supplemented to take into account the issuance of such Completion Bonds and a supplement to this Official Statement will be prepared.

Defeasance

If there is paid to the Owners of all of the Series 2016 Bonds the principal of and premium, if any, and interest on the Series 2016 Bonds due and thereafter to become due, together with all other sums payable under the Indenture, then the rights, title and interest of the Trustee in the estate pledged and assigned to it under the Indenture shall cease, and the Series 2016 Bonds shall cease to be entitled to the lien of the Indenture. The Trustee shall thereupon turn over to FPL any surplus in the Bond Fund and any other fund created under the Indenture. If the principal of and premium, if any, and interest due and thereafter to become due is paid on less than all the Series 2016 Bonds then outstanding, such Series 2016 Bonds shall cease to be entitled to the lien, benefit or security under the Indenture.

Any or all Series 2016 Bonds then bearing interest at a Long-Term Interest Rate during a Long-Term Interest Rate Period ending on or after the redemption date or on the day immediately preceding the maturity date, as the case may be, or at Commercial Paper Interest Rates for Commercial Paper Periods which end on the redemption date or the day immediately preceding the maturity date, as the case may be, shall be deemed to have been paid when (a) in the case of Series 2016 Bonds to be redeemed, FPL shall have given to the Trustee irrevocable instructions to mail the notice of redemption therefor, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or obligations issued or unconditionally guaranteed by the United States of America, or certain securities which represent interests in such obligations, the principal of and interest on which, when due, will provide moneys which, together with any moneys also deposited with or held by the Trustee, shall be sufficient to pay when due the principal of and premium, if any, and interest due or to become due on such Series 2016 Bonds, and (c) in the event such Series 2016 Bonds do not mature and are not to be redeemed within the next succeeding 60 days, FPL shall have given the Trustee irrevocable instructions to mail, as soon as permitted by the Indenture, a notice to the Owners of such Series 2016 Bonds stating that the above deposit has been made with the Trustee and that such Series 2016 Bonds are deemed to have been paid and stating the maturity or redemption date upon which moneys are to be available to pay the principal of and premium, if any, and interest on such Series 2016 Bonds. The provisions of the Indenture relating to the rights of the Owners of the Series 2016 Bonds to payment, registration, transfer and exchange shall remain in full force and effect with respect to all Series 2016 Bonds until the maturity date of the Series 2016 Bonds or the last date fixed for redemption of all Series 2016 Bonds prior to maturity notwithstanding that the Series 2016 Bonds are deemed to be paid as described above. If less

than all Series 2016 Bonds are to be defeased, the Trustee shall select such Series 2016 Bonds in the manner described under "THE SERIES 2016 BONDS – Selection of Series 2016 Bonds to be Redeemed."

Events of Default

The occurrence of any one or more of the following shall be an event of default under the Indenture: (a) failure to pay the principal of or premium, if any, on the Series 2016 Bonds when the same shall become due and payable, whether at maturity, through unconditional proceedings for redemption or otherwise; (b) failure to pay interest on any of the Series 2016 Bonds when the same shall become due and payable and the continuation of such failure for one Business Day; (c) a failure to pay amounts due to Owners of the Series 2016 Bonds for purchase thereof after such payment has become due and payable and the continuation of such failure for one Business Day; (d) failure to perform any other covenant, condition, agreement or provision contained in the Series 2016 Bonds or in the Indenture on the part of the Issuer to be performed for a period of 90 days after written notice thereof to the Issuer which may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of the Series 2016 Bonds then outstanding shall, be given by the Trustee, unless such period is extended by the Trustee, or the Trustee and the Owners of the Series 2016 Bonds; provided, however, that the Trustee, or the Trustee and the Owners of the Series 2016 Bonds, as the case may be, will be deemed to have agreed to an extension of such period if corrective action is instituted by the Issuer or FPL within such period and is being diligently pursued; or (e) an event of default as defined in the Agreement.

Remedies

Acceleration and Limitations Thereon

Upon the occurrence and continuance of an event of default described in clause (a), (b), or (c) above in "Events of Default," or an event of default described in clauses (c) or (d) above under "THE AGREEMENT – Events of Default," the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of the Series 2016 Bonds then outstanding shall, by notice in writing to the Issuer and FPL, declare the principal of the Series 2016 Bonds then outstanding (if not then due and payable) to be immediately due and payable.

The provisions of the preceding paragraph, however, are subject to the condition that, if, after the principal of the Series 2016 Bonds has been declared to be due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, FPL, pursuant to the Agreement, shall deposit with the Trustee an amount sufficient to pay all matured installments of interest upon the Series 2016 Bonds and the principal of the Series 2016 Bonds which have become due otherwise than by reason of such declaration (with interest upon such principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum borne by the Series 2016 Bonds on the date of such declaration) and such amounts as are sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee, and all events of default under the Indenture other than nonpayment of the principal of Series 2016 Bonds which shall have become due by such declaration have been remedied, then,

such event of default will be deemed waived and such declaration and its consequences rescinded and annulled. The Trustee will promptly give written notice of such waiver, rescission and annulment to the Issuer, FPL, the Tender Agent, the Remarketing Agent, and, if notice of the acceleration of the Series 2016 Bonds has been given to the Owners, notice shall be given to the Owners. No such waiver, rescission and annulment shall extend to or affect any subsequent event of default or impair any right or remedy consequent thereon.

Notwithstanding anything contained in the Indenture to the contrary, the Trustee, upon the written request of the holders of not less than a majority in aggregate principal amount of the Series 2016 Bonds then outstanding, shall waive any event of default under the Indenture and its consequences; provided, however, that, except under certain circumstances described in the Indenture, an event of default under clauses (a), (b) or (c) above in "Events of Default" with respect to any Bonds may not be waived without the written consent of the holders of all such Bonds.

Other Remedies

Upon the occurrence and continuance of any event of default, the Trustee may, and upon the written request of the Owners of not less than a majority in aggregate principal amount of the Series 2016 Bonds then outstanding shall, upon receipt of indemnity to its satisfaction, proceed to protect and enforce its rights and the rights of the Owners of the Series 2016 Bonds under the laws of the State of Florida, the Indenture and the Agreement by the exercise of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

Owners' Right to Direct Proceedings

The Owners of a majority in principal amount of the Series 2016 Bonds then outstanding shall have the right, upon receipt by the Trustee of indemnity to its satisfaction, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee. No Owner of any of the Series 2016 Bonds shall have any right to institute any suit, action or proceeding in equity or at law on any Series 2016 Bond or for the execution of any trust under the Indenture or for any other remedy thereunder except as provided in the Indenture, but nothing in the Indenture shall affect or impair the right of any Owner of a Series 2016 Bond to enforce the payment of the principal of and premium, if any, and interest on such Series 2016 Bond to the Owner thereof at the time and place stated in such Series 2016 Bond.

Amendment

The Issuer and the Trustee may, with the consent of FPL but without the consent of the Owners of the Series 2016 Bonds, enter into such supplemental indentures as shall not be inconsistent with the terms and provisions of the Indenture and shall not be, in the opinion of Bond Counsel, detrimental to the interests of the Owners of the Series 2016 Bonds (except to the extent permitted under (k) below): (a) to cure any ambiguity or defect or omission in the Indenture or in any supplemental indenture, (b) to grant to or confer upon the Trustee for the benefit of the Owners of the Series 2016 Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners of the Series

2016 Bonds or the Trustee, (c) to confirm the lien of the Indenture or to subject to the Indenture additional revenues, properties or collateral, (d) to correct any description of, or to reflect changes in, any properties comprising the Projects, (e) to authorize a different denomination or denominations of the Series 2016 Bonds and to make correlative amendments to the Indenture, (f) to increase or decrease the number of days prior to an adjustment of the interest rate that notice need be given by FPL to the Trustee and by the Trustee to the Owners of the Series 2016 Bonds, provided that no decrease in any such number of days shall become effective except during a Daily or a Weekly Interest Rate Period and until 30 days after the Trustee shall have given notice thereof to the Owners of the Series 2016 Bonds affected thereby; (g) in connection with any other change which, in the judgment of the Trustee, will not restrict, limit or reduce the obligation of the Issuer to pay the principal of, and interest on the Series 2016 Bonds or otherwise impair the security of the Owners of the Series 2016 Bonds under the Indenture, (h) to modify, amend or supplement the Indenture or any supplemental indenture in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute or to permit the qualification of the Series 2016 Bonds for sale under the securities laws of any of the states of the United States of America, (i) to make amendments to the provisions of the Indenture relating to matters under Section 148(f) of the Code, provided that an opinion of Bond Counsel, to the effect that such amendments will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2016 Bonds, is delivered to the Trustee; (j) to make any amendments necessary or appropriate to provide for the delivery of any insurance policy, irrevocable transferable letter of credit or other security device delivered to the Trustee (k) on any date on which all Series 2016 Bonds are subject to mandatory purchase to modify the Indenture in any respect (even if to the adverse interest of Owners) provided that such supplement will not be effective until after such mandatory purchase and the payment of the purchase price in connection therewith or (l) to make amendments in connection with the issuance of Completion Bonds.

FPL and the Owners of not less than a majority in aggregate principal amount of the Series 2016 Bonds then outstanding shall have the right to consent to the execution by the Issuer and the Trustee of such other supplemental indentures as shall be deemed necessary or desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular way, any of the terms or provisions contained in the Indenture or in any supplemental indenture; provided, however, that, unless approved by all of the Owners of the Series 2016 Bonds then outstanding and FPL, nothing contained in the Indenture shall permit, or be construed as permitting, (a) an extension of the maturity of the principal of or the interest on the Series 2016 Bonds, or (b) a reduction in the principal amount of the Series 2016 Bonds or the redemption premium or the rate of interest thereon, or (c) the creation of a lien upon or a pledge of the Loan Repayments other than the lien and pledge created by the Indenture, or (d) a preference or priority of any Series 2016 Bond over any other Series 2016 Bond, or (e) a reduction in the aggregate principal amount of the Series 2016 Bonds required for consent to such supplemental indenture.

Any supplemental indenture that affects any right, power, obligation or authority of FPL under the Agreement or requires a revision of the Agreement shall not become effective without the consent of FPL.

TAX MATTERS

In the opinion of Squire Patton Boggs (US) LLP, Special Tax Counsel, under existing law: (i) interest on the Series 2016 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on any Series 2016 Bond for any period during which it is held by a "substantial user" of the facilities financed or a "related person," as those terms are used in Section 147(a) of the Code, as amended (the "Code") and is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; and (ii) the Series 2016 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Special Tax Counsel expresses no opinion as to any other tax consequences regarding the Series 2016 Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Issuer and FPL contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2016 Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Special Tax Counsel will not independently verify the accuracy of the Issuer's certifications and representations or the continuing compliance with the Issuer's covenants.

The opinion of Special Tax Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Special Tax Counsel's legal judgment as to exclusion of interest on the Series 2016 Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Special Tax Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the Issuer or FPL may cause loss of such status and result in the interest on the Series 2016 Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2016 Bonds. FPL, and, subject to certain limitations, the Issuer have each covenanted to take the actions required of it for the interest on the Series 2016 Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2016 Bonds, Special Tax Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Special Tax Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2016 Bonds or the market value of the Series 2016 Bonds.

Interest on the Series 2016 Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed

on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2016 Bonds. Special Tax Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2016 Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Series 2016 Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Special Tax Counsel's engagement with respect to the Series 2016 Bonds ends with the issuance of the Series 2016 Bonds, and, unless separately engaged, Special Tax Counsel is not obligated to defend the Issuer, FPL, or the owners of the Series 2016 Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2016 Bonds, under current IRS procedures, the IRS will treat the Issuer as the taxpayer and the beneficial owners of the Series 2016 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Series 2016 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Series 2016 Bonds.

Prospective purchasers of the Series 2016 Bonds upon their original issuance at prices other than the respective prices indicated on the inside cover of this Official Statement, and prospective purchasers of the Series 2016 Bonds at other than their original issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Special Tax Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Series 2016 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2016 Bonds will not have an adverse effect on the tax status of interest on the Series 2016 Bonds or the market value or marketability of the Series 2016 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2016 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, recent presidential and legislative proposals would eliminate, reduce or otherwise alter the tax benefits currently provided to certain owners of state and local government bonds, including proposals that would result in additional federal income tax on taxpayers that own tax-exempt obligations if their incomes exceed certain thresholds. Investors in the Series 2016 Bonds should be aware that any such future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Series 2016 Bonds for federal income tax purposes for all or certain taxpayers. In such event, the market value of the Series 2016 Bonds may be adversely affected and the ability of holders to sell their Series 2016 Bonds in the secondary market may be reduced. The Series 2016 Bonds are not subject to special mandatory redemption, and the interest rates on the Series 2016 Bonds are not subject to adjustment in the event of any such change in the tax treatment of interest on the Series 2016 Bonds.

Investors should consult their own financial and tax advisers to analyze the importance of these risks.

CONTINUING DISCLOSURE

In order to assist the Underwriter in complying with certain provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") adopted by the SEC under the Exchange Act, FPL has agreed in separate, but substantially identical, Continuing Disclosure Undertakings to provide certain annual financial information and operating data and notices of certain events. The proposed form of the Continuing Disclosure Undertaking is included as Appendix E to this Official Statement.

Each Continuing Disclosure Undertaking may be enforced by any Beneficial Owner of the corresponding Series 2016 Bonds, but FPL's failure to comply will not be a default under the Indenture or the Agreement. A failure by FPL to comply with any Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities deal before recommending the purchase or sale of the corresponding Series 2016 Bonds in the secondary market. Consequently, such failure may adversely affect the transferability and liquidity of the corresponding Series 2016 Bonds and their market price.

FPL is currently a party to numerous continuing disclosure undertakings ("Existing Undertakings") with respect to revenue bonds issued (i) through various municipal authorities on behalf of FPL and (ii) through and on behalf of JEA, an independent agency of the City of Jacksonville, Florida, in connection with numerous issues of JEA's revenue bonds related to the St. Johns River Power Park, a two unit electric generating station jointly owned by JEA and FPL (the "JEA Bonds"). In the past five years, FPL did not timely file its Annual Reports on Form 10-K for the year ended December 31, 2011 with the MSRB (through the MSRB's Electronic Municipal Market Access ("EMMA") website) and failed to timely file notice of such failure, in compliance with the corresponding Existing Undertakings relating to the JEA Bonds. FPL also inadvertently failed to timely file a notice relating to generally available information about upgrades by Moody's of FPL's credit ratings in January of 2014. FPL has rectified each situation of non-compliance. FPL has refined its internal procedures and controls, which are designed to provide reasonable assurance that all such actions required to be accomplished by FPL in the

future under the Existing Undertakings and Continuing Disclosure Undertaking are completed in a timely manner. FPL reviews those procedures and controls on an on-going basis.

UNDERWRITING

Morgan Stanley & Co. LLC (the "Underwriter") will agree to purchase the Series 2016A Bonds and, pursuant to a separate Bond Purchase Agreement, SunTrust Robinson Humphrey, Inc. (the "Underwriter") will agree to purchase the Series 2016B Bonds from the Issuer. Each of the Underwriters is purchasing their respective series at the price equal to the par amount of the respective Series 2016 Bonds minus the respective Underwriter's discount of $18,750 and certain out-of-pocket expenses. For purposes hereafter, the "Underwriter" refers to each Underwriter and its obligations to its respective Series 2016 Bonds. FPL will agree to indemnify the Underwriter against certain liabilities, including certain liabilities under the federal securities laws.

With respect to the Series 2016 Bonds, the Underwriter's obligation to purchase the Series 2016 Bonds is subject to certain conditions precedent. The Underwriter does not have the right to purchase less than all of the Series 2016 Bonds if any Series 2016 Bonds are purchased. The offering price of the Series 2016 Bonds may be changed from that set forth on the cover page hereof from time to time by the respective Underwriter. The Underwriter may offer and sell the Series 2016 Bonds to certain dealers (including dealers depositing Series 2016 Bonds into investment trusts, accounts or funds) and others at prices lower than the public offering prices set forth on the cover page hereof.

Morgan Stanley, parent company of Morgan Stanley & Co. LLC, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Series 2016A Bonds.

SunTrust Robinson Humphrey, Inc. ("STRH"), one of the underwriters of the Bonds, has entered into an agreement (the "Distribution Agreement") with SunTrust Investment Services, Inc. ("STIS") for the retail distribution of certain municipal securities offerings, including the Bonds. Pursuant to the Distribution Agreement, STRH will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Bonds with STIS. STRH and STIS are both subsidiaries of SunTrust Banks, Inc. SunTrust Robinson Humphrey is the trade name for certain capital markets and investment banking services of SunTrust Banks and its subsidiaries.

LEGALITY

Legal matters incident to the issuance of the Series 2016 Bonds are subject to the legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, as Bond Counsel. Legal matters regarding the tax status of interest on the Series 2016 Bonds are subject to the legal opinion of Squire Patton Boggs (US) LLP, as Special Tax Counsel. The signed legal opinion for the Series 2016 Bonds, dated and premised on law in effect as of the date of original delivery of the Series 2016 Bonds, will be delivered to the Underwriters at the time of original delivery of the Series

2016 Bonds. The proposed text of such legal opinion is set forth in Appendix C to the Official Statement.

Squire Patton Boggs (US) LLP, as Special Counsel for FPL, will also render opinions relating to certain matters pertaining to FPL and its obligations under the Agreement. Knott Ebelini Hart, Fort Myers, Florida will pass upon certain legal matters for the Issuer. Certain legal matters will be passed upon for the Underwriters by Ballard Spahr LLP, Philadelphia, Pennsylvania, counsel to the Underwriters.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the Issuer to make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). Pursuant to Rule 69W-400.003, Florida Administrative Code, the Florida Office of Financial Regulation has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the Issuer, and certain additional financial information, unless the Issuer believes in good faith that such information would not be considered material by a reasonable investor. The Issuer is not and has not been in default as to the payment of the principal of and interest on bonds or other debt obligations to which the Issuer has pledged its revenues or for which it is obliged to make payments. The Issuer serves as conduit issuer from time to time; however, the obligations of the Issuer under such conduit bond issues is limited solely to funds received from the party borrowing the proceeds of such bonds. Therefore, whether any such conduit bonds or other debt obligations are in default as to the payment of principal and interest, would not be material to purchasers of the Series 2016 Bonds unless the conduit borrower under such bonds was FPL. The Issuer is not aware of any payment default by FPL on any conduit bonds issued by the Issuer for the benefit of FPL.

APPENDIX A

FLORIDA POWER & LIGHT COMPANY

The information contained and incorporated by reference in this Appendix A to the Official Statement has been obtained from FPL. The Issuer and the Underwriter make no representations as to the accuracy or completeness of such information. Capitalized terms used in this Appendix A to the Official Statement but not defined herein have the meanings ascribed to them in the Official Statement.

FLORIDA POWER & LIGHT COMPANY

Florida Power & Light Company ("FPL") is a rate-regulated electric utility engaged primarily in the generation, transmission, distribution and sale of electric energy in Florida. FPL is the largest electric utility in the state of Florida and one of the largest electric utilities in the U.S. based on retail megawatt-hour sales. FPL, with 25,254 MW of generating capacity at December 31, 2015, supplies electric service throughout most of the east and lower west coasts of Florida, serving more than 9.5 million people through approximately 4.8 million customer accounts. FPL, which was incorporated under the laws of Florida in 1925, is a wholly-owned subsidiary of NextEra Energy, Inc.

FPL's principal executive offices are located at 700 Universe Boulevard, Juno Beach, Florida 33408, telephone number (561) 694-4000, and its mailing address is P.O. Box 14000, Juno Beach, Florida 33408-0420.

AVAILABLE INFORMATION

FPL files annual, quarterly and other reports and other information with the Securities and Exchange Commission ("SEC"). Such reports and other information can be read and copied at the SEC's Public Reference Room at 100 F Street, N.E. Washington, D.C. 20549. Copies of such material can also be obtained from the Public Reference Room by calling the SEC at 1-800-SEC-0330.

In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports and other information regarding issuers that file electronically with the SEC, including FPL.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed with the SEC are incorporated herein by reference:

1. FPL's Annual Report on Form 10-K for the year ended December 31, 2015;

2. FPL's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016, and September 30, 2016; and

3. FPL's Current Report on Forms 8-K filed January 15, 2016, March 15, 2016 and October 6, 2016.

All documents filed by FPL with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), subsequent to the date of the Official Statement (other than any documents, or portions of documents, not deemed to be filed) and prior to the termination of the offering of all of the Series 2016 Bonds covered by the Official Statement shall be deemed to be incorporated by reference in this Appendix A and to be a part hereof from the date of filing such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes of the Official Statement to the extent that a statement contained herein or in any subsequently filed document

which is deemed to be incorporated by reference herein modifies or supersedes that statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Official Statement.

FPL will provide without charge to each person to whom the Official Statement is delivered, upon written or oral request of any such person, a copy of any or all of the documents referred to above that have been or may be incorporated by reference in this Appendix A, excluding the exhibits thereto. Requests for such copies should be directed to Florida Power & Light Company, Attention: Treasurer, 700 Universe Boulevard, Juno Beach, Florida 33408-0420, telephone (561) 694 4000.

RISK FACTORS

Before purchasing the Series 2016 Bonds, investors should carefully consider the risk factors described in FPL's annual, quarterly and current reports filed with the SEC under the Exchange Act, which are incorporated by reference in this Appendix A, together with the other information incorporated by reference or provided in the Official Statement in order to evaluate an investment in the Series 2016 Bonds.

APPENDIX B

Summary of Terms

Glossary:	
BD	= Business Day
IPD	= Interest Payment Date
RA	= Remarketing Agent
TA	= Tender Agent

NOTE: If the Interest Rate Period is adjusted to be an Alternate Interest Rate Period, information relating to the Alternate Interest Rate Period will be set forth in a supplement to this Official Statement.

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Authorized Denomination	$100,000 and any integral multiple of $5,000 in excess of $100,000	$100,000 and any integral multiple of $5,000 in excess of $100,000	$100,000 and any integral multiple of $1,000 in excess of $100,000	Integral multiples of $5,000
Interest Rate Setting	Par rate determined by RA	Par rate determined by RA	Par rate and Commercial Paper Periods determined by RA	Par rate determined by RA
Purchase from Owner at Owner's Option	On any BD with irrevocable notice to TA by 11:00 a.m.	On any BD with at least 7 days irrevocable notice to TA	Not applicable	Not applicable
Interest Rate Effective	Daily (Sat., Sun. and holidays will be same as preceding BD)	Wednesday through Tuesday	Commercial Paper Date through last day of Commercial Paper Period (not greater than 270 days)	First day of Period through last day of Period (one year or more)
Interest Rate Announced	Daily	No later than BD prior to the Wednesday	No later than the Commercial Paper Date	No later than first day of Period
Interest Accrual Date	First day thereof and first BD of each month thereafter	First day thereof and first BD of each month thereafter	Commercial Paper Date through last day of Commercial Paper Period	IPD through day preceding next IPD
Calculation of Accrued Interest	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	365/366-day year and actual days elapsed	360-day year; twelve 30-day months
Interest Payment Date	Fifth BD of the month	Fifth BD of the month	Day after end of Commercial Paper Period (next Commercial Paper Date or first day of next Period)	fifth day of the calendar month that is six months after the calendar month in which the adjustment date occurs and the fifth day of the calendar month every six months after each such payment date thereafter until the end of Period
Interest Payment	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same	By check to registered owner as of Record Date on IPD; in immediately available funds by deposit to account or wire transfers to owners who request same, but only when Bond is presented	By check to registered owner as of Record Date on IPD
Mandatory Tender for Purchase	Effective date of any change in the Period	Effective date of any change in the Period	First day of Period and the Commercial Paper Date	Effective date of any change in the Period
Optional Redemption	100% of par plus accrued interest on any BD	100% of par plus accrued interest on any BD	100% of par plus accrued interest on day immediately succeeding last day of the Commercial Paper Period	If the period is less than or equal to 10 years, then non-callable. If the period is longer than 10 years, callable at par after 10 years; 100% of par plus accrued interest on any BD upon the occurrence of certain events

	Daily Interest Rate Period	Weekly Interest Rate Period	Commercial Paper Interest Rate Period	Long-Term Interest Rate Period
Mandatory Redemption	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability	100% of par plus accrued interest upon final determination of taxability
Principal and any Premium Paid	Upon presentation and surrender of Series 2016 Bonds	Upon presentation and surrender of Series 2016 Bonds	Upon presentation and surrender of Series 2016 Bonds	Upon presentation and surrender of Series 2016 Bonds
Eligible Adjustment Date out of Period	Any BD	Any BD	BD following a Commercial Paper Period	BD following Period; any BD on which Series 2016 Bonds permitted to be redeemed
Adjustment to Period	By FPL	By FPL	By FPL	By FPL
Notice to Owners of Adjustment to Period	At least 15 days	At least 15 days	At least 15 days	At least 15 days (30 days if effective date is not day after originally scheduled last day of Long-Term Interest Rate Period)
Favorable Opinion of Counsel Required on Adjustment to Period	Yes, unless adjustment from Weekly Interest Rate Period or Commercial Paper Interest Rate Period or automatic adjustment from Long-Term Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Commercial Paper Interest Rate Period	Yes, unless adjustment from Daily Interest Rate Period or Weekly Interest Rate Period	Yes (subject to certain exceptions)

APPENDIX C-1

FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A. WITH RESPECT TO THE SERIES 2016 BONDS

Upon delivery of the Series 2016 Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render its opinion in relation to such Series 2016 Bonds in substantially the following form:

[Closing Date]

Lee County Industrial Development Authority
Fort Myers, Florida

Members:

In the capacity of Bond Counsel we have examined a record of proceedings relating to the issuance by the Lee County Industrial Development Authority, Lee County, Florida (the "Issuer") of its $30,000,000 aggregate principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Series 2016A Bonds") and $30,000,000 aggregate principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Series 2016B Bonds," and together with the Series 2016A Bonds, the "Series 2016 Bonds").

The Series 2016 Bonds are issued under the authority of the Laws of the State of Florida, including, particularly, Parts II, III and VI, Chapter 159, Florida Statutes (the "Act"), and other applicable provisions of law, and pursuant to the Resolution adopted by the Issuer on October 28, 2016, authorizing the issuance of the Series 2016 Bonds (the "Resolution") and that certain Trust Indenture, dated as of December 1, 2016 (the "Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Series 2016 Bonds are dated and shall bear interest from their date of delivery, except as otherwise provided in the Resolution. The Series 2016 Bonds will mature on the dates and in the principal amounts and will bear interest at the respective rates per annum, as provided in the Indenture and set forth in the final Official Statement

delivered in connection with the sale of the Series 2016 Bonds (the "Official Statement"). Interest on the Series 2016 Bonds shall be payable on each Interest Payment Date (as defined in the Indenture). The Series 2016 Bonds are subject to redemption prior to maturity in accordance with the Indenture and as set forth in the Official Statement.

The Series 2016 Bonds are issued for the principal purpose of providing moneys to finance certain wastewater and solid waste capital improvement costs, as more particularly described in the Resolution.

The Series 2016 Bonds are payable from the Pledged Funds (as defined in the Indenture) to the extent and in the manner provided in the Indenture. "Pledged Funds" includes payments made to the Issuer pursuant to that certain Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), between the Issuer and Florida Power & Light Company (the "Borrower"). Pursuant to the Loan Agreement, the Borrower (i) agrees to make loan payments sufficient to pay, among other obligations, the principal of and interest on the Series 2016 Bonds, when due, and to make any required deposits into certain funds established by the Indenture, and (ii) expressly assumes the performance of all of the Issuer's obligations under the Indenture.

None of the Issuer, the State of Florida (the "State") nor any political subdivision or agency of the State shall in any event be liable for the payment of the principal of, premium, if any, or interest on the Series 2016 Bonds or for the performance of any pledge, obligation or agreement undertaken by the Issuer, except to the extent that the trust estate created under the Indenture is sufficient therefor. No owner of any Series 2016 Bonds has the right to compel any exercise of the taxing power of the State or any political subdivision or agency thereof to pay the Series 2016 Bonds or the interest thereon, and the Series 2016 Bonds do not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation. The Issuer has no taxing power.

Reference is made to the opinion of even date of Squire Patton Boggs (US) LLP, Tampa, Florida, Special Counsel to the Borrower, with respect to various matters, including (i) the corporate power of the Borrower to enter into and perform its obligations under the Loan Agreement, and (ii) the authorization, execution and delivery of the Loan Agreement by the Borrower. In rendering the opinions set forth herein we have relied on said opinion.

As to questions of fact material to our opinion we have relied upon representations of the Issuer, the Borrower and the certified proceedings and other certifications of appropriate officials of the Issuer and the Borrower furnished to us (including certifications as to the use of the proceeds of the Series 2016 Bonds), without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Resolution, the Indenture and the Loan Agreement. We have not undertaken an independent audit,

examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Series 2016 Bonds, and have relied solely on the facts, estimates and circumstances described and set forth therein. In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based on the foregoing, under existing law, we are of the opinion that:

1. The Issuer is a public body corporate and politic and a duly created and validly existing industrial development authority under the laws of the State of Florida including, particularly, the Act, and has full power and authority to enter into, execute and deliver the Indenture and the Loan Agreement, to issue, sell and deliver the Series 2016 Bonds, and to perform its obligations under the terms and conditions of the Indenture and the Loan Agreement.

2. The Resolution authorizing, among other things, the issuance and sale of the Series 2016 Bonds has been duly adopted by the Issuer, and no further action of the Issuer is required for its continued validity.

3. The Indenture and the Loan Agreement have each been duly authorized and approved by the Issuer, have each been duly executed and delivered by the Issuer, and, assuming the due authorization, execution and delivery of such documents by the other parties thereto, constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms.

4. The Series 2016 Bonds have been duly authorized by the Issuer, duly executed by authorized representatives of the Issuer, authenticated by the Trustee and validly issued by the Issuer and constitute the legal, valid and binding limited obligations of the Issuer enforceable in accordance with their terms and are entitled to the benefit and security of the trust estate created under the Indenture. The Series 2016 Bonds are payable solely from the Pledged Funds in the manner and to the extent provided in the Indenture.

It should be noted that, except as may expressly be set forth in an opinion delivered by us to the underwriters and the Issuer (on which opinion only they may rely) for the Series 2016 Bonds on the date hereof, we have not been engaged or undertaken to review (1) the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2016 Bonds and we express no opinion relating thereto, (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2016 Bonds and we express no opinion relating thereto, or (3) the tax status of interest on the Series 2016 Bonds for federal income tax purposes.

The opinions expressed in paragraphs 3 and 4 hereof are qualified to the extent that the enforceability of the Series 2016 Bonds, the Loan Agreement and the Indenture, respectively, may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization, or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the forms of the Series 2016 Bonds and, in our opinion, the forms of the Series 2016 Bonds are regular and proper.

Respectfully submitted,

APPENDIX C-2

Form of Opinion of Special Tax Counsel for Series 2016 Bonds

Upon delivery of the Bonds, Squire Patton Boggs (US) LLP, Special Tax Counsel, proposes to render its final opinion with respect to the Bonds in substantially the following form:

To: Lee County Industrial Development Authority
Fort Myers, Florida

Florida Power & Light Company
Juno Beach, Florida

Subject: Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016A and Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016B

We have served as special tax counsel to our client Florida Power & Light Company, Florida (the "Company") and not as counsel to any other person in connection with the issuance by the Lee County Industrial Authority (the "Authority") of the above-referenced bonds (collectively the "Bonds").

In our capacity as special tax counsel, we have examined the transcript of proceedings relating to the authorization, issuance and delivery of the Bonds and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter. Capitalized terms not otherwise defined elsewhere in this letter are used as defined in the Bonds.

Based on that examination and subject to the limitations stated below, we are of the opinion that, under existing law:

1. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on any Bond for any period during which it is held by a "substantial user" or "related person," as those terms are used in Section 147(a) of the Code and is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

2. The Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except for estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

We express no opinion as to any other tax consequences regarding the Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined and (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, the parties.

We further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the Authority and the Company. Failure to comply with certain of those covenants subsequent to the issuance of the Bonds may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

We also further assume the correctness of, and rely on the opinion of Nabors, Giblin and Nickerson, P.A., bond counsel to the Authority, including the opinion stated therein regarding the validity of, and enforceability against the Authority of the Bonds, which opinion letter is subject to a number of qualifications and limitations.

The opinions rendered in this letter are stated only as of this date, and no other opinion shall be implied or inferred as a result of anything contained in or omitted from this letter. Our engagement as special tax counsel with respect to the Bonds has concluded on this date.

Respectfully submitted,

APPENDIX D

NOTICE OF TENDER OF BOOK-ENTRY BONDS-WEEKLY INTEREST RATE PERIOD

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016[A/B]

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent seven days from the date of the Tender Agent's receipt, by telecopy or otherwise, of this notice, or the next Business Day* if such seventh day is not a Business Day (the "Tender Date"); provided, however, that if this notice is received by the Tender Agent by telecopy, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent, unless the Tender Agent receives this notice in original executed form by hand delivery prior to 2:00 p.m. New York time on the Business Day next succeeding its receipt of such notice by telecopy. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000 and $5,000 in excess thereof	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice that (1) the tender of the Tendered Book-Entry Bonds is irrevocable; (2) the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) in the event of a failure to tender the Tendered Book-Entry Bonds to the

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market them as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

NOTICE OF TENDER OF BOOK-ENTRY BONDS-DAILY INTEREST RATE PERIOD

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016[A/B]

The Undersigned DTC Participant representing the beneficial owner of the book-entry bonds described below (the "Tendered Book-Entry Bonds") does hereby irrevocably tender the Tendered Book-Entry Bonds to The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, or its successor, as Tender Agent (the "Tender Agent"), for purchase by the Tender Agent on the date hereof or the next Business Day* if the date hereof is not a Business Day (the "Tender Date"); provided, however, that if this notice is not received by the Tender Agent by 11:00 a.m. on the date hereof, this notice shall be of no force or effect, and the Tendered Book-Entry Bonds shall not be accepted or purchased by the Tender Agent. The Purchase Price of Tendered Book-Entry Bonds shall be the unpaid principal amount of the Tendered Book-Entry Bonds plus accrued and unpaid interest, if any, thereon to, but not including, the Tender Date, and without premium (the "Purchase Price"). In the event that the Tender Date is also an interest payment date for the Tendered Book-Entry Bonds, interest on the Tendered Book-Entry Bonds to, but not including, the Tender Date shall be paid in the ordinary fashion and shall not constitute part of the Purchase Price.

Tendered Book-Entry Bonds

Tendered Principal Amount (in multiples of $100,000 and $5,000 in excess thereof)	DTC Participant Number	CUSIP Number(s)
$		

The undersigned acknowledges and agrees by the execution and delivery of this notice that (1) the tender of the Tendered Book-Entry Bonds is irrevocable; (2) the undersigned is contractually bound to tender such Tendered Book-Entry Bonds to the Tender Agent on the Tender Date; and (3) in the event of a failure to tender the Tendered Book-Entry Bonds to the Tender Agent on or before 12:00 Noon, New York City time on the Tender Date the undersigned shall pay to the Tender Agent an amount (the "default amount") equal to the difference between (a) the costs arising out of the failure to tender and (b) the purchase price, as defined above, which would have been paid to the undersigned upon a tender. As used herein the "costs arising out of the failure to tender" shall mean the sum of (x) the amount expended by the Tender Agent, either directly or through an agent, in acquiring book-entry bonds in substitution of the Tendered

* "Business Day" shall have the meaning ascribed thereto by the Indenture under which the Tendered Book-Entry Bonds are issued.

Book-Entry Bonds (including interest thereon) and (y) the administrative and other charges, expenses or commissions incurred in connection with the acquisition of such substitute book-entry bonds.

The undersigned agrees that the Tender Agent, either directly or through an agent, may acquire such substitute bonds in such manner and market them as it deems commercially reasonable, and further agrees that the default amount is reasonable in light of the anticipated harm caused by the failure to tender and the inconvenience of obtaining any other remedy.

The undersigned hereby irrevocably appoints the Tender Agent as his duly authorized attorney and directs the Tender Agent to effect the transfer of the Tendered Book-Entry Bonds.

Date of Notice:

Signature of DTC Participant Representing the Beneficial Owner of the Tendered Book-Entry Bonds

_____

_____

_____

Street City

_____

State Zip

_____

Area Code Telephone Number

Federal Taxpayer Identification Number

_____

APPENDIX E

Form of Continuing Disclosure Undertaking

Continuing Disclosure Undertaking

This Continuing Disclosure Undertaking (this "Disclosure Undertaking") is dated December 1, 2016 by FLORIDA POWER & LIGHT COMPANY (the "Company") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as trustee (the "Trustee"), in connection with the sale of $30,000,000 aggregate principal amount of Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016[A/B] (the "Bonds"). The Bonds are issued pursuant to a Trust Indenture dated as of December 1, 2016 (the "Indenture") between Lee County Industrial Development Authority (the "Issuer") and the Trustee. The proceeds of the Bonds are provided by the Issuer to the Company pursuant to a Loan Agreement dated as of December 1, 2016 (the "Loan Agreement") between Company and the Issuer.

In consideration of the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the parties hereto agree as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Company and the Trustee for the benefit of the Beneficial Owners (defined below) and in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below). The Company and the Trustee acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Disclosure Undertaking, and the Issuer has no liability to any person, including any Beneficial Owner, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined herein the following capitalized terms shall have the following meanings:

"Annual Report" shall mean the Form 10-K (as defined in Section 3(a) hereof) or, collectively, the filings described in Section 3(b) hereof.

"Beneficial Owner" shall mean, while the Bonds are held in a book-entry only system, the actual purchaser of each Bond, the ownership interest of which is to be recorded on the records of the direct and indirect participants of DTC, and otherwise shall mean the holder of Bonds.

"Commission" shall mean the Securities and Exchange Commission, or any successor body thereto.

"EMMA" shall mean the Electronic Municipal Market Access system and the EMMA Continuing Disclosure Service of MSRB, or any successor thereto approved by the Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

"Listed Events" shall mean any of the events listed in Section 4 of this Disclosure Undertaking.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto. On July 1, 2009, the MSRB became the sole repository to which the Company must electronically submit Annual Reports pursuant to Section 3 hereof and material event notices pursuant to Section 4 hereof. Reference is made to Commission Release No. 34-59062, December 15, 2008 (the "Release") relating to EMMA, which became effective on July 1, 2009. To the extent applicable to this Disclosure Undertaking, the Company shall comply with the provisions described in the Release and with the requirements of EMMA, as amended or supplemented from time to time.

"Participating Underwriter" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) If the Company shall file with the Commission, with respect to the Company's fiscal years ending December 31, 2015 and thereafter, reports on Form 10-K under Sections 13 or 15(d) of the Exchange Act, including any successor provisions thereto ("Form 10-K"), the Company shall provide not later than one hundred twenty (120) days after the close of its fiscal year to the MSRB and to the Trustee the Form 10-K, provided that the Company may satisfy such requirement by delivery to the MSRB and to the Trustee of a notice incorporating by reference the Form 10-K for that year, which notice shall state that such Form 10-K constitutes the Annual Report for that year.

(b) In the event the Company no longer files annual reports under Sections 13 or 15(d) of the Exchange Act, the Company's Annual Report shall consist of annual financial information of the type set forth or incorporated by reference in the Official Statement dated November 21, 2016 delivered with respect to the sale of the Bonds, including audited financial statements prepared in accordance with generally accepted accounting principles (GAAP), in each case not later than one hundred twenty (120) days after the end of the Company's fiscal year.

(c) The Company shall, in a timely manner, provide to the MSRB and the Trustee notice of failure by the Company to file any Annual Report by the date due.

Section 4. Reporting of Material Events.

The Company shall provide, in a timely manner not in excess of ten (10) business days after the occurrence of the event, to the MSRB and the Trustee notice of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) any unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancement facilities reflecting financial difficulties;

(5) substitution of credit or liquidity providers or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of the holders of the Bonds, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Company;

(13) the consummation of a merger, consolidation, or acquisition involving the Company or the sale of all or substantially all of the assets of the Company, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Neither the terms of the Loan Agreement, the Indenture nor the Bonds require that any debt service reserve fund be established.

Section 5. Termination of Reporting Obligation. The Company's obligations under this Disclosure Undertaking shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. If the Company's obligations under the Loan Agreement and this Disclosure Undertaking are assumed in full by some other entity, such entity shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the Company and the Company shall have no further responsibility hereunder. The Company shall provide timely

notice to the MSRB of the termination of the Company's obligations under this Disclosure Undertaking pursuant to an assumption of its obligations hereunder.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Company and the Trustee may amend this Disclosure Undertaking (and the Trustee shall agree to any amendment so requested by the Company that does not change the duties of the Trustee hereunder, provided the Trustee receives indemnity satisfactory to it) or waive any provision hereof, but only in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the obligor with respect to the Bonds or the type of business conducted by said obligor; provided that (15) this Disclosure Undertaking, as amended or following such waiver, would have complied with the requirements of the Rule on the date of an adjustment of the then-current Interest Rate Period, after taking into account any amendments to the Rule as well as any change in circumstances, and (16) the amendment or waiver does not materially impair the interests of the holders of Bonds, in the opinion of the Trustee or counsel expert in federal securities laws reasonably satisfactory to both the Company and the Trustee, or is approved by not less than the Beneficial Owners of a majority in aggregate principal amount of the outstanding Bonds.

In the event of any amendment to the type of financial or operating data provided in an Annual Report provided pursuant to Section 3(b) hereof, or any change in accounting principles reflected in such Annual Report, the Company agrees that the Annual Report will explain, in narrative form, the reasons for the amendment or change and the effect of such change, including comparative information, where appropriate. To the extent not otherwise included in such Annual Report, the Company will also provide timely notice of any change in accounting principles to the MSRB and the Trustee.

Section 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Company from disseminating any other information using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Company chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Undertaking, the Company shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 8. Default. In the event of a failure of the Company to comply with any provision of this Disclosure Undertaking, the Trustee may (and, at the request of the Beneficial Owners of not less than a majority of the aggregate principal amount of outstanding Bonds, shall) subject to the same conditions, limitations and procedures that would apply under the Indenture if the breach were an event of default under the Indenture (each, an "Event of Default"), or any Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Company to comply with its obligations under this Disclosure Undertaking; provided, that, to the extent permitted by the securities laws, any Beneficial Owner's right to challenge the adequacy of the information provided in accordance with the undertaking of the Company described in Section 3 and Section 4 hereof shall be subject to the same limitations as those set forth in Article VIII of

the Indenture with respect to Events of Default thereunder. A default under this Disclosure Undertaking shall not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Company to comply with this Disclosure Undertaking shall be an action to compel performance. The Trustee shall be entitled to rely conclusively upon any written evidence provided by the Company regarding the provision of information to the MSRB.

Section 9. Duties, Immunities and Liabilities of Trustee; Assignment by Trustee. Solely for the purpose of (a) defining the standards of care and performance applicable to the Trustee in the performance of its obligations under this Disclosure Undertaking, (b) the manner of execution by the Trustee of those obligations, (c) defining the manner in which, and the conditions under which, the Trustee may be required to take action at the direction of Beneficial Owners, including the condition that indemnification be provided, and (d) matters of removal, resignation and succession of the Trustee under this Disclosure Undertaking, Article IX of the Indenture is hereby made applicable to this Disclosure Undertaking as if this Disclosure Undertaking were (solely for this purpose) contained in the Indenture; provided the Trustee shall have only such duties under this Disclosure Undertaking as are specifically set forth in this Disclosure Undertaking. Anything herein to the contrary notwithstanding, the Trustee shall have no duty to investigate or monitor compliance by the Company with the terms of this Disclosure Undertaking, including without limitation, reviewing the accuracy or completeness of any information or notices filed by the Company hereunder. Anything herein to the contrary notwithstanding, the Trustee shall not be construed as having any duty to the Participating Underwriter, except to the extent that such Participating Underwriter is a Beneficial Owner. The Trustee shall assign this Disclosure Undertaking to any successor Trustee appointed pursuant to the terms of the Indenture.

The Company agrees to pay the Trustee from time to time reasonable compensation for services provided by the Trustee under this Disclosure Undertaking and to pay or reimburse the Trustee upon request for all reasonable fees, expenses, disbursements and advances incurred or made in accordance with this Disclosure Undertaking (including reasonable compensation and the expenses and disbursements of its counsel and of all agents and other persons regularly in its employ) or as a result of the Trustee's duties and obligations hereunder, or as a result of the Company's failure to perform its obligations hereunder, except to the extent that any such fees, expenses, disbursement or advance is due to the gross negligence or willful misconduct of the Trustee.

The Trustee is a party to this Disclosure Undertaking solely for and on behalf of the holders and Beneficial Owners of the Bonds and shall not be considered to be the agent of the Company when performing any actions required to be taken by the Trustee under this Disclosure Undertaking. Nothing in this Disclosure Undertaking shall prevent the Company from designating the Trustee as its agent in performing the Company's obligations under this Disclosure Undertaking; provided, however, such designation shall be made in writing under mutually agreeable terms.

Section 10. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Company, the Trustee, the Participating Underwriter, and Beneficial Owners, and shall create no rights in any other person or entity.

Section 11. Submission of Documents to the MSRB. Unless otherwise required by law, all documents provided to the MSRB pursuant to this Disclosure Undertaking shall be provided to the MSRB in an electronic, word-searchable format and shall be accompanied by identifying information, in each case as prescribed by the MSRB.

Section 12. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of New York.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Disclosure Undertaking as of the day and year first written above.

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Paul I. Cutler
Title: Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By:_____
Name: Linda Boenish
Title: Vice President

CONFIDENTIAL

Exhibit l (i)

Term Loan Agreement between FPL and a commercial bank dated as of March 31, 2016 (Bank 1 2016 Term Loan Agreement).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(i), consisting of 50 pages, with the Florida Public Service Commission Clerk

EXECUTION VERSION

TERM LOAN AGREEMENT

$400,000,000 TERM LOAN FACILITY

BETWEEN

FLORIDA POWER & LIGHT COMPANY, AS BORROWER

AND

[redacted]

AS LENDER AND ADMINISTRATIVE AGENT

DATED AS OF MARCH 31, 2016

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Exhibit G	Form of Assignment and Assumption Agreement

TERM LOAN AGREEMENT

This **TERM LOAN AGREEMENT**, dated as of March 31, 2016, is by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "Borrower"), the lending institutions from time to time listed on *Schedule I* hereto (the "Lender or "Lenders"), and [redacted], acting in its capacity as Administrative Agent for the Lenders (together with its successors and assigns in such capacity, the "Agent") (the Borrower, the Lenders and the Agent are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders agree to make available to the Borrower a Four Hundred Million United States Dollars (US$400,000,000) term loan facility; and

WHEREAS, the Lenders are willing to do so, on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 - DEFINITIONS AND RULES OF INTERPRETATION.

Section 1.01. Definitions. The following terms shall have the meanings set forth in this *Section 1.01* or elsewhere in the provisions of this Agreement referred to below:

"Acceleration Notice" has the meaning specified in *Section 7.02.*

"Actions" has the meaning specified in *Section 10.04.*

"Agent" has the meaning given such term in the Preamble.

"Agreement" means this Term Loan Agreement, including the Schedules and Exhibits hereto.

"Anti-Terrorism Law" means any Requirement of Law related to money laundering or financing terrorism including 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) (the "USA PATRIOT Act"), The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"Applicable Lending Office" means, in the case of any Lender, such Lender's Domestic Lending Office or Eurodollar Lending Office, as the case may be.

"Assignment and Assumption Agreement" has the meaning assigned to such term in *Section 10.06(b)*.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country Implementing Article 55 or Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

[redacted]

"Base Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Base Rate.

"Borrower" has the meaning given such term in the preamble hereto.

"Borrowing" means the drawing down by the Borrower of a Loan or Loans from the Lenders on any given Borrowing Date.

"Borrowing Date" means the date on which any Loan is made or to be made.

"Business Day" means any day other than (a) Saturday or Sunday, or (b) a day on which banking institutions in New York City, New York are required or authorized to close *(provided* that no day shall be deemed to be a Business Day with respect to any Eurodollar Rate Loan unless such day is also a Eurodollar Business Day).

"Borrowing Notice" means a certificate to be provided pursuant to *Section 2.02(a)*, in substantially the form set forth in *Exhibit A*.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, for the purposes of the increased cost provisions in *Section 3.06* or *Section 3.07*, any changes with respect to capital adequacy or liquidity which result from (i) all requests, rules, guidelines or directives under or issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case

pursuant to "Basel III" (meaning the comprehensive set of reform measures developed (and designated as "Basel III" in September 2010) by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector), shall in each case be deemed to be a "Change in Law" as to which the affected Lender is entitled to compensation to the extent such request, rule, guideline or directive is either (1) enacted, adopted or issued after the Effective Date (but regardless of the date the applicable provision of the Dodd-Frank Act or Basel III to which such request, rule, guideline or directive relates was enacted, adopted or issued) or (2) enacted, adopted or issued prior to the Effective Date but either (A) does not require compliance therewith, or (B) which is not fully implemented until after the Effective Date and which entails increased cost related thereto that cannot be reasonably determined as of the Effective Date.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Communications" has the meaning specified in *Section 10.02(b)*.

"Communications Notice" has the meaning specified in *Section 10.02(c)*.

"Conversion" or "Convert" means a conversion of all or part of any Loan of one Type into a Loan of another Type pursuant to *Section 2.06* hereof (including any such conversion made as a result of the operation of any other provision hereof).

"Conversion Date" means the date on which all or any portion of any Loan is Converted or continued in accordance with *Section 2.06*.

"date of this Agreement" and "date hereof" means March 31, 2016.

"Default" means an Event of Default, or an event that with notice or lapse of time or both would become an Event of Default, or the filing in any court of competent jurisdiction of any petition or application or the commencement of any case or other proceeding referred to in *Section 7.01(g)* so long as the same remains undismissed or unstayed.

"Defaulting Lender" means, subject to *Section 3.11(b)*, any Lender that (a) fails to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when such payment is due; (b) notifies the Borrower or the Agent in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that one or more conditions precedent to funding (each of which condition precedents, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) fails, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and to the Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the subsequent receipt of such written confirmation by the Agent and the Borrower); or (d) has (or has a direct or indirect parent company that has) become the subject of any Insolvency Proceeding or Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such

Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of the preceding clauses (a) through (d) shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to *Section 3.11(b)*) upon the Agent's delivery of Notice of such determination to the Borrower and each Lender.

"Dollars" or "$" means United States dollars or such currency of the United States of America shall be legal tender for the payment of public and private debts in the United States of America.

"Domestic Lending Office" means, initially, the office of each Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining any Base Rate Loan as designated by a Lender in Notice to the Borrower and the Agent.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date on which all of the conditions precedent set forth in *Section 6.01* have been satisfied or waived, which is March 31, 2016.

"Eligible Assignee" means (i) any Lender or an affiliate of any Lender (in either instance, unless the relevant Lender is a Defaulting Lender at the time any such assignment is proposed), and (ii) any other Person that is approved by the Agent and, unless an Event of Default has occurred and is continuing at the time any such assignment is effected in accordance with the provisions of *Section 10.06(b)*, the Borrower, each of the foregoing approvals not to be unreasonably withheld or delayed; *provided however*, that neither the Borrower nor any affiliate of the Borrower shall qualify as an Eligible Assignee.

"Employee Benefit Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA maintained or contributed to by the Borrower or any ERISA Affiliate, other than a Multiemployer Plan.

[redacted]

[redacted]

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means any Person that is treated as a single employer with the Borrower under Section 414 of the Code.

"ERISA Reportable Event" means a reportable event with respect to a Guaranteed Pension Plan within the meaning of Section 4043 of ERISA as to which the requirement of notice has not been waived.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Eurocurrency Reserve Rate" means, for any Interest Period for any Eurodollar Rate Loan, the average maximum rate at which reserves (including, without limitation, any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits against "Eurocurrency liabilities" (as such term is used in Regulation D) in effect two (2) Eurodollar Business Days before the first day of such Interest Period. Without limiting the effect of the foregoing, the Eurocurrency Reserve Rate shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Rate is to be determined as provided in the definition of "Eurodollar Rate" in this *Section 1.01* or (ii) any category of extensions of credit or other assets that includes Eurodollar Rate Loans.

"Eurodollar Business Day" means any Business Day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Eurodollar Lending Office" means, initially, the office of each Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, that shall be making or maintaining any Eurodollar Rate Loan as designated by a Lender in Notice to the Borrower and the Agent.

[redacted]

"Eurodollar Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Eurodollar Rate.

"Event of Default" has the meaning assigned to such term in *Section 7.01*.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in such Loan (other than pursuant to an assignment request by the Borrower under *Section 2.07*, or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to *Section 3.10*, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with *Section 3.10(c)*, and *(e)* any U.S. federal withholding Taxes imposed under FATCA.

"FASB ASC 715" means Financial Accounting Standards Board Accounting Standards Codification 715, Compensation – Retirement Benefits.

"FASB ASC 810" means Financial Accounting Standards Board Accounting Standards Codification 810, Consolidation.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

"Federal Funds Rate" means, for any day, a fluctuating interest rate per annum equal for each day during such period to the rate published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York for overnight Federal funds transactions with members of the Federal Reserve System, or, if such rate is not so published for any day that is a Business Day, the quotation for such day on such transactions received by the Agent from a Federal funds broker of recognized standing selected by it; *provided* that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"First Mortgage" means Borrower's Mortgage and Deed of Trust, dated as of January 1944, as supplemented and amended from time to time.

"Fitch" means Fitch Ratings.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FPSC Financing Order" means the Final Order Granting the Borrower Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on November 4, 2015, as Order No. PSC-14-0524-FOF-EI, and each successive order of the Florida Public Service Commission granting authority to the Borrower to issue and sell securities, as applicable.

[redacted]

[redacted]

"generally accepted accounting principles" means generally accepted accounting principles, as recognized by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied and maintained on a consistent basis for the Borrower and its Subsidiaries throughout the period indicated and (subject to *Section 1.03*) consistent with the prior financial practice of the Borrower and its Subsidiaries.

"Governmental Authority" means, as to any Person, any government (or any political subdivision or jurisdiction thereof), court, bureau, agency or other governmental authority having jurisdiction over such Person or any of its business, operations or properties.

"Guaranteed Pension Plan" means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is subject to Title IV of ERISA and that is maintained or contributed to by the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate could be reasonably expected to have liability, other than a Multiemployer Plan.

"Immediately Available Funds" means funds with good value on the day and in the city in which payment is received.

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

"Indemnitee" has the meaning specified in *Section 10.04*.

"Indemnity Claim" has the meaning specified in *Section 10.04*.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any competent court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, administrative receivership, administration, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, undertaken under any U.S. Federal or state or any foreign law.

"Interest Payment Date" means (a) as to any Base Rate Loan, the last day of each calendar quarter; (b) as to any Eurodollar Rate Loan in respect of which the Interest Period is (i) three (3) months or less, the last day of such Interest Period and (ii) more than three (3) months, the date that is three (3) months from the first day of such Interest Period and, in addition, the last day of such Interest Period; and (c) as to all Loans, the Maturity Date.

"Interest Period" means, with respect to any particular Eurodollar Rate Loan, the period which (i) initially commences on either (A) the initial Conversion Date of such Eurodollar Rate Loan to occur on or after the Effective Date or (B) the date of Conversion of all or any portion of any particular Base Rate Loan into a Eurodollar Rate Loan, as the case may be, and ends one (1), two (2), three (3) or six (6) months thereafter as selected by the Borrower; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period and ending on the last day of one of the periods set forth above, as selected by the Borrower in an Interest Rate Notice; *provided,* that all of the foregoing provisions relating to Interest Periods are subject to the following:

(a) if any Interest Period would otherwise end on a day that is not a Eurodollar Business Day, then such Interest Period shall end on the next succeeding Eurodollar Business Day unless the next succeeding Eurodollar Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Eurodollar Business Day;

(b) if any Interest Period begins on the last Eurodollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of the Interest Period), then the Interest Period shall end on the last Eurodollar Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Notice" means a Notice given by the Borrower to the Agent (in substantially the form set forth in *Exhibit C*) specifying the Borrower's election to Convert all or any portion of the Loans, or specify the Interest Period with respect to all or any portion of any Eurodollar Rate Loans, in accordance with *Section 2.06*.

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has an Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Liabilities" has the meaning specified in *Section 10.04*.

"Lien" means any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Loan" means the aggregate principal amount advanced by each Lender as a Loan or Loans to the Borrower under *Section 2.01*.

"Loan Documents" means this Agreement, any Note or certificate or other document delivered in connection herewith or therewith.

"Loans" means the aggregate principal amount of the Loans of all Lenders Outstanding at the time referred to in the context in which the term is used.

"Majority Lenders" means Lenders having more than fifty percent (50%) of the sum of the aggregate unpaid principal amount of the Loans.

[redacted]

"Maturity Date" means March 30, 2017.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) of ERISA to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute or has within any of the preceding five plan years contributed or had an obligation to contribute.

"NextEra Energy" means NextEra Energy, Inc., a Florida corporation.

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

"Nonrecourse Indebtedness" has the meaning specified in *Section 5.17*.

"Note" means the promissory note provided for by *Section 2.03(b)*, including (as applicable) all amendments thereto and restatements thereof and all promissory notes delivered in substitution or exchange therefor (including any amended and restated note issued pursuant to this Agreement).

"Notice" has the meaning specified in *Section 10.02*.

"One Month LIBOR" means the ICE Benchmark Administration Settlement Rate applicable to U.S. dollars for a period of one month (for the avoidance of doubt, One Month LIBOR for any day shall be based on the rate appearing on Reuters LIBOR01 Page (or other commercially available source providing such quotations as designated by the Agent from time to time) at approximately 11:00 a.m London time two (2) Business Days prior to such day); *provided* that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

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

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

"Outstanding" means, with respect to any Loan, the aggregate unpaid principal amount thereof as of any date of determination.

"Participant" has the meaning specified in *Section 10.06(d)*.

"Participant Register" has the meaning specified in *Section 10.06(d)*.

"Parties" and "Party" have the meanings specified in the Preamble.

"PBGC" means the Pension Benefit Guaranty Corporation created by Section 4002 of ERISA and any successor entity or entities having similar responsibilities.

"Person" means any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Platform" has the meaning specified in *Section 10.02(b)*.

"Prime Rate" means, for any day, the prime commercial lending rate of the Agent as publicly announced to be in effect from time to time, such rate to be adjusted automatically, without notice, on the effective date of any change in such rate.

"Pro Rata Share" means, in respect of any Lender as of the date of any determination, the proportion which such Lender's Loans Outstanding bear to the total amount of Loans Outstanding.

"Rating Agency" means any of Fitch, Moody's or Standard & Poor's.

"Recipient" means the Agent and any Lender.

"Register" has the meaning specified in *Section 10.06(c)*.

"Regulations A, D, U and X" means, respectively, Regulations A, D, U and X of the Federal Reserve Board (or any successor).

"Regulatory Change" means, with respect to any Lender, any change after the date of this Agreement in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption, making or change in after such date of any interpretation, directive or request applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Removal Effective Date" has the meaning specified in *Section 9.07(b)*.

"Requirement of Law" means, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or final, non-appealable determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Resignation Effective Date" has the meaning specified in *Section 9.07(a)*.

"Sanctions" means, sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), US Department of State, United Nations Security Council, European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

[redacted]

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

[redacted]

"Type" has the meaning specified in *Section 1.02(h)*.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in paragraph (ii) of *Section 3.10(e)*.

[redacted]

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement, including any schedules or exhibits thereto, as any of same may be amended, modified or supplemented from time to time in accordance with its terms and, if applicable, the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) The words "include," "includes" and "including" are not limiting.

(f) Reference to any particular "Article," "Section," "Schedule," "Exhibit," "Recital" or "Preamble" refers to the corresponding Article, Section, Schedule, Exhibit, Recital or Preamble of this Agreement unless otherwise indicated.

(g) The words "herein," "hereof," "hereunder," "hereto" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(h) Loans hereunder are distinguished by "Type". The Type of a Loan refers to whether such Loan is a Base Rate Loan or a Eurodollar Rate Loan, each of which constitutes a Type.

Section 1.03. Accounting Matters. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles, as in effect from time to time; *provided* that, if the Borrower notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in generally accepted accounting principles or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such Notice is given before or after such change in generally accepted accounting principles or in the application thereof, then (a) such provision shall be interpreted on the basis of generally accepted accounting principles as in effect and applied immediately before such change shall have become effective until such Notice shall have been withdrawn or such provision amended in accordance therewith and (b) the Borrower shall provide to the Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations made before and after giving effect to such change in generally accepted accounting principles.

ARTICLE 2 - LOANS.

Section 2.01. Term Loan. Each of the Lenders severally agrees, on the terms of this Agreement (including, without limitation, *Article 6*), to make, simultaneously with the other Lenders, a single loan in Dollars to the Borrower on the Effective Date in an amount not to exceed the amount set opposite the name of such Lender on *Schedule I*, *provided* that the aggregate principal amount of such Loans shall not exceed Four Hundred Million United States Dollars (US$400,000,000). Amounts borrowed and repaid or prepaid may not be reborrowed.

Section 2.02. Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time on the Effective Date specifying the account to which the proceeds of the Loan are to be transferred.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on the Borrowing Date, make immediately available funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, by wire transfer at its address set forth on *Schedule I*, for crediting to the Borrower's designated account in accordance with the wire instructions included in the Borrowing Notice.

(d) The Borrower shall have the right, at any time and from time to time, to repay the Loans in whole or in part, without penalty or premium, (i) upon not less than (i) three (3) Business Days prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and (ii) same day written notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted]A or any larger integral multiple of [redacted]A in excess thereof, or equal to the remaining principal balance outstanding under such Loan and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such repayment in accordance with *Section 3.09*.

Section 2.03. Evidence of Indebtedness and Notes.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any particular Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Effective Date, (iii) be in a stated maximum principal amount equal to the Loans of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04. Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire

unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05. Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted] per annum.

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted].

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of such Loan.

(d) In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than ten (10) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) Each Lender shall give prompt Notice to the Borrower of the applicable interest rate determined by such Lender for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(f) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on the Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to the Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06. Interest Rate Conversion or Continuation Options.

(a) The Borrower may, subject to *Section 3.04* and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan

prior to the last day of the Interest Period relating to that Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give each Lender an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Day prior to such election; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made, any Lender may take such action, if any, as it deems desirable to transfer the Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of Loans of any Type may be Converted as specified herein; *provided* that partial Conversions shall be in an aggregate principal amount of [redacted][A] or any larger integral multiple of [redacted][B] Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted][A] or any integral multiple of [redacted][B] in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

[redacted]

Section 2.07. Replacement of Lenders.

If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv)

any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) The Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

ARTICLE 3 - CERTAIN GENERAL PROVISIONS.

Section 3.01. *[Reserved]*

Section 3.02. Funds for Payments.

(a) All payments of principal, interest, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, without counterclaim or setoff except as provided in *Article 8*, at the offices of the Agent, at its address set forth in *Schedule I*, for the respective accounts of the Lenders, in Immediately Available Funds, not later than 2:00 p.m., New York, New York time, on the due date therefor. Any payment received by the Agent after 2:00 p.m., New York, New York time, shall be deemed to have been received on the next succeeding Business Day. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to *Sections 3.06, 3.07, 3.09, 3.10*, and *Article 10* to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any

payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

(b) Unless the Agent shall have received Notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent or each Lender, as the case may be, shall repay to the Agent forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender, repays such amount to the Agent, at the Federal Funds Rate.

Section 3.03. Computations. All computations of interest based on the Prime Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Except as otherwise provided in the definition of the term "Interest Period" with respect to any Eurodollar Rate Loan, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest on any principal so extended shall accrue during such extension.

Section 3.04. Inability to Determine Eurodollar Rate. In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, the Agent shall determine or be notified by the Majority Lenders that adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans, as the case may be, or that the Eurodollar Rate will not adequately reflect the cost to the Majority Lenders of making, funding or maintaining their Eurodollar Rate Loans, during any Interest Period, the Agent shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower and the Lenders) to the Borrower and the Lenders. In such event (a) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed to be a request for a Base Rate Loan, (b) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (c) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Agent or the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent or, as the case may be, the Agent upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders.

Section 3.05. Illegality. Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain any Loan as a Eurodollar Rate Loan, such Lender shall promptly give Notice of such circumstances to the Borrower and the other Lenders and thereupon (a) the commitment of such Lender to make any Loan as a Eurodollar Rate Loan

or Convert any portion of the Loans of another Type to a Eurodollar Rate Loan shall automatically be suspended, and (b) such Lender's portion of the Loans then outstanding as Eurodollar Rate Loans, if any, shall be Converted automatically to Base Rate Loans on the last day of each Interest Period applicable to each such Eurodollar Rate Loan or within such earlier period as may be required by law. Notwithstanding anything contained in this *Section 3.05* to the contrary, in the event that any Lender is unable to make or maintain any Loan as a Eurodollar Rate Loan as set forth in this *Section 3.05*, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Eurodollar Lending Office so as to avoid such inability.

Section 3.06. Additional Costs. If any Change in Law:

(a) imposes, increases or renders applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of law) against assets held by, or deposits in or for the account of, or loans by an office of any Lender, or

(b) imposes on any Lender or the Agent any other conditions or requirements with respect to this Agreement, the other Loan Documents or any Loan,

(c) and the foregoing has the result of:

(i) increasing the cost or reducing the return to any Lender of making, funding, issuing, renewing, extending or maintaining the Eurodollar Rate Loans, or

(ii) reducing the amount of principal, interest or other amount payable to such Lender hereunder on account of the Eurodollar Rate Loans, or

(iii) requiring such Lender to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Lender from the Borrower hereunder,

then, and in each such case, the Borrower will, upon demand made by such Lender at any time and from time to time and as often as the occasion therefor may arise, pay to such Lender such additional amounts as will be sufficient to compensate such Lender for such additional cost, reduction, payment or foregone interest or other sum. Notwithstanding anything contained in this *Section 3.06* to the contrary, upon the occurrence of any event set forth in this *Section 3.06* with respect to any Lender, such affected Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Applicable Lending Office so as to avoid the effect of such event set forth in this *Section 3.06.*

Section 3.07. Capital Adequacy. If any Change in Law affects the amount of capital or liquidity required or expected to be maintained by any Lender or any corporation controlling such Lender due to the existence of the Loans, and such Lender determines that the result of the foregoing is to increase the cost or reduce the return to such Lender of making or maintaining such Loans, then such Lender may notify the Borrower of such fact. To the extent that the costs

of such increased capital or liquidity requirements are not reflected in the Base Rate and/or the Eurodollar Rate, the Borrower and such Lender shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrower receives such Notice, an adjustment payable hereunder that will adequately compensate such Lender in light of these circumstances, and in connection therewith, such Lender will provide to the Borrower reasonably detailed information regarding the increase of such Lender's costs. If the Borrower and such Lender are unable to agree to such adjustment within thirty (30) days of the date on which the Borrower receives such Notice, then commencing on the date of such Notice (but not earlier than the effective date of any such increased capital or liquidity requirement), the interest payable hereunder shall increase by an amount that will, in such Lender's reasonable determination, provide adequate compensation. Each Lender agrees that amounts claimed pursuant to this *Section 3.07* shall be made in good faith and on an equitable basis.

Section 3.08. Recovery of Additional Compensation.

(a) Certificate. If any Lender claims any additional amounts pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, it shall provide to the Agent and the Borrower a certificate setting forth such additional amounts payable pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, and a reasonable explanation of such amounts which are due (*provided* that, without limiting the requirement that reasonable detail be furnished, nothing herein shall require such Lender to disclose any confidential information relating to the organization of its affairs). Such certificate shall be conclusive, absent manifest error, that such amounts are due and owing.

(b) Delay in Requests. Delay on the part of any Lender to demand compensation pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as applicable, shall not constitute a waiver of such Lender's right to demand such compensation; [redacted]

Section 3.09. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense (including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain its Eurodollar Rate Loan) that such Lender may sustain or incur as a consequence of (a) default by the Borrower in payment of the principal amount of or any interest on any Eurodollar Rate Loan as and when due and payable, (b) default by the Borrower in making a prepayment after the Borrower has given a Notice of prepayment pursuant to *Section 2.02(d)*, (c) default by the Borrower in continuing any Loan, after the Borrower has given (or is deemed to have given pursuant to *Section 2.06* an Interest Rate Notice or (d) the making of any payment of principal of the Loan on a day that is not the last day of an Interest Period, including interest or fees payable by such Lender to lenders or funds obtained by it in order to maintain any Loan.

Section 3.10. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by such Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this *Section 3.10*) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification

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

(ii) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of *Section 10.06* relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this *Section 3.10(c)(ii)*.

(d) Evidence of Payments. Within thirty (30) days after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this *Section 3.10*, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in *Section 3.10(e)(ii)(1), (ii)(2)* and *(ii)(4)* below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the Recipient on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document,

executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed originals of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit F-1* to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-2* or *Exhibit F-3*, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if such Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-4* on behalf of each such direct and indirect partner;

(3) any Foreign Lender, shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on

or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments to FATCA made after the Effective Date.

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

(f) Treatment of Certain Refunds. If any Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this *Section 3.10* (including by the payment of additional amounts pursuant to this *Section 3.10*), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this *Section 3.10* with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this *Section 3.10(f)* (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay

such refund to such Governmental Authority. Notwithstanding anything to the contrary in this *Section 3.10(f)*, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this *Section 3.10(f)* the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This *Section 3.10(f)* shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 3.11. Defaulting Lenders; Cure.

(a) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article 7* or otherwise), or received by the Agent from a Defaulting Lender by exercise of right of set-off, shall be applied at such time or times as may be determined by the Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; *third*, if so agreed by the Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in *Section 6.01*, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this *Section 3.11(a)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto (and the amounts thus applied or held shall discharge any corresponding obligations of the Borrower relating thereto).

(b) Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the Parties, whereupon as of the effective date specified in such Notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral or other acceptable credit support), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders, whereupon such Lender will

cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided, further,* that except to the extent otherwise expressly agreed by the affected Parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any Party arising from that Lender's having been a Defaulting Lender.

(c) Effect on Other Obligations. No Commitment of any Lender shall be increased or otherwise affected, and except as otherwise expressly provided in this *Section 3.11*, performance by the Borrower of its obligations hereunder shall not be excused or otherwise modified as a result of the operation of this *Section 3.11*. The rights and remedies against a Defaulting Lender under this *Section 3.11* are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lenders and the Agent as follows:

Section 4.01. Corporate Authority.

(a) Incorporation; Good Standing. The Borrower (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite corporate power to own its property and conduct its business as now conducted, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction where such qualification is necessary except where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.

(b) Authorization. The execution, delivery and performance of this Agreement, the other Loan Documents to which the Borrower is or is to become a party and the transactions contemplated hereby and thereby (i) are within the corporate authority of the Borrower, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any breach or contravention of any provision of any law, statute, rule or regulation to which the Borrower is subject or any material judgment, order, writ, injunction, license or permit applicable to the Borrower, except where any such conflict, breach, or contravention would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, a material adverse effect on the ability of the Borrower to perform its obligations under the Loan Documents or a material adverse effect on the validity or enforceability of the Loan Documents, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order, and (iv) do not conflict with any provision of the Restated Articles of Incorporation of the Borrower, as amended, or Bylaws, as amended, of, or any material agreement or other material instrument binding upon, the Borrower, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any

one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order. This Agreement and each other Loan Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Enforceability. The execution and delivery by the Borrower of this Agreement and the other Loan Documents will result in valid and legally binding obligations of the Borrower, enforceable against it in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity.

Section 4.02. Governmental Approvals. The execution and delivery by the Borrower of this Agreement and the other Loan Documents, and the performance by it of its obligations thereunder, do not require the approval or consent of, or filing with, any Governmental Authority, except those which have been obtained on or prior to the date hereof, it being understood that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order.

Section 4.03. Title to Properties. The Borrower or one or more of its consolidated subsidiaries owns all of the assets reflected as the Borrower's assets in the consolidated balance sheet of the Borrower as at December 31, 2015 referred to in *Section 4.04* or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business or as otherwise permitted pursuant to the provisions of this Agreement since that date and except for such assets owned from time to time by any entity whose assets are consolidated on the balance sheet of the Borrower and its Subsidiaries solely as a result of the operation of FASB ASC 810), subject to no Liens, except for such matters set forth in *Schedule 4.03* or otherwise permitted pursuant to the provisions of this Agreement and Liens upon the assets of any Subsidiary of Borrower.

Section 4.04. Financial Statements. The Borrower's annual report on Form 10-K for the period ended December 31, 2015, includes the consolidated balance sheet of the Borrower and its subsidiaries as at such date and related consolidated income statements of Borrower and its subsidiaries, for the fiscal period then ended, which have been certified by the Borrower's independent public accountants. The financial statements of the Borrower included as a part of such annual report have been prepared in accordance with generally accepted accounting principles and present fairly the consolidated financial position and results of operations of the Borrower and its subsidiaries, taken as a whole, at the respective dates and for the respective periods to which they apply. As of the Effective Date, there has been no material adverse change in the business or financial condition of the Borrower and its subsidiaries, taken as a whole, since December 31, 2015, except as set forth *in Schedule 4.04.*

Section 4.05. Franchises, Patents, Copyrights, Etc. The Borrower possesses all material franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted and, except where in any such case any such conflict would not have a material adverse effect

on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, without known conflict with any rights of others.

Section 4.06. Litigation. Except as described in *Schedule 4.06*, as of the Effective Date, there is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, or to materially impair the right of the Borrower to carry on its business substantially as now conducted by it. There is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or any of its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to question the validity of this Agreement or any of the other Loan Documents or any actions taken or to be taken pursuant hereto or thereto.

Section 4.07. Compliance With Other Instruments, Laws, Etc. The Borrower is not in violation of any provision of its charter documents, bylaws, or any agreement or instrument to which it is subject or by which it or any of its properties is bound or any material decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that would materially and adversely affect the financial condition, properties or business of the Borrower and its Subsidiaries, taken as a whole.

Section 4.08. Tax Status. The Borrower has (a) prepared and, giving effect to all proper extensions, timely filed all federal and state income tax returns and, to the best knowledge of the Borrower, all other material tax returns, reports and declarations required by any applicable jurisdiction to which the Borrower is legally subject, which, giving effect to all proper extensions, were required to be filed prior to the Effective Date, (b) paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) to the extent deemed necessary or appropriate by the Borrower, set aside on its books provisions reasonably adequate for the payment of all known taxes for periods subsequent to the periods to which such returns, reports or declarations apply.

Section 4.09. No Default. No Default has occurred and is continuing.

Section 4.10. Investment Company Act. The Borrower is not an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940.

Section 4.11. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions.

(b) Terminability of Plans. Under each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries which is an employee welfare benefit plan within the meaning

of §3(1) or §3(2)(B) of ERISA, no benefits are due unless the event giving rise to the benefit entitlement occurs prior to plan termination (except as required by Title I, Part 6 of ERISA). The Borrower and its Subsidiaries may terminate their respective participation in each such plan at any time (other than a plan that provides benefits pursuant to a collective bargaining agreement) in the discretion of the Borrower or its Subsidiaries without liability to any Person.

(c) Guaranteed Pension Plans. As of the Effective Date, each contribution required to be made to a Guaranteed Pension Plan by either the Borrower or an ERISA Affiliate, whether required to satisfy the minimum funding requirements described in §302 or §303 of ERISA, the notice or lien provisions of §303(k) of ERISA, or otherwise, has been timely made. As of the Effective Date, no waiver from the minimum funding standards or extension of amortization periods has been received with respect to any Guaranteed Pension Plan. As of the Effective Date, no liability to the PBGC (other than required insurance premiums, all of which have been paid) has been incurred by the Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and, except as set forth in *Schedule 4.11(c)*, there has not been any ERISA Reportable Event which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of §4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans by more than $500,000.

(d) Multiemployer Plans. The Borrower nor any ERISA Affiliate has incurred any material unpaid liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under §4201 of ERISA or as a result of a sale of assets described in §4204 of ERISA. Neither the Borrower nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization, insolvent or "endangered" or "critical" status under and within the meaning of §4241, §4245 or §305, respectively, of ERISA or that any Multiemployer Plan intends to terminate or has been terminated under §4041A of ERISA.

Section 4.12. Use of Proceeds. The proceeds of the Loans shall be used for the general corporate purposes of the Borrower.

Section 4.13. Compliance with Margin Stock Regulations. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "'margin stock" (within the meaning of Regulation U or Regulation X of the Federal Reserve Board), and no part of the proceeds of the Loans will be used to purchase or carry any "margin stock," to extend credit to others for the purpose of purchasing or carrying any "margin stock" or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of Regulation U or Regulation X. In addition, not more than twenty-five percent (25%) of the value (as determined by any reasonable method) of the assets of the Borrower consists of margin stock.

Section 4.14. USA PATRIOT ACT, OFAC and Other Regulations.

(a) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate (i) has violated any applicable anti-corruption laws or Anti-Terrorism Laws or (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, employees, brokers or agents of the Borrower, such Subsidiary or Affiliate is a Person that is, or is owned or controlled by Persons that are: (i) the subject of any Sanctions, or (ii) located, organized or resident in a country, region or territory that is, or whose government is, the subject of Sanctions, which on the date of this Agreement are Crimea, Cuba, Iran, North Korea, Sudan and Syria.

(c) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate acting or benefiting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Person, or in any country or territory, that is the subject of any Sanctions, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 5 - COVENANTS OF BORROWER

The Borrower covenants and agrees that, so long as any portion of the Loans is outstanding:

Section 5.01. Punctual Payment. The Borrower will duly and punctually pay or cause to be paid (a) the principal and interest on the Loans, and (b) the fees and all other amounts provided for in this Agreement and the other Loan Documents.

Section 5.02. Maintenance of Office. The Borrower will maintain its chief executive office at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, or at such other place in the United States of America as the Borrower shall designate by Notice to the Agent, in accordance with *Section 10.02.*

Section 5.03. Records and Accounts. The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with generally accepted accounting principles and (b) to the extent deemed necessary or appropriate by the Borrower, maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, contingencies, and other reserves.

Section 5.04. Financial Statements, Certificates and Information. The Borrower will deliver to each of the Lenders and the Agent, which, for the purposes of this *Section 5.04*, may be made available electronically by the Borrower as provided in the final sentence of this *Section 5.04*:

(a) as soon as practicable, but in any event not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower, the consolidated balance sheet of the Borrower and its subsidiaries as at the end of such year, and the related consolidated statements of income and consolidated statements of cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year or year-end, as applicable, and all such consolidated statements to be prepared in accordance with generally accepted accounting principles, and certified by Deloitte & Touche LLP or by other independent public accountants reasonably satisfactory to the Agent. The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's annual report on Form 10-K for the period for which such financial statements are to be delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer shall have obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(b) as soon as practicable, but in any event not later than sixty (60) days after the end of each of the first three (3) fiscal quarters of the Borrower copies of the unaudited consolidated balance sheet of the Borrower and its subsidiaries as at the end of such quarter, and the related consolidated statements of income and consolidated statements of cash flows for the portion of the fiscal year to which they apply, all prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower that the information contained in such financial statements fairly presents the financial position of the Borrower and its Subsidiaries as of the end of such quarter (subject to year-end adjustments). The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's quarterly report on Form 10-Q for the period for which such financial statements are being delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer has obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(c) contemporaneously with the filing or mailing thereof, copies of all material of a financial nature filed by the Borrower with the Securities and Exchange Commission;

(d) promptly after the commencement thereof, Notice of all actions and proceedings before any court, governmental agency or arbitrator of the type described in *Section 4.06* to which the Borrower is a party or its properties are subject; and

(e) from time to time such other financial data and information as the Agent or any Lender may reasonably request.

Reports or financial information required to be delivered pursuant to this *Section 5.04* shall, to the extent any such financial statements, reports, proxy statements or other materials are included in materials otherwise filed with the Securities and Exchange Commission, be deemed to be delivered hereunder on the date of such filing. Any such report or financial information may also be delivered to the Agent electronically as provided in *Section 10.02(b)*.

Section 5.05. Default Notification. The Borrower will promptly provide Notice to the Agent regarding the occurrence of any Default of which the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower has actual knowledge or notice.

Section 5.06. Corporate Existence: Maintenance of Properties. The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence (except as otherwise expressly permitted by the first sentence of *Section 5.13*), and will do or cause to be done all things commercially reasonable to preserve and keep in full force and effect its franchises; and the Borrower will, (a) cause all of its properties used and useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and (b) cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this *Section 5.06* shall prevent the Borrower or any of its Subsidiaries from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the sole judgment of the Borrower or its Subsidiary, as the case may be, desirable in the conduct of its or their business and does not in the aggregate materially adversely affect the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole; *provided further* that nothing in this *Section 5.06* shall affect or impair in any manner the ability of the Borrower or any of its Subsidiaries to sell or dispose of all or any portion of its property and assets (including, without limitation, its shares in any Subsidiary or all or any portion of the property or assets of any Subsidiary); and *provided finally* that, in the event of any loss or damage to its property or assets, the Borrower and its Subsidiaries shall be obligated to repair, replace or restore any such property or assets only if the Borrower or such Subsidiaries have determined that such repair, replacement or restoration is necessary or appropriate and any such repair, replacement and/or restoration may be effectuated by the Borrower or a Subsidiary in such time period and in the manner it deems appropriate.

Section 5.07. Taxes. The Borrower will duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all material taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges that in the aggregate are not material to the business or assets of the Borrower) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as

well as all claims for labor, materials, or supplies that if unpaid might by law become a Lien or charge upon any of its property; *provided* that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and *provided further* that the Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any Lien that may have attached as security therefor.

Section 5.08. Visits by Lenders. The Borrower shall permit the Lenders, or any of the Lenders' designated representatives, to visit the properties of the Borrower and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, its officers, upon reasonable Notice and all at such reasonable times and intervals as the Agent or any Lender may reasonably request.

Section 5.09. Compliance with Laws, Contracts, Licenses, and Permits. The Borrower will comply with (a) the laws and regulations applicable to the Borrower (including, without limitation, ERISA) wherever its business is conducted, (b) the provisions of its charter documents and by-laws, (c) all agreements and instruments by which it or any of its properties may be bound, and (d) all decrees, orders, and judgments applicable to the Borrower, except where in any such case the failure to comply with any of the foregoing would not materially adversely affect the business, property or financial condition of the Borrower and its Subsidiaries, taken as a whole. If at any time while any portion of the Loans or any other amount hereunder is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any Governmental Authority shall become necessary or required in order that the Borrower may fulfill any of its obligations hereunder or under any other Loan Document, the Borrower will promptly take or cause to be taken all reasonable steps within the power of the Borrower to obtain such authorization, consent, approval, permit or license and furnish the Agent with evidence thereof.

Section 5.10. Use of Proceeds. The Borrower will use the proceeds of the Loans solely for the purposes described in *Section 4.12*.

Section 5.11. Rating Agencies. The Borrower will at all times during the term of this Agreement employ at least two (2) Rating Agencies for the purpose of rating the Borrower's non-credit enhanced long-term senior unsecured debt or, to the extent such rating is not available. The Borrower's long-term senior secured debt, one of which must be either Moody's or Standard & Poor's.

Section 5.12. Maintenance of Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates: *provided, however,* that the Borrower may self-insure (which may include the establishment of reserves, allocation of resources, establishment of credit facilities and other similar arrangements) to the same extent as other companies engaged in similar businesses and owning similar properties in the same

general areas in which the Borrower operates and to the extent consistent with prudent business practice.

Section 5.13. Prohibition of Fundamental Changes. The Borrower will not consummate any transaction of merger or consolidation or amalgamation, or liquidation or dissolution; [redacted] The Borrower will not convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or substantially all of its business or assets, whether now owned or hereafter acquired, to any other Person unless [redacted]

Section 5.14. Indebtedness. The Borrower will insure that all obligations of the Borrower under this Agreement and the other Loan Documents rank and will [redacted] in respect of priority of payment by the Borrower and priority of lien, charge or other security in respect of assets of the Borrower with all other senior unsecured and unsubordinated loans, debts, guarantees or other obligations for money borrowed of the Borrower [redacted]

Section 5.15. Liens. The Borrower will not create any Lien upon or with respect to any of its properties, or assign any right to receive income, in each case to secure or provide for the payment of any debt of any Person, other than:

(i) purchase money liens or purchase money security interests upon or in any property acquired by the Borrower in the ordinary course of business to secure the purchase price or construction cost of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property or construction of improvements on such property;

(ii) Liens existing on property acquired by the Borrower at the time of its acquisition, *provided* that such Liens were not created in contemplation of such acquisition and do not extend to any assets other than the property so acquired;

(iii) Liens securing Nonrecourse Indebtedness created for the purpose of financing the acquisition, improvement or construction of the property subject to such Liens;

(iv) the replacement, extension or renewal of any Lien permitted by clauses (i) through (iii) of this *Section 5.15* upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in the direct or indirect obligor) of the indebtedness secured thereby;

(v) Liens upon or with respect to margin stock;

(vi) (a) deposits or pledges to secure payment of workers' compensation, unemployment insurance, old age pensions or other social security; (b) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of money) or leases, public or statutory obligations, surety or appeal bonds or other deposits or pledges for purposes of like general nature in the ordinary course of business; (c) Liens for property taxes not delinquent and Liens for taxes which in good faith are being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; (d) mechanics', carriers', workmen's, repairmen's or other like Liens arising in the ordinary course of business securing obligations which are not overdue for a period of sixty (60) days or more or which are in good faith being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and (e) other matters described in Schedule 4.03; and

(vii) the Lien of the Borrower's First Mortgage, any other Liens, charges or encumbrances permitted thereunder from time to time, and any other Lien or Liens upon all or any portion of the property or assets which are subject to the Lien of the First Mortgage;

(viii) any Liens securing any pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds or other taxable or tax-exempt bonds or similar obligations issued by or on behalf of the Borrower from time to time, and any Liens given to secure any refinancing or refunding of any such obligations; and

(ix) any other Liens or security interests (other than Liens or security interests described in clauses (i) through (viii) of this *Section 5.15),* if the aggregate principal amount of the indebtedness secured by all such Liens and security interests (without duplication) does not exceed in the aggregate $50,000,000 at any one time outstanding; [redacted]

Section 5.16. Employee Benefit Plans. The Borrower will not:

(a) engage in any non-exempt "prohibited transaction" within the meaning of §406 of ERISA or §4975 of the Code which could result in a material liability for the Borrower; or

(b) permit any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to fail to meet the "minimum funding standards" described in §302 and §303 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to an extent which, or terminate any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates in a manner which, could result in the imposition of a lien or encumbrance on the assets of the Borrower or any of its Subsidiaries pursuant to §303(k) or §4068 of ERISA; or

(d) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of §4001(a)(16) of ERISA) of Guaranteed Pension Plans sponsored by the Borrower or its ERISA Affiliates exceeding the value of the aggregate assets of such plans by more than the amount set forth in *Section 4.11(c)*. For purposes of this covenant, poor investment performance by any trustee or investment management of a Guaranteed Pension Plan shall not be considered as a breach of this covenant.

Section 5.17. [redacted]A

[redacted]

[redacted]

Section 5.18. Compliance with Anti-Terrorism Regulations. The Borrower shall not:

(a) Violate any applicable anti-corruption laws or Anti-Terrorism Laws or engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Use, directly or indirectly, the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (x) in violation of any applicable anti-corruption laws, (y) to fund any activities or business of or with any Person, or in any country or territory, that, is, or whose government is, the subject of Sanctions at the time of such funding, or (z) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

(c) Deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 6 - CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement and the making of Loans pursuant to *Section 2.01* is subject to the following conditions precedent, each of which shall have been met or performed in the reasonable opinion of the Agent:

(a) Execution of this Agreement. This Agreement shall have been duly executed and delivered by the Parties.

(b) Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Agreement and any other Loan Document to which it is a Party, shall have been duly and effectively taken, and evidence thereof satisfactory to the Lenders shall have been provided by the Borrower to the Agent.

(c) Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Agent dated as of the Effective Date, signed by its duly authorized officer, and giving the name and bearing a specimen signature of each individual who shall be authorized: (1) to sign, in the name and on behalf of the Borrower each of the Loan Documents to which it is a party, (2) to make Conversion requests and (3) to give notices and to take other action on its behalf under the Loan Documents.

(d) Borrower's Certificate. The Agent shall have received from the Borrower's executed certificate, dated as of the Effective Date, substantially in the form of *Exhibit D*.

(e) Opinion of Counsel. The Agent shall have received a favorable opinion addressed to the Lenders and the Agent, dated as of the Effective Date, substantially in the form of *Exhibit E* attached hereto, from Squire Patton Boggs (US) LLP, counsel to the Borrower.

(f) No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make any Loan.

(g) Governmental Regulation. Each Lender shall have received such statements in substance and form reasonably satisfactory to such Lender as such Lender shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve Board, including, without limitation, applicable "know your customer" requirements.

(h) Note. The Note (if same is requested by the Lender) shall have been duly executed and delivered by the Borrower to [redacted] as the sole Lender on the Effective Date.

(i) Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement, the other Loan Documents and all other documents incident thereto shall be satisfactory in substance and in form to the Lenders and to counsel for the Agent, and the Lenders and such counsel shall have received all information and such counterpart originals or certified or other copies of such documents as the Agent may reasonably request.

(j) Borrowing Notice. The Borrower shall have delivered the Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(k) No Default. No Default shall have occurred and be continuing or will occur upon the making of the Loans, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of the Loans, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

ARTICLE 7 - EVENTS OF DEFAULT, ACCELERATION, ETC.

Section 7.01. Events of Default. The following events shall constitute "Events of Default" for purposes of this Agreement:

(a) the Borrower shall fail to pay any principal of the Loan when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(b) the Borrower shall fail to pay any interest on the Loan, any fees or other sums due hereunder or under any of the other Loan Documents, for a period of [redacted]A following the date when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(c) (i) the Borrower shall fail to perform any term, covenant or agreement contained in *Section 5.05, Section 5.06* (but only as to corporate existence), *Section 5.10, Section 5.12, Section 5.13* (upon the consummation of any transaction prohibited by said *Section 5.13*), *Section 5.15, Section 5.17* or *Section 5.18(b)* or (ii) the Borrower shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified elsewhere in this *Section 7.01*) for [redacted]A after Notice of such failure has been given to the Borrower by the Agent or any Lender; or

(d) any representation or warranty of the Borrower in this Agreement or any of the other Loan Documents or in any other document or instrument delivered pursuant to or in connection with this Agreement shall prove to have been false in any material respect upon the date when made or deemed to have been made by the terms of this Agreement; or

(e) the Borrower shall default in the payment when due of any principal of or any interest on any Funded Debt [redacted]A or more, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound,

evidencing or securing Funded Debt, in an [redacted] or more, for such period of time as would permit (assuming the giving of appropriate notice or the lapse of time if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof, unless such failure shall have been cured by the Borrower or effectively waived by such holder or holders; or

(f) the Borrower shall (1) voluntarily terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (2) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(g) without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of the Borrower: the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of the Borrower, or of all or any substantial part of the assets of the Borrower, or other like relief in respect of the Borrower, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts unless such proceeding is contested in good faith by the Borrower; and, if the proceeding is being contested in good faith by the Borrower, the same shall continue undismissed, or unstayed and in effect, for any period of [redacted], or an order for relief against the Borrower shall be entered in any involuntary case under the Bankruptcy Code; or

(h) there shall remain in force, undischarged, unsatisfied and unstayed, for [redacted], whether or not consecutive, any final judgment against the Borrower that, with other then undischarged, unsatisfied and unstayed, outstanding final judgments against the Borrower exceeds in the aggregate [redacted]; or

(i) if any of the Loan Documents shall be canceled, terminated, revoked or rescinded by the Borrower otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of all Lenders, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of the Borrower, any of its stockholders, or any court or any other Governmental Authority or agency of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(j) (i) with respect to any Guaranteed Pension Plan, (A) an ERISA Reportable Event shall have occurred; (B) an application for a minimum funding waiver shall have been filed; (C) a notice of intent to terminate such plan pursuant to Section 4041(a)(2) of

ERISA shall have been issued; (D) a lien under Section 303(k) of ERISA shall be imposed; (E) the PBGC shall have instituted proceedings to terminate such plan; (F) the PBGC shall have applied to have a trustee appointed to administer such plan pursuant to Section 4042 of ERISA; or (G) any event or condition that constitutes grounds for the termination of, or the appointment of a trustee to administer, such plan pursuant to Section 4042 of ERISA shall have occurred or shall exist, *provided* that with respect to the event or condition described in Section 4042(a)(4) of ERISA, the PBGC shall have notified the Borrower or any ERISA Affiliate that it has made a determination that such plan should be terminated on such basis; or (ii) with respect to any Multiemployer Plan, the Borrower or any ERISA Affiliate shall incur liability as a result of a partial or complete withdrawal from such plan or the reorganization, insolvency or termination of such plan; and, in the case of each of (i) or (ii), the Majority Lenders shall have determined in their reasonable discretion that such events or conditions, individually or in the aggregate, reasonably could be expected likely to result in liability of the Borrower in an aggregate amount exceeding [redacted]A or

[redacted]

Section 7.02. Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same may be continuing, the Agent shall, at the request of, or may, with the consent of the Majority Lenders, by Notice to the Borrower (an "Acceleration Notice"), declare all indebtedness and liabilities (whether matured or unmatured) of the Borrower with respect to this Agreement and the Notes to be immediately due and payable (or to be due and payable at such later time as may be stated in such Acceleration Notice) without further demand, presentation, protest or other Notice of any kind, all of which are hereby expressly waived by the Borrower; *provided* that upon the occurrence of an Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, all indebtedness and liabilities specified above shall automatically become immediately due and payable without any requirement that Notice be given to the Borrower. Immediately upon the occurrence of an Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, or at such later time as is specified in the Acceleration Notice, the Borrower shall pay to the Lenders all amounts owing or payable in respect of such indebtedness and liabilities specified above, failing which all rights and remedies of the Lenders under the Loan Documents shall thereupon become enforceable and may be enforced by the Lenders or the Agent.

ARTICLE 8 - SHARING.

Section 8.01. Sharing Among Lenders. If any Lender shall obtain from the Borrower any payment of any principal of or interest on any Loan owing to it or payment of any other amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Agent as provided herein and other than amounts owing to such Lender pursuant to *Sections 3.06*, *3.07*, *3.09*, *3.10* or *Article 10*), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due hereunder or thereunder by the Borrower to such Lender than the percentage received by any

other Lender, it shall promptly purchase from such other Lenders a participation in (or, if and to the extent specified by such Lender, a direct interest in) the Loans or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

Section 8.02. Borrower's Offset Rights. To the extent permitted by law, the Borrower may offset against any payments due to any Lender under this Agreement or the Notes the amounts of any loss suffered by the Borrower as a result of the failure of such Lender to return any monies of the Borrower on deposit with such Lender due to the insolvency of such Lender. Any such offset may be made only against payments due to the insolvent Lender, when and as the same become due, and no offsets may be made against any amounts due and payable to any other Lender. The Borrower may not exercise any right of setoff with respect to all or any portion of deposits which are insured by the Federal Deposit Insurance Corporation.

ARTICLE 9 - AGENT.

Section 9.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints [redacted] to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this *Article 9* are solely for the benefit of the Agent and the Lenders, and except as otherwise provided herein, the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers when acting in its capacity as a Lender as any other Lender, and may exercise such rights and powers as though it were not the Agent, and the term "Lender" and "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

Section 9.03. Exculpatory Provisions.

(a) The duties and obligations of the Agent are only as expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Proceedings or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Insolvency Proceedings; and

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

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Section 7.02* and *Section 10.01*), or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Default unless and until Notice describing such Default is given to the Agent by the Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in *Article 6* or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

Section 9.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet

website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon (*provided* that the foregoing is not intended to be construed or to operate in derogation of the Notice requirements in *Section 10.02*). In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05. Indemnification. The Lenders agree to indemnify the Agent to the extent not reimbursed under *Section 10.03* and *Section 10.04*, but without limiting the obligations of the Borrower under said Sections, and ratably in accordance with its respective Pro Rata Share, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted (including by any Lender) against the Agent, arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document or any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrower is obligated to pay under *Section 10.03* and *Section 10.04* but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, *provided* that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

Section 9.06. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The exculpatory provisions of this *Article 9* shall apply to the Agent's activities as the Agent, and also shall apply to the activities any such sub-agent permitted herein. The Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that such sub-agent acted with gross negligence or willful misconduct.

Section 9.07. Resignation or Removal of Agent.

(a) The Agent may at any time give Notice of its resignation to the Lenders and the Borrower. Upon receipt of any such Notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an affiliate thereof with an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives Notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"),

then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such Notice on the Resignation Effective Date.

(b) If the Person serving as the Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Majority Lenders may, to the extent permitted by applicable law, by Notice to the Borrower and such Person remove such Person as the Agent and, in consultation with Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor, which successor Agent shall be a Lender and maintain an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such Notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable): (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that, in the event any collateral security is then being held by the Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed); and (2) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Agent as provided for in this *Section 9.07*. Upon the acceptance by a successor of such appointment for it to act as successor Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall, except as provided above, be discharged from all of its duties and obligations hereunder or under the other Loan Documents (*provided* that the foregoing shall not relieve the retiring or removed Agent from any liability for its gross negligence or willful misconduct hereunder). The fees payable by the Borrower to a successor Agent shall be the same as those payable to the predecessor Agent unless otherwise agreed between the Borrower and such successor Agent. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this *Article 9* and *Section 10.03* and *Section 10.04* shall continue in effect for the benefit of such retiring or removed Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Agent hereunder.

Section 9.08. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties, and based on such documents and information as it shall

from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

ARTICLE 10 - MISCELLANEOUS

Section 10.01. Consents, Amendments, Waivers, Etc. Except as otherwise provided in this Agreement, any consent or approval required or permitted by this Agreement to be given by one or more or all of the Lenders may be given, and any term of this Agreement or of any other instrument related hereto or mentioned herein may be amended, and the performance or observance by the Borrower of any terms of this Agreement or such other instrument or the continuance of any Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Borrower and the written consent of the Majority Lenders. Notwithstanding the foregoing, (a) the rate of interest on and the term of the Loans, the Maturity Date, the principal amount of the Loans owing to each Lender, the dates on which interest is required to be paid hereunder, the amount and dates of payment of the fees or principal owing each Lender hereunder may not be changed, in any such case without the written consent of Borrower and the written consent of each Lender affected thereby; (b) *Article 9*, this *Section 10.01*, the definition of Majority Lenders, the definition of Pro Rata Share and any provision of the Loan Documents that requires action by all of the Lenders may not be amended without the written consent of all of the Lenders and (c) *Article 9* may not be amended without the written consent of the Agent. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of the Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

Section 10.02. Notices. (a) Except as otherwise expressly provided in this Agreement, all notices, demands, consents, waivers, elections, approvals, requests and similar communications required or permitted to be provided in connection with this Agreement (any of the foregoing being referred to as a "Notice") shall be set forth in writing and shall be given by U.S. registered or certified mail (return receipt requested) or by recognized nationwide courier service (with signature required to evidence receipt), and shall be deemed received by the addressee Party when delivered during normal business hours to such Party's address as shown below (or such other address as that Party may specify from time to time in written Notice given pursuant hereto not less than thirty (30) days prior to the date that the new address is intended to become effective); *provided* that (x) any Notice delivered in accordance with *Article 2* may be delivered by facsimile or other specified electronic delivery system acceptable to the Agent and the Borrower, and (y)any Notice delivered to the appropriate address for the receiving Party at any time other than during normal business hours will be deemed to be given and received by the receiving Party on the next Business Day thereafter:

(i) if to Borrower, at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. (561) 694-6204, Facsimile No. (561) 694-3707), or at such other address for

Notice as Borrower shall last have furnished in writing to the Person giving the Notice;

(ii) if to the Agent, at [redacted] (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile, Telephone No. [redacted] Facsimile No. [redacted] or such other address for Notice as the Agent shall last have furnished in writing to the Person giving the Notice;

(iii) if to any Lender, at such Person's address set forth on *Schedule I*, or such other address for Notice as such Person shall have last furnished in writing to the Person giving the Notice.

(b) So long as [redacted] or any of its affiliates is the Agent, materials required to be delivered pursuant to *Section 5.04(a), (b), (c)* and *(d)* and *Section 5.05* shall be delivered to the Agent in an electronic medium in a format acceptable to the Agent and the Lenders by email at: [redacted] (or such other address as the Agent may notify the Borrower from time to time). The Borrower agrees that the Agent may make such materials, as well as any other written information, documents, instruments and other material relating to the Borrower, any of its Subsidiaries or any other materials or matters relating to this Agreement, any Notes as may be issued hereunder or any of the transactions contemplated hereby (collectively, the "Communications") available to the Lenders by posting such notices on DebtDomain or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Agent nor any of its affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Agent or any of its affiliates in connection with the Platform. The Agent shall not be liable (except to the extent that such liability arises out of the gross negligence, bad faith or willful misconduct of the Agent or its Related Parties) for any damages arising from the use by unintended recipients of any information or other materials distributed by the Agent, pursuant to this *Section 10.02(b)* or *Section 10.02(c)* through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Each Lender agrees that Notice to it (as provided in the next sentence) (a "Communication Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such Lender for purposes of this Agreement; *provided* that if requested by any Lender, the Agent shall deliver a copy of the Communications to such Lender by email or facsimile. Each Lender agrees (i) to notify the Agent in writing of such Lender's email address to which a Communication Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from

time to time thereafter to ensure that the Agent has on record an effective email address for such Lender) and (ii) that any Communication Notice may be sent to such email address.

Section 10.03. Expenses. The Borrower agrees to pay promptly following receipt of written invoices describing in reasonable detail (a) the reasonable fees, expenses and disbursements of the Agent's external counsel incurred in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, the negotiation of this Agreement and the closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (b) the reasonable fees, expenses and disbursements of the Agent in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, and [redacted]A

Section 10.04. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, the Lenders and their respective officers, affiliates, directors, employees, agents and advisors (each, an "Indemnitee") from and against any and all claims, actions and suits by a third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Actions"), whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses payable by any Indemnitee to any third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Liabilities") of every nature and character incurred by or awarded against any such Indemnitee (including the reasonable fees and expenses of counsel), in each case arising out of this Agreement or any of the other Loan Documents or the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loans, or (b) the Borrower entering into or performing this Agreement or any of the other Loan Documents; *provided* that the liabilities, losses, damages and expenses indemnified pursuant to this *Section 10.04* shall not include any liabilities, losses, damages and expenses in respect of any taxes, levies, imposts, deductions, charges or withholdings, indemnification for which is provided on the basis, and to the extent, specified in *Section 3.09*; and *provided further*, that such indemnity shall not be available as to any Indemnitee, to the extent that such liabilities, losses, damages and expenses arise out of the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Parties. In the event that an Indemnitee shall become subject to

any Action or Liability with respect to any matter for which indemnification may apply pursuant to this *Section 10.04* (an "Indemnity Claim"), such Indemnitee shall give Notice of such Indemnity Claim to the Borrower by telephone at (561) 694-6204 and also in accordance with the written Notice requirements in *Section 10.02*. Such Indemnitee may retain counsel and conduct the defense of such Indemnity Claim, as it may in its sole discretion deem proper, at the sole cost and expense of the Borrower. So long as no Default shall have occurred and be continuing hereunder, no Indemnitee shall compromise or settle any claim without the prior written consent of the Borrower, which consent shall not unreasonably be withheld or delayed (*provided* that the Borrower shall only be responsible for the reasonable fees and expenses of one counsel for all Indemnitees taken as a whole unless any actual or potential conflict of interest between such Indemnitees makes it inappropriate for one counsel to represent all such Indemnitees, in which event the Borrower shall be responsible for the reasonable fees and expenses of one additional counsel for each group of affected Indemnitees similarly situated taken as a whole). [redacted]A [redacted]A In the case of an investigation, litigation or other proceeding to which the indemnity in this *Section 10.04* applies, such indemnity shall be effective whether or not the affected Indemnitee is a party thereto and whether or not the transactions contemplated hereby are consummated. Each Party also agrees not to assert any claim against any other Party or any of its respective affiliates, or any of its respective directors, officers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, any Notes as may be issued hereunder, any other Loan Document, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans (*provided* that the foregoing shall not preclude any Indemnitee from seeking to recover the preceding types of damages from the Borrower to the extent the same are specifically payable by such Indemnitee to any third party).

Section 10.05. Survival of Covenants. All covenants, agreements representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrower pursuant hereto shall be deemed to have been relied upon by the Agent and the Lenders, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by the Lenders of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement, the Notes, or any of the other Loan Documents remains outstanding. All statements contained in any certificate or other paper delivered to the Agent or any Lender at any time by or on behalf of the Borrower pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties by the Borrower hereunder. [redacted]A [redacted]

Section 10.06. Assignment and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and

assigns permitted hereby, except that Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of *Section 10.06(b)* or *Section 10.06(f)*, (ii) by way of participation in accordance with the provisions of *Section 10.06(d)*, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of *Section 10.06(e)* (and any other attempted assignment or transfer by any Party shall be null and void). Other than as specified in *Section 9.05* and *Section 10.04*, nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the Parties, their respective successors and assigns permitted hereby, and Participants to the extent provided in *Section 10.06(d)*) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(i) Minimum Amounts. The principal outstanding balance of the Loans in of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption, made pursuant to an Assignment and Assumption Agreement in the form of *Exhibit G* hereto (the "Assignment and Assumption Agreement")), with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption Agreement, as of the Trade Date) shall not be less than [redacted][A] unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by *Section 10.06(b)(i)* and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender or an affiliate of a Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Loans, if such assignment is to a Person that is not a Lender or an affiliate of such Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of [redacted]; *provided* that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its affiliates or Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the Defaulting Lender or its assignee shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to *Section 10.06(c)*, from and after the effective date specified in each Assignment and Assumption Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, shall have the rights and obligations of (as applicable) a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Party hereto) but (i) shall continue to be entitled to the benefits of *Article 3*, *Section 9.05*, *Section 10.03* and *Section 10.04* with respect to facts and circumstances occurring prior to the effective date of such assignment, and (ii) shall continue to be obligated in respect of any liabilities or obligations that expressly survive any such assignment; *provided*, that except to the extent otherwise expressly agreed by each affected Party no assignment by a

Defaulting Lender will constitute a waiver or release of any claim of any Party hereunder arising from the assigning Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *Section 10.06(d)*.

(c) Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior Notice. Except as registered in accordance with this *Section 10.06(c)*, the Borrower shall not be obligated to recognize or treat any assignee of any interest or with respect to any Loans as a Lender or Person otherwise entitled to assert, enforce or otherwise participate in any rights or benefits with respect thereto or hereunder.

(d) Participations. A Lender may sell or agree to sell to one or more other Persons a participation in all or any part of any Loans held by it, *provided* that no purchaser of a participation (a "Participant") shall have any rights or benefits under this Agreement or any Note (the Participant's rights against such Lender in respect of such participation to be those set forth the agreements executed by such Lender in favor of the Participant). All amounts payable by the Borrower to any Lender in respect of Loans held by it, shall be determined as if such Lender had not sold or agreed to sell any participation in such Loans, and as if such Lender were funding each of such Loan in the same way that it is funding the portion of such Loan in which no participation has been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) extend the date fixed for the payment of principal or interest on the related Loan or Loans, or any portion of any fee hereunder payable to the Participant, (ii) reduce the amount of any such payment of principal, (iii) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to participate in such interest or fee, (iv) alter the rights or obligations of the Borrower to repay the related Loans, or (v) consent to any modification, supplement or waiver hereof to the extent that the same, under *Section 10.01*, requires the consent of each Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in

registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent, in its capacity as the Agent, shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Disclosure. The Borrower agrees that any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees, participants or counterparties to any swap or derivative transaction relating to the transactions contemplated pursuant to this Agreement and potential assignees or participants hereunder or counterparties as aforesaid; *provided* that such assignees, participants or counterparties or potential assignees, participants or counterparties shall agree (i) to preserve the confidentiality of such information pursuant to a confidentiality agreement that provides for the same terms set forth in *Section 10.07*, (ii) not to disclose such information to a third party, and (iii) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

Section 10.07. Confidentiality. The Agent and each Lender agrees to hold any confidential information that any of them may receive from the Borrower or any of its Subsidiaries pursuant to this Agreement or any of the Loan Documents or in connection with any transaction contemplated herein or therein in confidence except for disclosure: (a) to other Lenders; (b) to its affiliates, officers, directors, employees, advisors, attorneys, and other agents deemed reasonably necessary to effectuate the transaction contemplated herein or therein; *provided* that such parties shall be advised of the requirement to maintain the confidentiality of such information the Agent or such Lender, as the case may be, shall be responsible for any such party's breach of such confidentiality agreement; (c) to regulatory officials having jurisdiction over the Agent or any Lender, or financial industry regulatory bodies claiming oversight over the Agent or such Lender; (d) as required by applicable law or legal process (*provided* that in the event the Agent or any Lender is so required to disclose any such confidential information, the Agent or any such Lender shall endeavor to notify promptly the Borrower so that the Borrower may seek a protective order or other appropriate remedy); (e) to the extent permitted in *Section 10.06(d)*; (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder and (g) subject to an agreement containing provisions substantially the same as those of this *Section 10.07*, to any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower. For purposes of this Agreement (x) the term "confidential information" means all information respecting NextEra Energy and its Subsidiaries, or any of them, other than (i) information previously filed with any governmental or quasi-governmental agency, authority, board, bureau,

commission, department, instrumentality or public body or which is otherwise available to the public, (ii) information that is delivered by the Borrower to the Agent or any Lender that the Borrower expressly identifies as non-confidential, (iii) information previously published in any public medium from a source other than, directly or indirectly, the Agent or any Lender, and (iv) information that is received by the Agent or any Lender from any third party that the Agent or such Lender reasonably believes, after due inquiry, was not and is not, violating any obligation of confidentiality to the Borrower and (y) "affiliate" means, with respect to any Lender, any Person that is wholly owned by such Lender or any corporation by which such Lender is wholly owned.

Section 10.08. Governing Law; Jurisdiction. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREUNDER (OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). THE PARTIES AGREE THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS SHALL BE BROUGHT ONLY IN THE COURTS OF THE STATE AND COUNTY OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE RELEVANT PARTIES BY MAIL AT THEIR RESPECTIVE ADDRESSES IN ACCORDANCE WITH *SECTION 10.02*. EACH PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

Section 10.09. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 10.10. Counterparts. This Agreement and any amendment hereof may be executed in several counterparts and by each Party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by an emailed a ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.11. Entire Agreement. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the Parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in *Section 10.01*.

Section 10.12. Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any

jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

Section 10.13. Third Party Beneficiaries. None of the provisions of this Agreement shall operate or are intended to operate for the benefit of, any Person (other than the Parties hereto and their respective successors and assigns permitted hereby), and no other Person shall have any rights under or with respect hereto (except to the limited extent expressly provided for with respect to any Indemnitee under *Section 10.04*).

Section 10.14. USA Patriot Act Notice. The Agent (for itself and not on behalf of any of the Lenders) and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identities the Borrower, which information includes the name and address of the Borrower and other information that will allow the Agent and such Lender to identify the Borrower in accordance with the Act.

Section 10.15. No Fiduciary Duties. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its affiliates, on the one hand, and the Agent, the Lender and their respective affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, and the Lenders or their respective affiliates.

Section 10.16. Electronic Records. The Borrower hereby acknowledges the receipt of a copy of this Agreement. The Agent and each Lender may, on behalf of the Borrower, create a microfilm or optical disk or other electronic image of this Agreement and may store the electronic image of this Agreement in its electronic form and then destroy the paper original as part of the Agent or any Lender's normal business practices, with the electronic image deemed to be an original.

Section 10.17. WAIVER OF JURY TRIAL. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement and the other Loan Documents to which it is a party by, among other things, the waiver and certifications contained in this *Section 10.17*.

Section 10.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan

Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable by it to any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Documents;

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of an EEA Financial Institution.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as a sealed instrument effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

Personally appeared before me, the undersigned, a Notary Public in and for said County, Paul I. Cutler, to me known and known to me, who, being by me first duly sworn, declared that he is the Treasurer of **FLORIDA POWER & LIGHT COMPANY**, that being duly authorized he did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at New York, New York, this 16th day of March, 2016.

_____
Notary Public

My Commission Expires:

RUDY D. GREEN
Notary Public, State of New York
No.: 02GR4962723
Qualified in New York County
Commission Expires February 26, 2018

[redacted], as
Administrative Agent and Lender

By: _____
Name:
Title:

STATE OF [_____])
) ss.
COUNTY OF [_____])

Personally appeared before me, the undersigned, a Notary Public in and for said County, [_____], to me known and known to me, who, being by me first duly sworn, declared that he/she is a [_____] of [redacted], that being duly authorized he/she did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at _____, this ____ day of _____.

_____
Notary Public

My Commission Expires:

By: _____
Name: _____
Title: _____

SCHEDULE I
TO TERM LOAN AGREEMENT

LENDERS

[redacted]A	$400,000,000
Lending Office for all Loans: [redacted] Address for Notices: [redacted] Attention: [redacted]A [redacted] Telecopier No.: [redacted]A Telephone No.: [redacted]A Email: [redacted]	

SCHEDULE 4.03
TO TERM LOAN AGREEMENT

PERMITTED LIENS

1. Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

2. Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

3. Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, which liens do not individually or in the aggregate have a materially adverse effect on the business of the Borrower; and

4. Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which the Borrower or any of its Subsidiaries is a party, and other minor liens or encumbrances none of which in the opinion of the Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of the Borrower, which defects, liens and other encumbrances do not individually or in the aggregate have a materially adverse effect on the business of the Borrower.

SCHEDULE 4.04
TO TERM LOAN AGREEMENT

SUPPLEMENTAL DISCLOSURES

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.06
TO TERM LOAN AGREEMENT

LITIGATION

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.11(C)
TO TERM LOAN AGREEMENT

ERISA

None.

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

March 31, 2016

[redacted]
as Administrative Agent and Lender
[redacted]
Attention: [redacted]A
Telecopier No.: [redacted]A

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Borrower"), refers to the Term Loan Agreement, dated as of March 31, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted]A [redacted]A as Administrative Agent and Lender (the "Agent"), and hereby requests a borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to the borrowing (the "Proposed Borrowing") as required by *Section 2.02(a)* of the Agreement.

(i) The Business Day of the Proposed Borrowing is March 31, 2016.

(ii) The Proposed Borrowing is a Eurodollar Rate Loan with an initial Interest Period of one (1) month.

(iii) The aggregate amount of the Proposed Borrowing is US$400,000,000.

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:

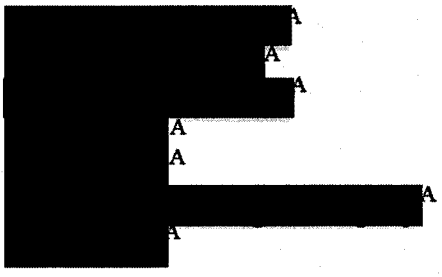
(A) No Default shall have occurred and be continuing or will occur upon the making of the Loan, and

(B) Each of the representations and warranties contained in the Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Agreement will be true in all material respects as of the time

of the making of the Loan with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

The proceeds of the Proposed Borrowing should be wire transferred to the Borrower in accordance with the following wire transfer instructions:

Name of Bank:
Street Address of Bank:
City/State/ZIP of Bank:
ABA Number of Bank:
SWIFT:
Name of Account:
Account Number at Bank:



[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT B TO AGREEMENT

[Form of Note]

NOTE

$400,000,000 Dated: March [___], 2016

FOR VALUE RECEIVED, the undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (hereinafter, together with its successors in title and assigns, called "**Borrower**"), by this promissory note (hereinafter called "**this Note**"), absolutely and unconditionally promises to pay to the order of [redacted] (hereinafter, together with its successors in title and permitted assigns, called the "**Lender**"), the principal sum of FOUR HUNDRED THOUSAND DOLLARS AND NO/100 DOLLARS ($400,000,000), or the aggregate unpaid principal amount of the Loan evidenced by this Note made by Lender to Borrower pursuant to the Agreement (as hereinafter defined), whichever is less, on the Maturity Date (as defined in the Agreement), and to pay interest on the principal sum outstanding hereunder from time to time from the Effective Date until the said principal sum or the unpaid portion thereof shall have been paid in full.

The unpaid principal (not at the time overdue) of this Note shall bear interest at the annual rate from time to time in effect under the Agreement referred to below (the "**Applicable Rate**"). Accrued interest on the unpaid principal under this Note shall be payable on the dates, and in the manner, specified in the Agreement.

On the Maturity Date there shall become absolutely due and payable by Borrower hereunder, and Borrower hereby promises to pay to the Holder (as hereinafter defined) hereof, the balance (if any) of the principal hereof then remaining unpaid, all of the unpaid interest accrued hereon and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby.

Overdue principal of the Loan, and to the extent permitted by applicable law, overdue interest on the Loan and all other overdue amounts payable under this Note, shall bear interest payable on demand in the case of (i) overdue principal of or overdue interest on the Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to the Loan, and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment).

Each payment of principal, interest or other sum payable on or in respect of this Note or the indebtedness evidenced hereby shall be made by Borrower directly to Lender at Lender's office, as provided in the Agreement, for the account of the Holder, not later than 2:00 p.m., New York, New York time, on the due date of such payment. All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made without set-off or counterclaim and free and clear of and without any deduction of any kind for any taxes, levies, fees, deductions withholdings, restrictions or conditions of any nature, except as expressly set forth in *Section 3.10* and *Section 8.02* of the Agreement.

Absent manifest error, a certificate or statement signed by an authorized officer of Lender shall be conclusive evidence of the amount of principal due and unpaid under this Note as of the date of such certificate or statement.

This Note is made and delivered by the Borrower to the Lender pursuant to that certain Term Loan Agreement, dated as of March 31, 2016, by among the Borrower, the lenders party thereto, and [redacted], as Administrative Agent and Lender (such agreement, as originally executed, or, if varied or supplemented or amended and restated from time to time hereafter, as so varied or supplemented or amended and restated, called the "**Agreement**"). This Note evidences the obligations of Borrower (a) to repay the principal amount of the Loan made by Lender to Borrower under the Agreement, (b) to pay interest, as provided in the Agreement on the principal amount hereof remaining unpaid from time to time, and (c) to pay other amounts which may become due and payable hereunder as provided herein and in the Agreement.

No reference herein to the Agreement, to any of the Schedules or Exhibits annexed thereto, or to any of the Loan Documents or to any provisions of any thereof, shall impair the obligations of Borrower, which are absolute, unconditional and irrevocable, to pay the principal of and the interest on this Note and to pay all (if any) other amounts which may become due and payable on or in respect of this Note or the indebtedness evidenced hereby, strictly in accordance with the terms and the tenor of this Note.

All capitalized terms used herein and defined in the Agreement shall have the same meanings herein as therein. For all purposes of this Note, "**Holder**" means the Lender or any other person who is at the time the lawful holder in possession of this Note.

Pursuant to, and upon the terms contained in the Agreement, the entire unpaid principal of this Note, all of the interest accrued on the unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby may be declared to be or may automatically become immediately due and payable, whereupon the entire unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall (if not already due and payable) forthwith become and be due and payable to the Holder of this Note without presentment, demand, protest, notice of protest or any other formalities of any kind, all of which are hereby expressly and irrevocably waived by Borrower.

All computations of interest payable as provided in this Note shall be determined in accordance with the terms of the Agreement.

Should all or any part of the indebtedness represented by this Note be collected by action at law, or in bankruptcy, insolvency, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, Borrower hereby promises to pay to the Holder of this Note, upon demand by the Holder at any time, in addition to principal, interest and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby, all court costs and reasonable attorneys' fees (including, without limitation, such reasonable fees of any in-house counsel) and all other reasonable collection charges and expenses incurred or sustained by the Holder.

Borrower hereby irrevocably waives notices of acceptance, presentment, notice of non-payment, protest, notice of protest, suit and all other conditions precedent in connection with the delivery, acceptance, collection and/or enforcement of this Note.

BORROWER HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS NOTE, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

This Note is intended to take effect as a sealed instrument.

This Note and the obligations of Borrower hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereunder (other than §5-1401 of the New York General Obligations Law).

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, **FLORIDA POWER & LIGHT COMPANY**, on the day and in the year first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

Signed by Florida Power and Light Company by Paul. I. Cutler, its Treasurer, in the presence of:

_____
Signature of Witness

_____
Print Name

Address: _____
_____
_____

EXHIBIT C TO AGREEMENT

[Form of Interest Rate Notice]

INTEREST RATE NOTICE

[Date]

[redacted]
as Administrative Agent and Lender
[redacted]
Attention: [redacted]

Telecopier No.: [redacted]

Ladies and Gentlemen:

Pursuant to *Section 2.06* of that certain Term Loan Agreement, dated as of March 31, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted] as Administrative Agent and Lender, the Borrower hereby gives you irrevocable notice of its request to Convert the Loan(s) and/or Interest Periods currently under effect under the Loan Agreement as follows ***[select from the following as applicable]***:

- on [date], to Convert $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate into a Base Rate Loan; [and/or]

- on [date], to Convert $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Base Rate into a Eurodollar Rate Loan having an Interest Period of [ ] month(s) ending on [date]; [and/or]

- on [date], to continue $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate, as a Eurodollar Rate Loan having an Interest Period of [ ] month(s) ending on [date].

Any capitalized terms used in this notice which are defined in the Loan Agreement have the meanings specified for those terms in the Loan Agreement.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT D TO AGREEMENT

Form of Borrower's Certificate

* * *

CERTIFICATE OF

FLORIDA POWER & LIGHT COMPANY

March 31, 2016

This Certificate is given pursuant to that certain Term Loan Agreement between Florida Power & Light Company (the "**Borrower**") the Lenders party thereto and [redacted], as Administrative Agent (the "**Agent**") and Lender, dated as of March 31, 2016 (the "**Loan Agreement**"). Each initially capitalized term which is used and not otherwise defined in this Certificate shall have has the meaning specified for such term in the Loan Agreement. This Certificate is delivered in satisfaction of the conditions precedent set forth in *Section 6.01* of the Loan Agreement.

1. The Borrower hereby provides notice to the Agent that March 31, 2016 is hereby deemed to be the Effective Date.

2. The Borrower hereby certifies to the Agent that as of the Effective Date, except in respect of the matters described in *Schedule 4.04* of the Loan Agreement, there has been no material adverse change in the business or financial condition of any of the Borrower or any of its Subsidiaries taken as a whole from that set forth in the financial statements included in the Borrower's annual report on Form 10-K referred to in *Section 4.04* of the Loan Agreement. This representation and warranty is made only as of the Effective Date and shall not be deemed made or remade on or as of any subsequent date notwithstanding anything contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement.

3. The Borrower hereby further certifies that as of the Effective Date, the representations and warranties of the Borrower contained in the Loan Agreement are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and there exists no Default.

[SIGNATURE APPEARS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

[FPL / [redacted] – Term Loan – Signature Page – Borrower's Certificate]

EXHIBIT E TO AGREEMENT

[Form of Opinion of Borrower's Counsel]

March 31, 2016

[redacted]
as Administrative Agent and Lender
[redacted]
[redacted]
Attention: [redacted]
Telecopier No.: [redacted]

Re: Florida Power & Light Company $400,000,000 Term Loan Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as Lender. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional

level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the

Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to

which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), by and among Borrower, the lenders party thereto from time to time, and [redacted] as Administrative Agent and Lender.

(b) Borrower's Certificate, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

EXHIBIT F-1
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March [___], 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants
That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted]A, as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

* * *

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "***Assignment***") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "***Assignor***") and [*Insert name of Assignee*] (the "***Assignee***"). Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement identified below (as amended, the "***Loan Agreement***"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in *Annex I* attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Loan Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit) (the "***Assigned Interest***"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	**Assignor:**	_____
2.	**Assignee:**	_____ [*and is an affiliate of Assignor] [and is a Lender] [and is an affiliate of a Lender]*[1]
3.	**Borrower:**	Florida Power & Light Company
4.	**Administrative Agent:**	[redacted][A], as administrative agent under the Loan Agreement
5.	**Loan Agreement:**	Term Loan Agreement, dated as of March 31, 2016, among the Borrower, the lenders party thereto from time to time, and the Administrative Agent

[1] Select as applicable.

6. Assigned Interest:

Aggregate Amount of Loans for all Lenders	Amount of Loans Assigned	Percentage Assigned of Loans[2]
$_____	$_____	_____%

7. Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Loans of all Lenders thereunder.

[Consented to and][3] Accepted:

[redacted],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:][4]

[3] To be included only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.
[4] To be included only if the consent of the Borrower is required by the terms of the Credit Agreement.

ANNEX I

FLORIDA POWER & LIGHT COMPANY
TERM LOAN AGREEMENT
DATED AS OF MARCH [___], 2016 (the "*LOAN AGREEMENT*")

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION AGREEMENT

1. **Representations and Warranties.**

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "***Loan Documents***"), (iii) the financial condition of Borrower, any of its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it meets all requirements of an Eligible Assignee under the Loan Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to *Section 5.04* thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Foreign Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. **Payments.** From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued on and after the Effective Date.

3. **General Provisions**. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

CONFIDENTIAL

Exhibit l (j)

Amendment No. 1 to Bank 1 2016 Term Loan Agreement (Conversion to Revolver) between FPL and a commercial bank dated as of September 27, 2016 (September 2016 Conversion to Revolver).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(j), consisting of 12 pages, with the Florida Public Service Commission Clerk

AMENDMENT NO. 1 TO TERM LOAN AGREEMENT
(Conversion to Revolver)

This **AMENDMENT NO. 1 TO TERM LOAN AGREEMENT (CONVERSION TO REVOLVER)**, dated as of September 27, 2016 (this "**Amendment**") to the Agreement (as defined below), is entered into by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "**Borrower**") and [redacted], as Lender (the "**Lender**") and as Administrative Agent (the "**Agent**").

WITNESSETH:

WHEREAS, the Borrower, the Lender, the other lenders party thereto, and the Agent are parties to that certain Term Loan Agreement, dated as of March 31, 2016 (together with Schedules and Exhibits thereto, and as modified, amended, supplemented, extended, renewed and/or replaced from time to time, the "**Agreement**"), pursuant to which the Lender made available to the Borrower a Four Hundred Million Dollar ($400,000,000) term loan facility (the "**Term Loan Facility**");

WHEREAS, on or prior to the Amendment Effective Date, the Borrower has prepaid the Loan by an amount equal to One Hundred and Fifty Million Dollars ($150,000,000); and

WHEREAS, the Borrower has requested that the Lender convert the aggregate principal amount of Two Hundred and Fifty Million Dollars ($250,000,000) in remaining Outstanding Loans into a Commitment of the Lender to make revolving credit loans available to the Borrower from time to time, and the Lender and the Agent have agreed to make such amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Agent and the Lender hereby agree as follows:

AGREEMENT:

1. Definitions. Capitalized terms used in this Amendment, including the recitals hereto, and not otherwise defined herein have the meanings given such terms in the Agreement. In addition, "**hereof**", "**herein**", "**hereto**", "**hereunder**" or similar expressions mean this Amendment, the recitals and any schedules hereto, as amended, supplemented, restated and replaced from time to time.

2. Amendment to Existing Provisions. The Agreement is hereby amended as follows:

§2.1 The following new defined terms shall be inserted in proper alphabetical order in *Section 1.01* of the Agreement:

"Amendment Effective Date" shall mean September 27, 2016.

"Commitment" shall mean, when used with reference to any Lender at the time any determination thereof is to be made, the obligation of such Lender to make Loans pursuant to *Section 2.01*, or, where the context so requires, the amount of such obligation which is set forth on *Schedule I* opposite such Lender's name as its Commitment, in each case as the same may be reduced from time to time in accordance with the terms of this Agreement.

"Commitments" shall mean the aggregate Commitments of the several Lenders.

"Commitment Fee" has the meaning given such term in *Section 2.03*.

[redacted]

"Commitment Termination Date" shall mean the earlier of (a) September 27, 2017, and (b) the date of termination in whole of the Commitments pursuant to *Section 2.07* or *Article 7*.

§2.2 The following defined terms in *Section 1.01* of the Agreement shall be amended in their entirety to read as follows:

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has a Commitment or any Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Maturity Date" shall mean the Commitment Termination Date.

"Standard & Poor's" means S&P Global Ratings.

§2.3 The defined term "Excluded Taxes" in *Section 1.01* of the Agreement shall be amended by deleting the reference to Section 2.07 and substituting therefor with "Section 2.11".

§2.4 The defined term "Note" in *Section 1.01* of the Agreement shall be amended by deleting the reference to Section 2.03(b) and substituting therefor with "Section 2.10(b)".

§2.5 **Article 2** of the Agreement is hereby amended and restated as follows:

ARTICLE 2

LOANS

Section 2.01 Commitments to Lend. As of the Amendment Effective Date, each Lender severally agrees, on the terms of this Agreement (including *Section 6.02*), to make Loans in Dollars to the Borrower for a period commencing on the Amendment Effective Date and

terminating on the Commitment Termination Date, in an aggregate principal amount Outstanding at any one time not to exceed such Lender's Commitment. Within the limits of the Commitment of each Lender, the Borrower may borrow under this *Section 2.01*, prepay pursuant to *Section 2.09* and re-borrow under this *Section 2.01*. Each of the Lenders agrees that Loans outstanding on the Amendment Effective Date shall be deemed to be Loans outstanding under this Section.

Section 2.02 Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time (i) on the proposed Borrowing Date in the case of a Base Rate Loan and (ii) at least three (3) Eurodollar Business Days prior to the proposed Borrowing Date in the case of a Eurodollar Rate Loan, specifying (A) the Borrowing Date (which shall be a Business Day), (B) whether the requested Borrowing is of a Base Rate Loan or a Eurodollar Rate Loan, or any combination thereof as permitted under the terms of this *Section 2.02*, and the amount of each, and (C) in the case of each Eurodollar Rate Loan, the initial Interest Period applicable thereto.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on each Borrowing Date hereunder, make Immediately Available Funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, at its address set forth on *Schedule I*. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in *Section 6.02*, the Agent will make such funds available to the Borrower by crediting the Borrower's general deposit account with the Agent.

(d) Any notice delivered or given by the Borrower to the Agent as provided in this *Section 2.02* shall be irrevocable and binding upon the Borrower upon receipt by the Agent. Each Borrowing shall be in the principal amount of [redacted]A or any larger integral multiple of [redacted]B In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than ten (10) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with *Section 2.02(a)* and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the

Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Borrowings of such Type and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

(f) The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.03 Commitment Fee. The Borrower agrees to pay to the Agent for the account of each Lender a per annum Commitment Fee (the "**Commitment Fee**") for the period from and including the Amendment Effective Date to but not including the earlier of the date such Lender's Commitment is terminated and the Maturity Date, equal to the Commitment Fee Rate multiplied by the daily average unused amount of such Lender's Commitment for such period. The Commitment Fee shall be payable to the Agent for the account of each Lender (a) quarterly in arrears on the last day of each March, June, September and December, commencing on December 31, 2016, and (b) on the earlier of (i) the date the Commitments are terminated in full and (ii) the Maturity Date.

Section 2.04 Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted][A].

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted][A].

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than ten (10) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(d) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear

interest payable on demand, in the case of (i) overdue principal of or overdue interest on any Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.05 Computation of Interest and Fees.

(a) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for the purpose of determining the interest rate under *Section 2.04(a)(i)*.

(b) In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, any Lender determines that (i) adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans or (ii) the Eurodollar Rate will not adequately reflect the cost to such Lender of making, funding or maintaining its Eurodollar Rate Loans, during any Interest Period, such Lender shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower) to the Borrower. In such event (x) any Interest Rate Notice with respect to such Lender's Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed a request for a Base Rate Loan, (y) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (z) the obligations of such Lender to make Eurodollar Rate Loans shall be suspended until such Lender determines that the circumstances giving rise to such suspension no longer exist, whereupon such Lender shall so notify the Borrower.

(c) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than [redacted] such Loans shall automatically Convert into Base Rate Loans.

(d) Upon the occurrence and during the continuance of any Event of Default (i) each Eurodollar Rate Loan will automatically, on the last day of the existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lender to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.06 Interest Rate Conversion and Continuation Options.

(a) The Borrower may, subject to *Section 2.05(b)*, *Section 2.05(d)*, and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan prior to the last day of the

Interest Period relating to the Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Days prior to such election, and such Conversion shall be effective on the first day of an Interest Period; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made each Lender may take such action, if any, as it deems desirable to transfer its Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of any Loans of any Type may be Converted as specified herein, *provided* that partial Conversions shall be in an aggregate principal amount of [redacted][A] [redacted][A] or any larger integral multiple of [redacted] Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower. The Agent shall notify the Lenders promptly of each such Interest Rate Notice made by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted] or any integral multiple of [redacted][B] [redacted].

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

(e) Upon the expiration of any Interest Period, the Borrower shall be deemed to have requested a new Interest Period of equal duration as the immediately preceding Interest Period, unless, at least three (3) Business Days prior to said expiration, the Borrower shall have delivered to the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) specifying a new Interest Period of a different duration.

Section 2.07 Commitment Reduction. The Borrower shall have the right, exercisable at any time and from time to time, upon two (2) Business Days' Notice to the Agent (or telephonic notice promptly confirmed in writing), to terminate in whole or reduce in part the Commitment; *provided* that each partial reduction of the Commitment shall be in an amount of [redacted]A or integral multiples of [redacted] in excess thereof; and *provided further* that the Commitment may not be reduced to any amount less than the aggregate principal amount (without duplication) of all Loans Outstanding at the time of any such reduction.

Section 2.08 Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.09 Prepayment. The Borrower shall have the right, at any time and from time to time, to prepay the Loans in whole or in part, without penalty or premium, (i) upon not less than (i) three (3) Business Days prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and (ii) same day written notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted]A or any larger integral multiple of [redacted]A in excess thereof, or equal to the remaining principal balance outstanding under such Loan and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such prepayment in accordance with *Section 3.09*.

Section 2.10 Evidence of Indebtedness and Notes.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of the Lender, (ii) be dated as of the Amendment Effective Date, (iii) be in a stated maximum principal amount equal to the Commitment of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.11 Replacement of Lenders. If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv) any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) The Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

§2.6 Insert "or *Section 6.02*" after the reference to "*Section 6.01*" in the second to last sentence of **Section 3.11(a)**.

§2.7 **Section 7.02** of the Agreement is hereby amended to read in its entirety as follows:

Section 7.02 Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same may be continuing, the Agent shall, at the request of, or may, with the consent of, the Majority Lenders, by Notice to the Borrower (an "Acceleration Notice"):

(a) immediately terminate the Commitments of each Lender; and/or

(b) declare all indebtedness and liabilities (whether matured or unmatured) of the Borrower with respect to this Agreement and all Notes, if any, as have been issued hereunder, to be, and they shall thereupon forthwith become, immediately due and payable (or to be due and payable at such later time as may be stated in such Acceleration Notice) without further demand, presentment, protest or other Notice of any kind, all of which are hereby expressly waived by the Borrower;

provided that in the event of any Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, the Commitments of each Lender hereunder shall automatically terminate and all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder, shall become immediately due and payable automatically and without any requirement that Notice be given to the Borrower.

§2.8 The following new sections shall be added to the Agreement in the proper numerical order:

Section 6.02 Each Loan. The obligation of each Lender to make each Loan pursuant to *Section 2.01* herein is subject to the following conditions precedent, each of which shall have been met or performed by the Borrowing Date with respect to each such Loan:

(a) **Borrowing Notice.** The Borrower shall have delivered the relevant Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(b) **No Default.** No Default shall have occurred and be continuing or will occur upon the making of the Loan on such Borrowing Date, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

§2.9 *Schedule I* of the Agreement is hereby deleted and replaced with *Schedule I* hereto.

§2.10 *Exhibit A* of the Agreement is hereby deleted and replaced with the form of *Exhibit A* hereto.

3. Bring-down of Representations. The Borrower hereby certifies that, as of the date of this Amendment, (1) the representations and warranties contained in *Article IV* of the Agreement, as amended hereby, are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and (2) there exists no Default; *provided* that, for purposes of the foregoing representations: all references in *Section*

4.04, *Schedule 4.04*, *Section 4.06*, *Schedule 4.06*, *Section 4.08* and *Section 4.11* of the Agreement to "Effective Date" shall instead be deemed to read "Amendment Effective Date".

4. Conditions Precedent to Effectiveness. This Amendment shall not be deemed effective until each of the following conditions precedent shall have been met or performed:

§4.1 Amendment. This Amendment shall have been duly executed and delivered by the Borrower, each Lender and the Agent.

§4.2 Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Amendment shall have been duly and effectively taken and evidence thereof satisfactory to the Lenders and the Agent shall have been provided to the Agent.

§4.3 Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Lenders and the Agent, such certificate being dated as of the Amendment Effective Date, signed by its duly authorized officer and giving the name and bearing a specimen signature of each individual who shall be authorized to sign this Amendment in the name and on behalf of the Borrower.

§4.4 Opinion of Counsel. The Agent shall have received an opinion addressed to the Lenders and the Agent, dated as of the Amendment Effective Date, substantially in the form of ***Annex A***, from Squire Patton Boggs (US) LLP, special counsel to the Borrower.

5. Effect on Original Terms. The Borrower, the Lender and the Agent hereby acknowledge and agree that, except as expressly set forth in this Amendment, all terms of the Agreement shall remain unmodified and shall continue in full force and effect from and as of the Amendment Effective Date.

6. Amendment Effective Date. Subject to the satisfaction of the conditions set forth in Section 4 above, this Amendment shall become effective on the Amendment Effective Date. On and after the effectiveness of this Amendment, each reference in the Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Agreement shall mean and be a reference to the Agreement, as amended by this Amendment.

7. Execution and Delivery. This Amendment may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by emailed pdf file or other electronic means shall be effective as delivery of a manually-executed counterpart signature page.

8. Headings. The division into sections and other subdivisions of this Amendment and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Amendment. Words in the singular include the plural and vice versa and words in one gender include all genders.

9. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY, as the Borrower

By: _____
Paul I. Cutler
Treasurer

Signed by Florida Power and Light Company by Paul. I. Cutler, its Treasurer, in Mecklenburg County, North Carolina, in the presence of:

_____
Signature of Witness

SUSAN GRAY
Print Name

Witness Address:

Charlotte, NC

[redacted], as Administrative Agent and as Lender

By: [redacted]
Name: [redacted]
Title: [redacted]

SCHEDULE I
TO LOAN AGREEMENT

REVOLVING LOAN LENDERS

Lender	Commitment
[redacted] Lending Office for all Loans: [redacted] Address for Notices: [redacted] Attention: [redacted]A Telecopier No.: [redacted] Telephone No.: [redacted]A Email: [redacted]	$250,000,000

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

[Date]

[redacted],
as Administrative Agent and as Lender
[redacted]
Attention: [redacted]A
Telecopier No.: [redacted]

Ladies and Gentlemen:

The undersigned, Florida Power & Light Company, a Florida corporation ("**Borrower**"), refers to the Term Loan Agreement, dated as of March 31, 2016, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of September 27, 2016 (as heretofore and as further amended or modified from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), between Borrower, the Lenders that are parties thereto, and [redacted]A, as Administrative Agent, and hereby gives you notice, irrevocably, pursuant to *Section 2.02* of the Agreement that the undersigned hereby requests a Borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to such Borrowing (the "**Proposed Borrowing**") as required by *Section 2.02(a)* of the Agreement:

(A) The Business Day of the Proposed Borrowing is _____, 201__.

(B) The Type of Loans comprising the Proposed Borrowing are [Base Rate Loans] [Eurodollar Rate Loans].

(C) The aggregate amount of the Proposed Borrowing is US$_____.

(D) The initial Interest Period for each Eurodollar Rate Loan made as part of the Proposed Borrowing is ____ month[s]. The last day of such Interest Period is _____, _____.

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:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Loan on such Borrowing Date, and

(B) Each of the representations and warranties contained in the Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Agreement will be true in all material respects as of the time of the making of such Loan with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date)

The proceeds of the Proposed Borrowing should be wire transferred to Borrower in accordance with the following wire transfer instructions:

[_____]
[_____]
[_____]

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY,

By:_____
Name:
Title:

ANNEX A

FORM OF

LEGAL OPINION OF SQUIRE PATTON BOGGS (US) LLP

September 27, 2016

[redacted]

Attention: [redacted]
Telecopier No.: [redacted]

Re: Amendment No. 1 to Term Loan Agreement, dated as of September 27, 2016 (the "**Amendment**"), by and among Florida Power & Light Company (the "**Borrower**") and [redacted] as Lender (the "**Lender**") and as Administrative Agent (the "**Agent**")

Ladies and Gentlemen:

This opinion is furnished to you pursuant to ***Section 4.4*** of the Amendment, which amends that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), among the Borrower, the Lender, the other lenders party thereto, and the Agent. This opinion is furnished to you at the request of the Borrower. Capitalized terms defined in the Agreement, as amended by the Amendment, and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to the Borrower in connection with the documents described in ***Schedule I*** attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as

expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction")** and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that

the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(1) Term Loan Agreement, dated as of March 31, 2016, by and among the Borrower, the Lender, the other lenders party thereto, and the Agent, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of September 27, 2016.

(2) Certificate of Borrower, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

(1) **Secretary's Certificates**

A. Certificate of the Secretary of the Borrower, dated as of March 31, 2016, with respect to (i) Articles of Incorporation of the Borrower, as amended, (ii) the Bylaws of the Borrower, (iii) the active status of the Borrower in the State of Florida and (iv) the resolutions of the Board of Directors of the Borrower approving the transactions contemplated pursuant to the Agreement.

B. Certificate of the Secretary of the Borrower, dated as of the date hereof, with respect to (i) Articles of Incorporation of the Borrower, as amended, (ii) the Bylaws of the Borrower, (iii) the active status of the Borrower in the State of Florida and (iv) the resolutions of the Board of Directors of the Borrower approving the transactions contemplated pursuant to the Amendment.

(2) **Incumbency Certificates**

A. Certificate of the Secretary of the Borrower, dated as of March 31, 2016, with respect to the incumbency and specimen signatures of the officers of the Borrower executing the Agreement on behalf of the Borrower.

B. Certificate of the Secretary of the Borrower, dated as of the date hereof, with respect to the incumbency and specimen signatures of the officers of the Borrower executing the Amendment on behalf of the Borrower.

(3) The FPSC Financing Order

CONFIDENTIAL

Exhibit l (k)

Term Loan Agreement between FPL and a commercial bank dated as of March 31, 2016 (Bank 2 2016 Term Loan Agreement).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(k), consisting of 50 pages, with the Florida Public Service Commission Clerk

EXECUTION VERSION

TERM LOAN AGREEMENT

$100,000,000 TERM LOAN FACILITY

BETWEEN

FLORIDA POWER & LIGHT COMPANY, AS BORROWER

AND

[redacted]
AS LENDER AND ADMINISTRATIVE AGENT

DATED AS OF MARCH 31, 2016

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Exhibit D	Form of Borrower's Certificate
Exhibit E	Form of Opinion of Borrower's Counsel
Exhibit F-1	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-2	U.S. Tax Compliance Certificate (For Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-3	U.S. Tax Compliance Certificate (For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-4	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit G	Form of Assignment and Assumption Agreement

TERM LOAN AGREEMENT

This **TERM LOAN AGREEMENT**, dated as of March 31, 2016, is by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "Borrower"), the lending institutions from time to time listed on *Schedule I* hereto (the "Lender or "Lenders"), and [redacted] acting in its capacity as Administrative Agent for the Lenders (together with its successors and assigns in such capacity, the "Agent") (the Borrower, the Lenders and the Agent are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders agree to make available to the Borrower a One Hundred Million United States Dollars (US$100,000,000) term loan facility; and

WHEREAS, the Lenders are willing to do so, on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 - DEFINITIONS AND RULES OF INTERPRETATION.

Section 1.01. Definitions. The following terms shall have the meanings set forth in this *Section 1.01* or elsewhere in the provisions of this Agreement referred to below:

"Acceleration Notice" has the meaning specified in *Section 7.02.*

"Actions" has the meaning specified in *Section 10.04.*

"Agent" has the meaning given such term in the Preamble.

"Agreement" means this Term Loan Agreement, including the Schedules and Exhibits hereto.

"Anti-Terrorism Law" means any Requirement of Law related to money laundering or financing terrorism including 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) (the "USA PATRIOT Act"), The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"Applicable Lending Office" means, in the case of any Lender, such Lender's Domestic Lending Office or Eurodollar Lending Office, as the case may be.

"Assignment and Assumption Agreement" has the meaning assigned to such term in *Section 10.06(b)*.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country Implementing Article 55 or Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

[redacted]

"Base Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Base Rate.

"Borrower" has the meaning given such term in the preamble hereto.

"Borrowing" means the drawing down by the Borrower of a Loan or Loans from the Lenders on any given Borrowing Date.

"Borrowing Date" means the date on which any Loan is made or to be made.

"Business Day" means any day other than (a) Saturday or Sunday, or (b) a day on which banking institutions in New York City, New York are required or authorized to close *(provided* that no day shall be deemed to be a Business Day with respect to any Eurodollar Rate Loan unless such day is also a Eurodollar Business Day).

"Borrowing Notice" means a certificate to be provided pursuant to *Section 2.02(a)*, in substantially the form set forth in *Exhibit A*.

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, for the purposes of the increased cost provisions in *Section 3.06* or *Section 3.07*, any changes with respect to capital adequacy or liquidity which result from (i) all requests, rules, guidelines or directives under or issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case

pursuant to "Basel III" (meaning the comprehensive set of reform measures developed (and designated as "Basel III" in September 2010) by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector), shall in each case be deemed to be a "Change in Law" as to which the affected Lender is entitled to compensation to the extent such request, rule, guideline or directive is either (1) enacted, adopted or issued after the Effective Date (but regardless of the date the applicable provision of the Dodd-Frank Act or Basel III to which such request, rule, guideline or directive relates was enacted, adopted or issued) or (2) enacted, adopted or issued prior to the Effective Date but either (A) does not require compliance therewith, or (B) which is not fully implemented until after the Effective Date and which entails increased cost related thereto that cannot be reasonably determined as of the Effective Date.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Communications" has the meaning specified in *Section 10.02(b)*.

"Communications Notice" has the meaning specified in *Section 10.02(c)*.

"Conversion" or "Convert" means a conversion of all or part of any Loan of one Type into a Loan of another Type pursuant to *Section 2.06* hereof (including any such conversion made as a result of the operation of any other provision hereof).

"Conversion Date" means the date on which all or any portion of any Loan is Converted or continued in accordance with *Section 2.06*.

"date of this Agreement" and "date hereof" means March 31, 2016.

"Default" means an Event of Default, or an event that with notice or lapse of time or both would become an Event of Default, or the filing in any court of competent jurisdiction of any petition or application or the commencement of any case or other proceeding referred to in *Section 7.01(g)* so long as the same remains undismissed or unstayed.

"Defaulting Lender" means, subject to *Section 3.11(b)*, any Lender that (a) fails to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when such payment is due; (b) notifies the Borrower or the Agent in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that one or more conditions precedent to funding (each of which condition precedents, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) fails, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and to the Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the subsequent receipt of such written confirmation by the Agent and the Borrower); or (d) has (or has a direct or indirect parent company that has) become the subject of any Insolvency Proceeding or Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such

Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of the preceding clauses (a) through (d) shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to *Section 3.11(b)*) upon the Agent's delivery of Notice of such determination to the Borrower and each Lender.

"Dollars" or "$" means United States dollars or such currency of the United States of America shall be legal tender for the payment of public and private debts in the United States of America.

"Domestic Lending Office" means, initially, the office of each Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining any Base Rate Loan as designated by a Lender in Notice to the Borrower and the Agent.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

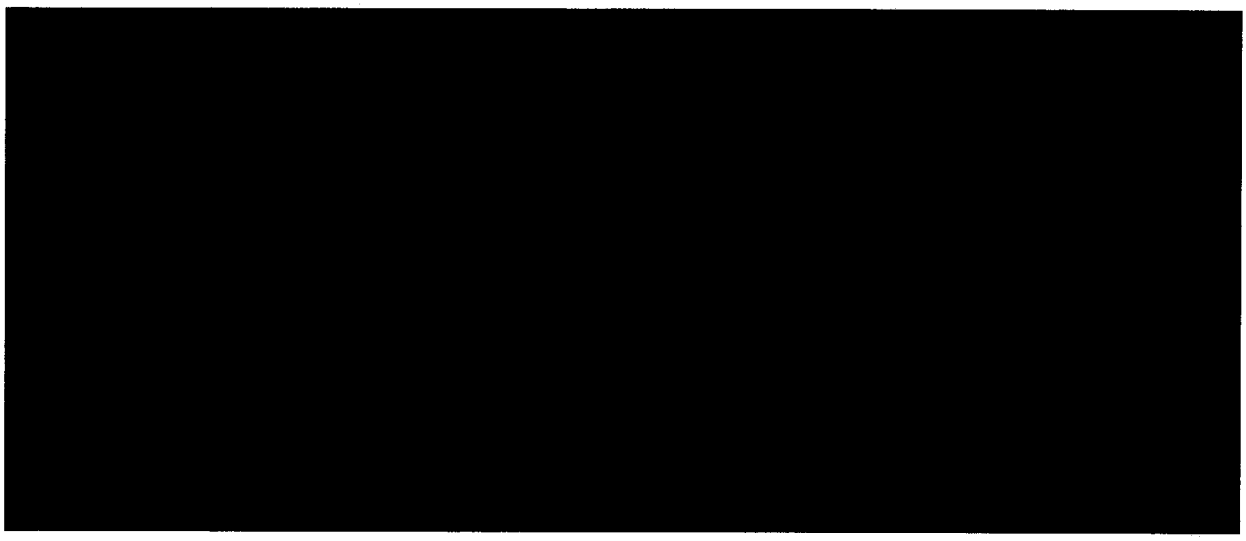
"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date on which all of the conditions precedent set forth in *Section 6.01* have been satisfied or waived, which is March 31, 2016.

"Eligible Assignee" means (i) any Lender or an affiliate of any Lender (in either instance, unless the relevant Lender is a Defaulting Lender at the time any such assignment is proposed), and (ii) any other Person that is approved by the Agent and, unless an Event of Default has occurred and is continuing at the time any such assignment is effected in accordance with the provisions of *Section 10.06(b)*, the Borrower, each of the foregoing approvals not to be unreasonably withheld or delayed; *provided however*, that neither the Borrower nor any affiliate of the Borrower shall qualify as an Eligible Assignee.

"Employee Benefit Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA maintained or contributed to by the Borrower or any ERISA Affiliate, other than a Multiemployer Plan.

[redacted]



"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means any Person that is treated as a single employer with the Borrower under Section 414 of the Code.

"ERISA Reportable Event" means a reportable event with respect to a Guaranteed Pension Plan within the meaning of Section 4043 of ERISA as to which the requirement of notice has not been waived.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Eurocurrency Reserve Rate" means, for any Interest Period for any Eurodollar Rate Loan, the average maximum rate at which reserves (including, without limitation, any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits against "Eurocurrency liabilities" (as such term is used in Regulation D) in effect two (2) Eurodollar Business Days before the first day of such Interest Period. Without limiting the effect of the foregoing, the Eurocurrency Reserve Rate shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Rate is to be determined as provided in the definition of "Eurodollar Rate" in this *Section 1.01* or (ii) any category of extensions of credit or other assets that includes Eurodollar Rate Loans.

"Eurodollar Business Day" means any Business Day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Eurodollar Lending Office" means, initially, the office of each Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, that shall be making or maintaining any Eurodollar Rate Loan as designated by a Lender in Notice to the Borrower and the Agent.

[redacted]

"Eurodollar Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Eurodollar Rate.

"Event of Default" has the meaning assigned to such term in *Section 7.01*.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in such Loan (other than pursuant to an assignment request by the Borrower under *Section 2.07*, or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to *Section 3.10*, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with *Section 3.10(c)*, and *(e)* any U.S. federal withholding Taxes imposed under FATCA.

"FASB ASC 715" means Financial Accounting Standards Board Accounting Standards Codification 715, Compensation – Retirement Benefits.

"FASB ASC 810" means Financial Accounting Standards Board Accounting Standards Codification 810, Consolidation.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

"Federal Funds Rate" means, for any day, a fluctuating interest rate per annum equal for each day during such period to the rate published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York for overnight Federal funds transactions with members of the Federal Reserve System, or, if such rate is not so published for any day that is a Business Day, the quotation for such day on such transactions received by the Agent from a Federal funds broker of recognized standing selected by it; *provided* that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"First Mortgage" means Borrower's Mortgage and Deed of Trust, dated as of January 1944, as supplemented and amended from time to time.

"Fitch" means Fitch Ratings.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FPSC Financing Order" means the Final Order Granting the Borrower Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on November 4, 2015, as Order No. PSC-14-0524-FOF-EI, and each successive order of the Florida Public Service Commission granting authority to the Borrower to issue and sell securities, as applicable.

[redacted]

[redacted]

"generally accepted accounting principles" means generally accepted accounting principles, as recognized by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied and maintained on a consistent basis for the Borrower and its Subsidiaries throughout the period indicated and (subject to *Section 1.03*) consistent with the prior financial practice of the Borrower and its Subsidiaries.

"Governmental Authority" means, as to any Person, any government (or any political subdivision or jurisdiction thereof), court, bureau, agency or other governmental authority having jurisdiction over such Person or any of its business, operations or properties.

"Guaranteed Pension Plan" means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is subject to Title IV of ERISA and that is maintained or contributed to by the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate could be reasonably expected to have liability, other than a Multiemployer Plan.

"Immediately Available Funds" means funds with good value on the day and in the city in which payment is received.

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

"Indemnitee" has the meaning specified in *Section 10.04*.

"Indemnity Claim" has the meaning specified in *Section 10.04*.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any competent court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, administrative receivership, administration, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, undertaken under any U.S. Federal or state or any foreign law.

"Interest Payment Date" means (a) as to any Base Rate Loan, the last day of each calendar quarter; (b) as to any Eurodollar Rate Loan in respect of which the Interest Period is (i) three (3) months or less, the last day of such Interest Period and (ii) more than three (3) months, the date that is three (3) months from the first day of such Interest Period and, in addition, the last day of such Interest Period; and (c) as to all Loans, the Maturity Date.

"Interest Period" means, with respect to any particular Eurodollar Rate Loan, the period which (i) initially commences on either (A) the initial Conversion Date of such Eurodollar Rate Loan to occur on or after the Effective Date or (B) the date of Conversion of all or any portion of any particular Base Rate Loan into a Eurodollar Rate Loan, as the case may be, and ends one (1), two (2), three (3) or six (6) months thereafter as selected by the Borrower; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period and ending on the last day of one of the periods set forth above, as selected by the Borrower in an Interest Rate Notice; *provided,* that all of the foregoing provisions relating to Interest Periods are subject to the following:

(a) if any Interest Period would otherwise end on a day that is not a Eurodollar Business Day, then such Interest Period shall end on the next succeeding Eurodollar Business Day unless the next succeeding Eurodollar Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Eurodollar Business Day;

(b) if any Interest Period begins on the last Eurodollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of the Interest Period), then the Interest Period shall end on the last Eurodollar Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Notice" means a Notice given by the Borrower to the Agent (in substantially the form set forth in *Exhibit C*) specifying the Borrower's election to Convert all or any portion of the Loans, or specify the Interest Period with respect to all or any portion of any Eurodollar Rate Loans, in accordance with *Section 2.06*.

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has an Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Liabilities" has the meaning specified in *Section 10.04*.

"Lien" means any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Loan" means the aggregate principal amount advanced by each Lender as a Loan or Loans to the Borrower under *Section 2.01*.

"Loan Documents" means this Agreement, any Note or certificate or other document delivered in connection herewith or therewith.

"Loans" means the aggregate principal amount of the Loans of all Lenders Outstanding at the time referred to in the context in which the term is used.

"Majority Lenders" means Lenders having more than fifty percent (50%) of the sum of the aggregate unpaid principal amount of the Loans.

[redacted]

"Maturity Date" means March 30, 2017.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) of ERISA to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute or has within any of the preceding five plan years contributed or had an obligation to contribute.

"NextEra Energy" means NextEra Energy, Inc., a Florida corporation.

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

"Nonrecourse Indebtedness" has the meaning specified in *Section 5.17*.

"Note" means the promissory note provided for by *Section 2.03(b)*, including (as applicable) all amendments thereto and restatements thereof and all promissory notes delivered in substitution or exchange therefor (including any amended and restated note issued pursuant to this Agreement).

"Notice" has the meaning specified in *Section 10.02*.

"One Month LIBOR" means the ICE Benchmark Administration Settlement Rate applicable to U.S. dollars for a period of one month (for the avoidance of doubt, One Month LIBOR for any day shall be based on the rate appearing on Reuters LIBOR01 Page (or other commercially available source providing such quotations as designated by the Agent from time to time) at approximately 11:00 a.m London time two (2) Business Days prior to such day); *provided* that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

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

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

"Outstanding" means, with respect to any Loan, the aggregate unpaid principal amount thereof as of any date of determination.

"Participant" has the meaning specified in *Section 10.06(d)*.

"Participant Register" has the meaning specified in *Section 10.06(d)*.

"Parties" and "Party" have the meanings specified in the Preamble.

"PBGC" means the Pension Benefit Guaranty Corporation created by Section 4002 of ERISA and any successor entity or entities having similar responsibilities.

"Person" means any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Platform" has the meaning specified in *Section 10.02(b)*.

"Prime Rate" means, for any day, the prime commercial lending rate of the Agent as publicly announced to be in effect from time to time, such rate to be adjusted automatically, without notice, on the effective date of any change in such rate.

"Pro Rata Share" means, in respect of any Lender as of the date of any determination, the proportion which such Lender's Loans Outstanding bear to the total amount of Loans Outstanding.

"Rating Agency" means any of Fitch, Moody's or Standard & Poor's.

"Recipient" means the Agent and any Lender.

"Register" has the meaning specified in *Section 10.06(c)*.

"Regulations A, D, U and X" means, respectively, Regulations A, D, U and X of the Federal Reserve Board (or any successor).

"Regulatory Change" means, with respect to any Lender, any change after the date of this Agreement in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption, making or change in after such date of any interpretation, directive or request applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Removal Effective Date" has the meaning specified in *Section 9.07(b)*.

"Requirement of Law" means, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or final, non-appealable determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Resignation Effective Date" has the meaning specified in *Section 9.07(a)*.

"Sanctions" means, sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), US Department of State, United Nations Security Council, European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Standard & Poor's" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

"Subsidiary" means any corporation, association, trust, or other business entity of which the Borrower (or where the context requires, NextEra Energy) shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority (by number of votes) of the outstanding Voting Stock.

[redacted]

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

[redacted]

"Type" has the meaning specified in *Section 1.02(h)*.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in paragraph (ii) of *Section 3.10(e)*.

[redacted]

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement, including any schedules or exhibits thereto, as any of same may be amended, modified or supplemented from time to time in accordance with its terms and, if applicable, the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) The words "include," "includes" and "including" are not limiting.

(f) Reference to any particular "Article," "Section," "Schedule," "Exhibit," "Recital" or "Preamble" refers to the corresponding Article, Section, Schedule, Exhibit, Recital or Preamble of this Agreement unless otherwise indicated.

(g) The words "herein," "hereof," "hereunder," "hereto" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(h) Loans hereunder are distinguished by "Type". The Type of a Loan refers to whether such Loan is a Base Rate Loan or a Eurodollar Rate Loan, each of which constitutes a Type.

Section 1.03. Accounting Matters. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles, as in effect from time to time; *provided* that, if the Borrower notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in generally accepted accounting principles or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such Notice is given before or after such change in generally accepted accounting principles or in the application thereof, then (a) such provision shall be interpreted on the basis of generally accepted accounting principles as in effect and applied immediately before such change shall have become effective until such Notice shall have been withdrawn or such provision amended in accordance therewith and (b) the Borrower shall provide to the Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations made before and after giving effect to such change in generally accepted accounting principles.

ARTICLE 2 - LOANS.

Section 2.01. Term Loan. Each of the Lenders severally agrees, on the terms of this Agreement (including, without limitation, *Article 6*), to make, simultaneously with the other Lenders, a single loan in Dollars to the Borrower on the Effective Date in an amount not to exceed the amount set opposite the name of such Lender on *Schedule I*, *provided* that the aggregate principal amount of such Loans shall not exceed One Hundred Million United States Dollars (US$100,000,000). Amounts borrowed and repaid or prepaid may not be reborrowed.

Section 2.02. Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time on the Effective Date specifying the account to which the proceeds of the Loan are to be transferred.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on the Borrowing Date, make immediately available funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, by wire transfer at its address set forth on *Schedule I*, for crediting to the Borrower's designated account in accordance with the wire instructions included in the Borrowing Notice.

(d) The Borrower shall have the right, at any time and from time to time, to repay the Loans in whole or in part, without penalty or premium, (i) upon not less than (i) three (3) Business Days prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and (ii) same day written notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted]A or any larger integral multiple of [redacted]A in excess thereof, or equal to the remaining principal balance outstanding under such Loan and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such repayment in accordance with *Section 3.09*.

Section 2.03. Evidence of Indebtedness and Notes.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any particular Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Effective Date, (iii) be in a stated maximum principal amount equal to the Loans of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04. Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire

unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05. Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted] annu m.

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted]

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of such Loan.

(d) In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than ten (10) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) Each Lender shall give prompt Notice to the Borrower of the applicable interest rate determined by such Lender for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(f) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on the Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to the Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06. Interest Rate Conversion or Continuation Options.

(a) The Borrower may, subject to *Section 3.04* and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan

prior to the last day of the Interest Period relating to that Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give each Lender an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Day prior to such election; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made, any Lender may take such action, if any, as it deems desirable to transfer the Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of Loans of any Type may be Converted as specified herein; *provided* that partial Conversions shall be in an aggregate principal amount of [redacted][A] or any larger integral multiple of [redacted] Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted] or any integral multiple of [redacted][B] in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

(e) Upon the expiration of any Interest Period, the Borrower shall be deemed to have requested a new Interest Period of equal duration as the immediately preceding Interest Period unless, at least three (3) Business Days prior to said expiration, the Borrower shall have delivered to the Agent an Interest Rate Notice (or telephonic notice Promptly confirmed in writing) specifying a new Interest Period of a different duration.

Section 2.07. Replacement of Lenders.

If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv)

any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) The Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

ARTICLE 3 - CERTAIN GENERAL PROVISIONS.

Section 3.01. *[Reserved]*

Section 3.02. Funds for Payments.

(a) All payments of principal, interest, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, without counterclaim or setoff except as provided in *Article 8*, at the offices of the Agent, at its address set forth in *Schedule I*, for the respective accounts of the Lenders, in Immediately Available Funds, not later than 2:00 p.m., New York, New York time, on the due date therefor. Any payment received by the Agent after 2:00 p.m., New York, New York time, shall be deemed to have been received on the next succeeding Business Day. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to *Sections 3.06, 3.07, 3.09, 3.10*, and *Article 10* to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any

payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

(b) Unless the Agent shall have received Notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent or each Lender, as the case may be, shall repay to the Agent forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender, repays such amount to the Agent, at the Federal Funds Rate.

Section 3.03. Computations. All computations of interest based on the Prime Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Except as otherwise provided in the definition of the term "Interest Period" with respect to any Eurodollar Rate Loan, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest on any principal so extended shall accrue during such extension.

Section 3.04. Inability to Determine Eurodollar Rate. In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, the Agent shall determine or be notified by the Majority Lenders that adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans, as the case may be, or that the Eurodollar Rate will not adequately reflect the cost to the Majority Lenders of making, funding or maintaining their Eurodollar Rate Loans, during any Interest Period, the Agent shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower and the Lenders) to the Borrower and the Lenders. In such event (a) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed to be a request for a Base Rate Loan, (b) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (c) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Agent or the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent or, as the case may be, the Agent upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders.

Section 3.05. Illegality. Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain any Loan as a Eurodollar Rate Loan, such Lender shall promptly give Notice of such circumstances to the Borrower and the other Lenders and thereupon (a) the commitment of such Lender to make any Loan as a Eurodollar Rate Loan or

Convert any portion of the Loans of another Type to a Eurodollar Rate Loan shall automatically be suspended, and (b) such Lender's portion of the Loans then outstanding as Eurodollar Rate Loans, if any, shall be Converted automatically to Base Rate Loans on the last day of each Interest Period applicable to each such Eurodollar Rate Loan or within such earlier period as may be required by law. Notwithstanding anything contained in this *Section 3.05* to the contrary, in the event that any Lender is unable to make or maintain any Loan as a Eurodollar Rate Loan as set forth in this *Section 3.05*, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Eurodollar Lending Office so as to avoid such inability.

Section 3.06. Additional Costs. If any Change in Law:

(a) imposes, increases or renders applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of law) against assets held by, or deposits in or for the account of, or loans by an office of any Lender, or

(b) imposes on any Lender or the Agent any other conditions or requirements with respect to this Agreement, the other Loan Documents or any Loan,

(c) and the foregoing has the result of:

(i) increasing the cost or reducing the return to any Lender of making, funding, issuing, renewing, extending or maintaining the Eurodollar Rate Loans, or

(ii) reducing the amount of principal, interest or other amount payable to such Lender hereunder on account of the Eurodollar Rate Loans, or

(iii) requiring such Lender to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Lender from the Borrower hereunder,

then, and in each such case, the Borrower will, upon demand made by such Lender at any time and from time to time and as often as the occasion therefor may arise, pay to such Lender such additional amounts as will be sufficient to compensate such Lender for such additional cost, reduction, payment or foregone interest or other sum. Notwithstanding anything contained in this *Section 3.06* to the contrary, upon the occurrence of any event set forth in this *Section 3.06* with respect to any Lender, such affected Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Applicable Lending Office so as to avoid the effect of such event set forth in this *Section 3.06*.

Section 3.07. Capital Adequacy. If any Change in Law affects the amount of capital or liquidity required or expected to be maintained by any Lender or any corporation controlling such Lender due to the existence of the Loans, and such Lender determines that the result of the foregoing is to increase the cost or reduce the return to such Lender of making or maintaining such Loans, then such Lender may notify the Borrower of such fact. To the extent that the costs

of such increased capital or liquidity requirements are not reflected in the Base Rate and/or the Eurodollar Rate, the Borrower and such Lender shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrower receives such Notice, an adjustment payable hereunder that will adequately compensate such Lender in light of these circumstances, and in connection therewith, such Lender will provide to the Borrower reasonably detailed information regarding the increase of such Lender's costs. If the Borrower and such Lender are unable to agree to such adjustment within thirty (30) days of the date on which the Borrower receives such Notice, then commencing on the date of such Notice (but not earlier than the effective date of any such increased capital or liquidity requirement), the interest payable hereunder shall increase by an amount that will, in such Lender's reasonable determination, provide adequate compensation. Each Lender agrees that amounts claimed pursuant to this *Section 3.07* shall be made in good faith and on an equitable basis.

Section 3.08. Recovery of Additional Compensation.

(a) Certificate. If any Lender claims any additional amounts pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, it shall provide to the Agent and the Borrower a certificate setting forth such additional amounts payable pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, and a reasonable explanation of such amounts which are due (*provided* that, without limiting the requirement that reasonable detail be furnished, nothing herein shall require such Lender to disclose any confidential information relating to the organization of its affairs). Such certificate shall be conclusive, absent manifest error, that such amounts are due and owing.

(b) Delay in Requests. Delay on the part of any Lender to demand compensation pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as applicable, shall not constitute a waiver of such Lender's right to demand such compensation; *provided* that the Borrower shall not be required to compensate such Lender for any increased costs incurred or reductions in returns suffered more than ninety (90) days prior to the date such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions in return, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the ninety (90) day period referred to above shall be extended to include the period of retroactive effect thereof).

Section 3.09. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense (including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain its Eurodollar Rate Loan) that such Lender may sustain or incur as a consequence of (a) default by the Borrower in payment of the principal amount of or any interest on any Eurodollar Rate Loan as and when due and payable, (b) default by the Borrower in making a prepayment after the Borrower has given a Notice of prepayment pursuant to *Section 2.02(d)*, (c) default by the Borrower in continuing any Loan, after the Borrower has given (or is deemed to have given pursuant to *Section 2.06* an Interest Rate Notice or (d) the making of any payment of principal of the Loan on a day that is not the last day of an Interest Period, including interest or fees payable by such Lender to lenders or funds obtained by it in order to maintain any Loan.

Section 3.10. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by such Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this *Section 3.10*) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification

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

(ii) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of *Section 10.06* relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this *Section 3.10(c)(ii)*.

(d) Evidence of Payments. Within thirty (30) days after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this *Section 3.10*, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in *Section 3.10(e)(ii)(1), (ii)(2)* and *(ii)(4)* below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the Recipient on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document,

executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed originals of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit F-1* to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-2* or *Exhibit F-3*, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if such Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-4* on behalf of each such direct and indirect partner;

(3) any Foreign Lender, shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on

or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments to FATCA made after the Effective Date.

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

(f) Treatment of Certain Refunds. If any Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this *Section 3.10* (including by the payment of additional amounts pursuant to this *Section 3.10*), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this *Section 3.10* with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this *Section 3.10(f)* (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay

such refund to such Governmental Authority. Notwithstanding anything to the contrary in this *Section 3.10(f)*, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this *Section 3.10(f)* the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This *Section 3.10(f)* shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 3.11. Defaulting Lenders; Cure.

(a) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article 7* or otherwise), or received by the Agent from a Defaulting Lender by exercise of right of set-off, shall be applied at such time or times as may be determined by the Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; *third*, if so agreed by the Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in *Section 6.01*, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this *Section 3.11(a)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto (and the amounts thus applied or held shall discharge any corresponding obligations of the Borrower relating thereto).

(b) Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the Parties, whereupon as of the effective date specified in such Notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral or other acceptable credit support), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders, whereupon such Lender will

cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided, further,* that except to the extent otherwise expressly agreed by the affected Parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any Party arising from that Lender's having been a Defaulting Lender.

(c) Effect on Other Obligations. No Commitment of any Lender shall be increased or otherwise affected, and except as otherwise expressly provided in this *Section 3.11*, performance by the Borrower of its obligations hereunder shall not be excused or otherwise modified as a result of the operation of this *Section 3.11*. The rights and remedies against a Defaulting Lender under this *Section 3.11* are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lenders and the Agent as follows:

Section 4.01. Corporate Authority.

(a) Incorporation; Good Standing. The Borrower (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite corporate power to own its property and conduct its business as now conducted, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction where such qualification is necessary except where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.

(b) Authorization. The execution, delivery and performance of this Agreement, the other Loan Documents to which the Borrower is or is to become a party and the transactions contemplated hereby and thereby (i) are within the corporate authority of the Borrower, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any breach or contravention of any provision of any law, statute, rule or regulation to which the Borrower is subject or any material judgment, order, writ, injunction, license or permit applicable to the Borrower, except where any such conflict, breach, or contravention would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, a material adverse effect on the ability of the Borrower to perform its obligations under the Loan Documents or a material adverse effect on the validity or enforceability of the Loan Documents, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order, and (iv) do not conflict with any provision of the Restated Articles of Incorporation of the Borrower, as amended, or Bylaws, as amended, of, or any material agreement or other material instrument binding upon, the Borrower, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any

one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order. This Agreement and each other Loan Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Enforceability. The execution and delivery by the Borrower of this Agreement and the other Loan Documents will result in valid and legally binding obligations of the Borrower, enforceable against it in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity.

Section 4.02. Governmental Approvals. The execution and delivery by the Borrower of this Agreement and the other Loan Documents, and the performance by it of its obligations thereunder, do not require the approval or consent of, or filing with, any Governmental Authority, except those which have been obtained on or prior to the date hereof, it being understood that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order.

Section 4.03. Title to Properties. The Borrower or one or more of its consolidated subsidiaries owns all of the assets reflected as the Borrower's assets in the consolidated balance sheet of the Borrower as at December 31, 2015 referred to in *Section 4.04* or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business or as otherwise permitted pursuant to the provisions of this Agreement since that date and except for such assets owned from time to time by any entity whose assets are consolidated on the balance sheet of the Borrower and its Subsidiaries solely as a result of the operation of FASB ASC 810), subject to no Liens, except for such matters set forth in *Schedule 4.03* or otherwise permitted pursuant to the provisions of this Agreement and Liens upon the assets of any Subsidiary of Borrower.

Section 4.04. Financial Statements. The Borrower's annual report on Form 10-K for the period ended December 31, 2015, includes the consolidated balance sheet of the Borrower and its subsidiaries as at such date and related consolidated income statements of Borrower and its subsidiaries, for the fiscal period then ended, which have been certified by the Borrower's independent public accountants. The financial statements of the Borrower included as a part of such annual report have been prepared in accordance with generally accepted accounting principles and present fairly the consolidated financial position and results of operations of the Borrower and its subsidiaries, taken as a whole, at the respective dates and for the respective periods to which they apply. As of the Effective Date, there has been no material adverse change in the business or financial condition of the Borrower and its subsidiaries, taken as a whole, since December 31, 2015, except as set forth *in Schedule 4.04.*

Section 4.05. Franchises, Patents, Copyrights, Etc. The Borrower possesses all material franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted and, except where in any such case any such conflict would not have a material adverse effect on

the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, without known conflict with any rights of others.

Section 4.06. Litigation. Except as described in *Schedule 4.06*, as of the Effective Date, there is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, or to materially impair the right of the Borrower to carry on its business substantially as now conducted by it. There is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or any of its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to question the validity of this Agreement or any of the other Loan Documents or any actions taken or to be taken pursuant hereto or thereto.

Section 4.07. Compliance With Other Instruments, Laws, Etc. The Borrower is not in violation of any provision of its charter documents, bylaws, or any agreement or instrument to which it is subject or by which it or any of its properties is bound or any material decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that would materially and adversely affect the financial condition, properties or business of the Borrower and its Subsidiaries, taken as a whole.

Section 4.08. Tax Status. The Borrower has (a) prepared and, giving effect to all proper extensions, timely filed all federal and state income tax returns and, to the best knowledge of the Borrower, all other material tax returns, reports and declarations required by any applicable jurisdiction to which the Borrower is legally subject, which, giving effect to all proper extensions, were required to be filed prior to the Effective Date, (b) paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) to the extent deemed necessary or appropriate by the Borrower, set aside on its books provisions reasonably adequate for the payment of all known taxes for periods subsequent to the periods to which such returns, reports or declarations apply.

Section 4.09. No Default. No Default has occurred and is continuing.

Section 4.10. Investment Company Act. The Borrower is not an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940.

Section 4.11. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions.

(b) Terminability of Plans. Under each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries which is an employee welfare benefit plan within the meaning

of §3(1) or §3(2)(B) of ERISA, no benefits are due unless the event giving rise to the benefit entitlement occurs prior to plan termination (except as required by Title I, Part 6 of ERISA). The Borrower and its Subsidiaries may terminate their respective participation in each such plan at any time (other than a plan that provides benefits pursuant to a collective bargaining agreement) in the discretion of the Borrower or its Subsidiaries without liability to any Person.

(c) Guaranteed Pension Plans. As of the Effective Date, each contribution required to be made to a Guaranteed Pension Plan by either the Borrower or an ERISA Affiliate, whether required to satisfy the minimum funding requirements described in §302 or §303 of ERISA, the notice or lien provisions of §303(k) of ERISA, or otherwise, has been timely made. As of the Effective Date, no waiver from the minimum funding standards or extension of amortization periods has been received with respect to any Guaranteed Pension Plan. As of the Effective Date, no liability to the PBGC (other than required insurance premiums, all of which have been paid) has been incurred by the Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and, except as set forth in *Schedule 4.11(c)*, there has not been any ERISA Reportable Event which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of §4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans by more than $500,000.

(d) Multiemployer Plans. The Borrower nor any ERISA Affiliate has incurred any material unpaid liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under §4201 of ERISA or as a result of a sale of assets described in §4204 of ERISA. Neither the Borrower nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization, insolvent or "endangered" or "critical" status under and within the meaning of §4241, §4245 or §305, respectively, of ERISA or that any Multiemployer Plan intends to terminate or has been terminated under §4041A of ERISA.

Section 4.12. Use of Proceeds. The proceeds of the Loans shall be used for the general corporate purposes of the Borrower.

Section 4.13. Compliance with Margin Stock Regulations. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "'margin stock" (within the meaning of Regulation U or Regulation X of the Federal Reserve Board), and no part of the proceeds of the Loans will be used to purchase or carry any "margin stock," to extend credit to others for the purpose of purchasing or carrying any "margin stock" or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of Regulation U or Regulation X. In addition, not more than twenty-five percent (25%) of the value (as determined by any reasonable method) of the assets of the Borrower consists of margin stock.

Section 4.14. USA PATRIOT ACT, OFAC and Other Regulations.

(a) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate (i) has violated any applicable anti-corruption laws or any Anti-Terrorism Laws or (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, employees, brokers or agents of the Borrower, such Subsidiary or Affiliate is a Person that is, or is owned or controlled by Persons that are: (i) the subject of any Sanctions, or (ii) located, organized or resident in a country, region or territory that is, or whose government is, the subject of Sanctions, which on the date of this Agreement are Crimea, Cuba, Iran, North Korea, Sudan and Syria.

(c) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate acting or benefiting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Person, or in any country or territory, that is the subject of any Sanctions, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 5 - COVENANTS OF BORROWER

The Borrower covenants and agrees that, so long as any portion of the Loans is outstanding:

Section 5.01. Punctual Payment. The Borrower will duly and punctually pay or cause to be paid (a) the principal and interest on the Loans, and (b) the fees and all other amounts provided for in this Agreement and the other Loan Documents.

Section 5.02. Maintenance of Office. The Borrower will maintain its chief executive office at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, or at such other place in the United States of America as the Borrower shall designate by Notice to the Agent, in accordance with *Section 10.02.*

Section 5.03. Records and Accounts. The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with generally accepted accounting principles and (b) to the extent deemed necessary or appropriate by the Borrower, maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, contingencies, and other reserves.

Section 5.04. Financial Statements, Certificates and Information. The Borrower will deliver to each of the Lenders and the Agent, which, for the purposes of this *Section 5.04*, may be made available electronically by the Borrower as provided in the final sentence of this *Section 5.04*:

(a) as soon as practicable, but in any event not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower, the consolidated balance sheet of the Borrower and its subsidiaries as at the end of such year, and the related consolidated statements of income and consolidated statements of cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year or year-end, as applicable, and all such consolidated statements to be prepared in accordance with generally accepted accounting principles, and certified by Deloitte & Touche LLP or by other independent public accountants reasonably satisfactory to the Agent. The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's annual report on Form 10-K for the period for which such financial statements are to be delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer shall have obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(b) as soon as practicable, but in any event not later than sixty (60) days after the end of each of the first three (3) fiscal quarters of the Borrower copies of the unaudited consolidated balance sheet of the Borrower and its subsidiaries as at the end of such quarter, and the related consolidated statements of income and consolidated statements of cash flows for the portion of the fiscal year to which they apply, all prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower that the information contained in such financial statements fairly presents the financial position of the Borrower and its Subsidiaries as of the end of such quarter (subject to year-end adjustments). The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's quarterly report on Form 10-Q for the period for which such financial statements are being delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer has obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(c) contemporaneously with the filing or mailing thereof, copies of all material of a financial nature filed by the Borrower with the Securities and Exchange Commission;

(d) promptly after the commencement thereof, Notice of all actions and proceedings before any court, governmental agency or arbitrator of the type described in *Section 4.06* to which the Borrower is a party or its properties are subject; and

(e) from time to time such other financial data and information as the Agent or any Lender may reasonably request.

Reports or financial information required to be delivered pursuant to this *Section 5.04* shall, to the extent any such financial statements, reports, proxy statements or other materials are included in materials otherwise filed with the Securities and Exchange Commission, be deemed to be delivered hereunder on the date of such filing. Any such report or financial information may also be delivered to the Agent electronically as provided in *Section 10.02(b)*.

Section 5.05. Default Notification. The Borrower will promptly provide Notice to the Agent regarding the occurrence of any Default of which the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower has actual knowledge or notice.

Section 5.06. Corporate Existence: Maintenance of Properties. The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence (except as otherwise expressly permitted by the first sentence of *Section 5.13*), and will do or cause to be done all things commercially reasonable to preserve and keep in full force and effect its franchises; and the Borrower will, (a) cause all of its properties used and useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and (b) cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this *Section 5.06* shall prevent the Borrower or any of its Subsidiaries from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the sole judgment of the Borrower or its Subsidiary, as the case may be, desirable in the conduct of its or their business and does not in the aggregate materially adversely affect the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole; *provided further* that nothing in this *Section 5.06* shall affect or impair in any manner the ability of the Borrower or any of its Subsidiaries to sell or dispose of all or any portion of its property and assets (including, without limitation, its shares in any Subsidiary or all or any portion of the property or assets of any Subsidiary); and *provided finally* that, in the event of any loss or damage to its property or assets, the Borrower and its Subsidiaries shall be obligated to repair, replace or restore any such property or assets only if the Borrower or such Subsidiaries have determined that such repair, replacement or restoration is necessary or appropriate and any such repair, replacement and/or restoration may be effectuated by the Borrower or a Subsidiary in such time period and in the manner it deems appropriate.

Section 5.07. Taxes. The Borrower will duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all material taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges that in the aggregate are not material to the business or assets of the Borrower) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as

well as all claims for labor, materials, or supplies that if unpaid might by law become a Lien or charge upon any of its property; *provided* that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and *provided further* that the Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any Lien that may have attached as security therefor.

Section 5.08. Visits by Lenders. The Borrower shall permit the Lenders, or any of the Lenders' designated representatives, to visit the properties of the Borrower and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, its officers, upon reasonable Notice and all at such reasonable times and intervals as the Agent or any Lender may reasonably request.

Section 5.09. Compliance with Laws, Contracts, Licenses, and Permits. The Borrower will comply with (a) the laws and regulations applicable to the Borrower (including, without limitation, ERISA) wherever its business is conducted, (b) the provisions of its charter documents and by-laws, (c) all agreements and instruments by which it or any of its properties may be bound, and (d) all decrees, orders, and judgments applicable to the Borrower, except where in any such case the failure to comply with any of the foregoing would not materially adversely affect the business, property or financial condition of the Borrower and its Subsidiaries, taken as a whole. If at any time while any portion of the Loans or any other amount hereunder is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any Governmental Authority shall become necessary or required in order that the Borrower may fulfill any of its obligations hereunder or under any other Loan Document, the Borrower will promptly take or cause to be taken all reasonable steps within the power of the Borrower to obtain such authorization, consent, approval, permit or license and furnish the Agent with evidence thereof.

Section 5.10. Use of Proceeds. The Borrower will use the proceeds of the Loans solely for the purposes described in *Section 4.12*.

Section 5.11. Rating Agencies. The Borrower will at all times during the term of this Agreement employ at least two (2) Rating Agencies for the purpose of rating the Borrower's non-credit enhanced long-term senior unsecured debt or, to the extent such rating is not available. The Borrower's long-term senior secured debt, one of which must be either Moody's or Standard & Poor's.

Section 5.12. Maintenance of Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates: *provided, however,* that the Borrower may self-insure (which may include the establishment of reserves, allocation of resources, establishment of credit facilities and other similar arrangements) to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates and to the extent consistent with prudent business practice.

Section 5.13. Prohibition of Fundamental Changes. The Borrower will not consummate any transaction of merger or consolidation or amalgamation, or liquidation or dissolution; [redacted] The Borrower will not convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or substantially all of its business or assets, whether now owned or hereafter acquired, to any other Person unless [redacted] A

Section 5.14. Indebtedness. The Borrower will insure that all obligations of the Borrower under this Agreement and the other Loan Documents rank and will [redacted] A in respect of priority of payment by the Borrower and priority of lien, charge or other security in respect of assets of the Borrower [redacted] A

Section 5.15. Liens. The Borrower will not create any Lien upon or with respect to any of its properties, or assign any right to receive income, in each case to secure or provide for the payment of any debt of any Person, other than:

(i) purchase money liens or purchase money security interests upon or in any property acquired by the Borrower in the ordinary course of business to secure the purchase price or construction cost of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property or construction of improvements on such property;

(ii) Liens existing on property acquired by the Borrower at the time of its acquisition, *provided* that such Liens were not created in contemplation of such acquisition and do not extend to any assets other than the property so acquired;

(iii) Liens securing Nonrecourse Indebtedness created for the purpose of financing the acquisition, improvement or construction of the property subject to such Liens;

(iv) the replacement, extension or renewal of any Lien permitted by clauses (i) through (iii) of this *Section 5.15* upon or in the same property theretofore

subject thereto or the replacement, extension or renewal (without increase in the amount or change in the direct or indirect obligor) of the indebtedness secured thereby;

(v) Liens upon or with respect to margin stock;

(vi) (a) deposits or pledges to secure payment of workers' compensation, unemployment insurance, old age pensions or other social security; (b) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of money) or leases, public or statutory obligations, surety or appeal bonds or other deposits or pledges for purposes of like general nature in the ordinary course of business; (c) Liens for property taxes not delinquent and Liens for taxes which in good faith are being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; (d) mechanics', carriers', workmen's, repairmen's or other like Liens arising in the ordinary course of business securing obligations which are not overdue for a period of sixty (60) days or more or which are in good faith being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and (e) other matters described in *Schedule 4.03*; and

(vii) the Lien of the Borrower's First Mortgage, any other Liens, charges or encumbrances permitted thereunder from time to time, and any other Lien or Liens upon all or any portion of the property or assets which are subject to the Lien of the First Mortgage;

(viii) any Liens securing any pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds or other taxable or tax-exempt bonds or similar obligations issued by or on behalf of the Borrower from time to time, and any Liens given to secure any refinancing or refunding of any such obligations; and

(ix) any other Liens or security interests (other than Liens or security interests described in clauses (i) through (viii) of this *Section 5.15),* if the aggregate principal amount of the indebtedness secured by all such Liens and security interests (without duplication) does not exceed in the aggregate [redacted] at any one time outstanding; [redacted] A

Section 5.16. Employee Benefit Plans. The Borrower will not:

(a) engage in any non-exempt "prohibited transaction" within the meaning of §406 of ERISA or §4975 of the Code which could result in a material liability for the Borrower; or

(b) permit any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to fail to meet the "minimum funding standards" described in §302 and §303 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to an extent which, or terminate any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates in a manner which, could result in the imposition of a lien or encumbrance on the assets of the Borrower or any of its Subsidiaries pursuant to §303(k) or §4068 of ERISA; or

(d) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of §4001(a)(16) of ERISA) of Guaranteed Pension Plans sponsored by the Borrower or its ERISA Affiliates exceeding the value of the aggregate assets of such plans by more than the amount set forth in *Section 4.11(c)*. For purposes of this covenant, poor investment performance by any trustee or investment management of a Guaranteed Pension Plan shall not be considered as a breach of this covenant.

Section 5.17. [redacted] A

[redacted]

Section 5.18. Compliance with Anti-Terrorism Regulations. The Borrower shall not:

(a) Violate any applicable anti-corruption laws or any Anti-Terrorism Laws or engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Use, directly or indirectly, the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (x) in violation of anti-corruption laws, (y) to fund any activities or business of or with any Person, or in any country, region or territory, that, is, or whose government is, the subject of Sanctions at the time of such funding, or (z) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

(c) Deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 6 - CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement and the making of Loans pursuant to *Section 2.01* is subject to the following conditions precedent, each of which shall have been met or performed in the reasonable opinion of the Agent:

(a) Execution of this Agreement. This Agreement shall have been duly executed and delivered by the Parties.

(b) Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Agreement and any other Loan Document to which it is a Party, shall have been duly and effectively taken, and evidence thereof satisfactory to the Lenders shall have been provided by the Borrower to the Agent.

(c) Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Agent dated as of the Effective Date, signed by its duly authorized officer, and giving the name and bearing a specimen signature of each individual who shall be authorized: (1) to sign, in the name and on behalf of the Borrower each of the Loan Documents to which it is a party, (2) to make Conversion requests and (3) to give notices and to take other action on its behalf under the Loan Documents.

(d) Borrower's Certificate. The Agent shall have received from the Borrower's executed certificate, dated as of the Effective Date, substantially in the form of *Exhibit D*.

(e) Opinion of Counsel. The Agent shall have received a favorable opinion addressed to the Lenders and the Agent, dated as of the Effective Date, substantially in the form of *Exhibit E* attached hereto, from Squire Patton Boggs (US) LLP, counsel to the Borrower.

(f) No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make any Loan.

(g) Governmental Regulation. Each Lender shall have received such statements in substance and form reasonably satisfactory to such Lender as such Lender shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve Board, including, without limitation, applicable "know your customer" requirements.

(h) Note. The Note (if same is requested by the Lender) shall have been duly executed and delivered by the Borrower to [redacted] as the sole Lender on the Effective Date.

(i) Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement, the other Loan Documents and all other documents incident thereto shall be satisfactory in substance and in form to the Lenders and to counsel for the Agent, and the Lenders and such counsel shall have received all information and such counterpart originals or certified or other copies of such documents as the Agent may reasonably request.

(j) Borrowing Notice. The Borrower shall have delivered the Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(k) No Default. No Default shall have occurred and be continuing or will occur upon the making of the Loans, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of the Loans, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

ARTICLE 7 - EVENTS OF DEFAULT, ACCELERATION, ETC.

Section 7.01. Events of Default. The following events shall constitute "Events of Default" for purposes of this Agreement:

(a) the Borrower shall fail to pay any principal of the Loan when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(b) the Borrower shall fail to pay any interest on the Loan, any fees or other sums due hereunder or under any of the other Loan Documents, for a period of [redacted] following the date when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(c) (i) the Borrower shall fail to perform any term, covenant or agreement contained in *Section 5.05, Section 5.06* (but only as to corporate existence), *Section 5.10, Section 5.12, Section 5.13* (upon the consummation of any transaction prohibited by said *Section 5.13*), *Section 5.15, Section 5.17* or *Section 5.18(b)* or (ii) the Borrower shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified elsewhere in this *Section 7.01*) [redacted] after Notice of such failure has been given to the Borrower by the Agent or any Lender; or

(d) any representation or warranty of the Borrower in this Agreement or any of the other Loan Documents or in any other document or instrument delivered pursuant to or in connection with this Agreement shall prove to have been false in any material respect upon the date when made or deemed to have been made by the terms of this Agreement; or

(e) the Borrower shall default in the payment when due of any principal of or any interest on any Funded Debt [redacted] or more, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound,

evidencing or securing Funded Debt [redacted]A or more, for such period of time as would permit (assuming the giving of appropriate notice or the lapse of time if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof, unless such failure shall have been cured by the Borrower or effectively waived by such holder or holders; or

(f) the Borrower shall (1) voluntarily terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (2) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(g) without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of the Borrower: the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of the Borrower, or of all or any substantial part of the assets of the Borrower, or other like relief in respect of the Borrower, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts unless such proceeding is contested in good faith by the Borrower; and, if the proceeding is being contested in good faith by the Borrower, the same shall continue undismissed, or unstayed and in effect, for any period of [redacted]A, or an order for relief against the Borrower shall be entered in any involuntary case under the Bankruptcy Code; or

(h) there shall remain in force, undischarged, unsatisfied and unstayed, for [redacted], whether or not consecutive, any final judgment against the Borrower that, with other then undischarged, unsatisfied and unstayed, outstanding final judgments against the Borrower exceeds in the aggregate [redacted]A; or

(i) if any of the Loan Documents shall be canceled, terminated, revoked or rescinded by the Borrower otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of all Lenders, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of the Borrower, any of its stockholders, or any court or any other Governmental Authority or agency of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(j) (i) with respect to any Guaranteed Pension Plan, (A) an ERISA Reportable Event shall have occurred; (B) an application for a minimum funding waiver shall have been filed; (C) a notice of intent to terminate such plan pursuant to Section 4041(a)(2) of

ERISA shall have been issued; (D) a lien under Section 303(k) of ERISA shall be imposed; (E) the PBGC shall have instituted proceedings to terminate such plan; (F) the PBGC shall have applied to have a trustee appointed to administer such plan pursuant to Section 4042 of ERISA; or (G) any event or condition that constitutes grounds for the termination of, or the appointment of a trustee to administer, such plan pursuant to Section 4042 of ERISA shall have occurred or shall exist, *provided* that with respect to the event or condition described in Section 4042(a)(4) of ERISA, the PBGC shall have notified the Borrower or any ERISA Affiliate that it has made a determination that such plan should be terminated on such basis; or (ii) with respect to any Multiemployer Plan, the Borrower or any ERISA Affiliate shall incur liability as a result of a partial or complete withdrawal from such plan or the reorganization, insolvency or termination of such plan; and, in the case of each of (i) or (ii), the Majority Lenders shall have determined in their reasonable discretion that such events or conditions, individually or in the aggregate, reasonably could be expected likely to result in liability of the Borrower in an aggregate amount exceeding [redacted] A or

[redacted]

Section 7.02. Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same may be continuing, the Agent shall, at the request of, or may, with the consent of the Majority Lenders, by Notice to the Borrower (an "Acceleration Notice"), declare all indebtedness and liabilities (whether matured or unmatured) of the Borrower with respect to this Agreement and the Notes to be immediately due and payable (or to be due and payable at such later time as may be stated in such Acceleration Notice) without further demand, presentation, protest or other Notice of any kind, all of which are hereby expressly waived by the Borrower; *provided* that upon the occurrence of an Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, all indebtedness and liabilities specified above shall automatically become immediately due and payable without any requirement that Notice be given to the Borrower. Immediately upon the occurrence of an Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, or at such later time as is specified in the Acceleration Notice, the Borrower shall pay to the Lenders all amounts owing or payable in respect of such indebtedness and liabilities specified above, failing which all rights and remedies of the Lenders under the Loan Documents shall thereupon become enforceable and may be enforced by the Lenders or the Agent.

ARTICLE 8 - SHARING.

Section 8.01. Sharing Among Lenders. If any Lender shall obtain from the Borrower any payment of any principal of or interest on any Loan owing to it or payment of any other amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Agent as provided herein and other than amounts owing to such Lender pursuant to *Sections 3.06*, *3.07*, *3.09*, *3.10* or *Article 10*), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due hereunder or thereunder by the Borrower to such Lender than the percentage received by any

other Lender, it shall promptly purchase from such other Lenders a participation in (or, if and to the extent specified by such Lender, a direct interest in) the Loans or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

Section 8.02. Borrower's Offset Rights. To the extent permitted by law, the Borrower may offset against any payments due to any Lender under this Agreement or the Notes the amounts of any loss suffered by the Borrower as a result of the failure of such Lender to return any monies of the Borrower on deposit with such Lender due to the insolvency of such Lender. Any such offset may be made only against payments due to the insolvent Lender, when and as the same become due, and no offsets may be made against any amounts due and payable to any other Lender. The Borrower may not exercise any right of setoff with respect to all or any portion of deposits which are insured by the Federal Deposit Insurance Corporation.

ARTICLE 9 - AGENT.

Section 9.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints [redacted] to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this *Article 9* are solely for the benefit of the Agent and the Lenders, and except as otherwise provided herein, the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers when acting in its capacity as a Lender as any other Lender, and may exercise such rights and powers as though it were not the Agent, and the term "Lender" and "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

Section 9.03. Exculpatory Provisions.

(a) The duties and obligations of the Agent are only as expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Proceedings or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Insolvency Proceedings; and

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

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Section 7.02* and *Section 10.01*), or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Default unless and until Notice describing such Default is given to the Agent by the Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in *Article 6* or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

Section 9.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet

website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon (*provided* that the foregoing is not intended to be construed or to operate in derogation of the Notice requirements in *Section 10.02*). In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05. Indemnification. The Lenders agree to indemnify the Agent to the extent not reimbursed under *Section 10.03* and *Section 10.04*, but without limiting the obligations of the Borrower under said Sections, and ratably in accordance with its respective Pro Rata Share, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted (including by any Lender) against the Agent, arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document or any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrower is obligated to pay under *Section 10.03* and *Section 10.04* but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, *provided* that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

Section 9.06. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The exculpatory provisions of this *Article 9* shall apply to the Agent's activities as the Agent, and also shall apply to the activities any such sub-agent permitted herein. The Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that such sub-agent acted with gross negligence or willful misconduct.

Section 9.07. Resignation or Removal of Agent.

(a) The Agent may at any time give Notice of its resignation to the Lenders and the Borrower. Upon receipt of any such Notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an affiliate thereof with an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives Notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"),

then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such Notice on the Resignation Effective Date.

(b) If the Person serving as the Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Majority Lenders may, to the extent permitted by applicable law, by Notice to the Borrower and such Person remove such Person as the Agent and, in consultation with Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor, which successor Agent shall be a Lender and maintain an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such Notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable): (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that, in the event any collateral security is then being held by the Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed); and (2) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Agent as provided for in this *Section 9.07*. Upon the acceptance by a successor of such appointment for it to act as successor Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall, except as provided above, be discharged from all of its duties and obligations hereunder or under the other Loan Documents (*provided* that the foregoing shall not relieve the retiring or removed Agent from any liability for its gross negligence or willful misconduct hereunder). The fees payable by the Borrower to a successor Agent shall be the same as those payable to the predecessor Agent unless otherwise agreed between the Borrower and such successor Agent. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this *Article 9* and *Section 10.03* and *Section 10.04* shall continue in effect for the benefit of such retiring or removed Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Agent hereunder.

Section 9.08. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties, and based on such documents and information as it shall

from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

ARTICLE 10 - MISCELLANEOUS

Section 10.01. Consents, Amendments, Waivers, Etc. Except as otherwise provided in this Agreement, any consent or approval required or permitted by this Agreement to be given by one or more or all of the Lenders may be given, and any term of this Agreement or of any other instrument related hereto or mentioned herein may be amended, and the performance or observance by the Borrower of any terms of this Agreement or such other instrument or the continuance of any Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Borrower and the written consent of the Majority Lenders. Notwithstanding the foregoing, (a) the rate of interest on and the term of the Loans, the Maturity Date, the principal amount of the Loans owing to each Lender, the dates on which interest is required to be paid hereunder, the amount and dates of payment of the fees or principal owing each Lender hereunder may not be changed, in any such case without the written consent of Borrower and the written consent of each Lender affected thereby; (b) *Article 9*, this *Section 10.01*, the definition of Majority Lenders, the definition of Pro Rata Share and any provision of the Loan Documents that requires action by all of the Lenders may not be amended without the written consent of all of the Lenders and (c) *Article 9* may not be amended without the written consent of the Agent. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of the Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

Section 10.02. Notices. (a) Except as otherwise expressly provided in this Agreement, all notices, demands, consents, waivers, elections, approvals, requests and similar communications required or permitted to be provided in connection with this Agreement (any of the foregoing being referred to as a "Notice") shall be set forth in writing and shall be given by U.S. registered or certified mail (return receipt requested) or by recognized nationwide courier service (with signature required to evidence receipt), and shall be deemed received by the addressee Party when delivered during normal business hours to such Party's address as shown below (or such other address as that Party may specify from time to time in written Notice given pursuant hereto not less than thirty (30) days prior to the date that the new address is intended to become effective); *provided* that (x) any Notice delivered in accordance with *Article 2* may be delivered by facsimile or other specified electronic delivery system acceptable to the Agent and the Borrower, and (y)any Notice delivered to the appropriate address for the receiving Party at any time other than during normal business hours will be deemed to be given and received by the receiving Party on the next Business Day thereafter:

(i) if to Borrower, at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. (561) 694-6204, Facsimile No. (561) 694-3707), or at such other address for

Notice as Borrower shall last have furnished in writing to the Person giving the Notice;

(ii) if to the Agent, at [redacted], Attention: [redacted] (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in Article 2, Telephone No. [redacted] Facsimile No. [redacted] or such other address for Notice as the Agent shall last have furnished in writing to the Person giving the Notice;

(iii) if to any Lender, at such Person's address set forth on *Schedule I*, or such other address for Notice as such Person shall have last furnished in writing to the Person giving the Notice.

(b) So long as [redacted] or any of its affiliates is the Agent, materials required to be delivered pursuant to *Section 5.04(a)*, *(b)*, *(c)* and *(d)* and *Section 5.05* shall be delivered to the Agent in an electronic medium in a format acceptable to the Agent and the Lenders by email at: [redacted] (or such other address as the Agent may notify the Borrower from time to time). The Borrower agrees that the Agent may make such materials, as well as any other written information, documents, instruments and other material relating to the Borrower, any of its Subsidiaries or any other materials or matters relating to this Agreement, any Notes as may be issued hereunder or any of the transactions contemplated hereby (collectively, the "Communications") available to the Lenders by posting such notices on DebtDomain or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Agent nor any of its affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Agent or any of its affiliates in connection with the Platform. The Agent shall not be liable (except to the extent that such liability arises out of the gross negligence, bad faith or willful misconduct of the Agent or its Related Parties) for any damages arising from the use by unintended recipients of any information or other materials distributed by the Agent, pursuant to this *Section 10.02(b)* or *Section 10.02(c)* through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Each Lender agrees that Notice to it (as provided in the next sentence) (a "Communication Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such Lender for purposes of this Agreement; *provided* that if requested by any Lender, the Agent shall deliver a copy of the Communications to such Lender by email or facsimile. Each Lender agrees (i) to notify the Agent in writing of such Lender's email address to which a Communication Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from

time to time thereafter to ensure that the Agent has on record an effective email address for such Lender) and (ii) that any Communication Notice may be sent to such email address.

Section 10.03. Expenses. The Borrower agrees to pay promptly following receipt of written invoices describing in reasonable detail (a) the reasonable fees, expenses and disbursements of the Agent's external counsel incurred in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, the negotiation of this Agreement and the closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (b) the reasonable fees, expenses and disbursements of the Agent in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, and [redacted] A

Section 10.04. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, the Lenders and their respective officers, affiliates, directors, employees, agents and advisors (each, an "Indemnitee") from and against any and all claims, actions and suits by a third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Actions"), whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses payable by any Indemnitee to any third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Liabilities") of every nature and character incurred by or awarded against any such Indemnitee (including the reasonable fees and expenses of counsel), in each case arising out of this Agreement or any of the other Loan Documents or the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loans, or (b) the Borrower entering into or performing this Agreement or any of the other Loan Documents; *provided* that the liabilities, losses, damages and expenses indemnified pursuant to this *Section 10.04* shall not include any liabilities, losses, damages and expenses in respect of any taxes, levies, imposts, deductions, charges or withholdings, indemnification for which is provided on the basis, and to the extent, specified in *Section 3.09*; and *provided further*, that such indemnity shall not be available as to any Indemnitee, to the extent that such liabilities, losses, damages and expenses arise out of the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Parties. In the event that an Indemnitee shall become subject to any Action or Liability with

respect to any matter for which indemnification may apply pursuant to this *Section 10.04* (an "Indemnity Claim"), such Indemnitee shall give Notice of such Indemnity Claim to the Borrower by telephone at (561) 694-6204 and also in accordance with the written Notice requirements in *Section 10.02*. Such Indemnitee may retain counsel and conduct the defense of such Indemnity Claim, as it may in its sole discretion deem proper, at the sole cost and expense of the Borrower. So long as no Default shall have occurred and be continuing hereunder, no Indemnitee shall compromise or settle any claim without the prior written consent of the Borrower, which consent shall not unreasonably be withheld or delayed (*provided* that the Borrower shall only be responsible for the reasonable fees and expenses of one counsel for all Indemnitees taken as a whole unless any actual or potential conflict of interest between such Indemnitees makes it inappropriate for one counsel to represent all such Indemnitees, in which event the Borrower shall be responsible for the reasonable fees and expenses of one additional counsel for each group of affected Indemnitees similarly situated taken as a whole). [redacted] In the case of an investigation, litigation or other proceeding to which the indemnity in this *Section 10.04* applies, such indemnity shall be effective whether or not the affected Indemnitee is a party thereto and whether or not the transactions contemplated hereby are consummated. Each Party also agrees not to assert any claim against any other Party or any of its respective affiliates, or any of its respective directors, officers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, any Notes as may be issued hereunder, any other Loan Document, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans (*provided* that the foregoing shall not preclude any Indemnitee from seeking to recover the preceding types of damages from the Borrower to the extent the same are specifically payable by such Indemnitee to any third party).

Section 10.05. Survival of Covenants. All covenants, agreements representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrower pursuant hereto shall be deemed to have been relied upon by the Agent and the Lenders, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by the Lenders of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement, the Notes, or any of the other Loan Documents remains outstanding. All statements contained in any certificate or other paper delivered to the Agent or any Lender at any time by or on behalf of the Borrower pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties by the Borrower hereunder. [redacted]

Section 10.06. Assignment and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and

assigns permitted hereby, except that Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of *Section 10.06(b)* or *Section 10.06(f)*, (ii) by way of participation in accordance with the provisions of *Section 10.06(d)*, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of *Section 10.06(e)* (and any other attempted assignment or transfer by any Party shall be null and void). Other than as specified in *Section 9.05* and *Section 10.04*, nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the Parties, their respective successors and assigns permitted hereby, and Participants to the extent provided in *Section 10.06(d)*) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(i) Minimum Amounts. The principal outstanding balance of the Loans in of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption, made pursuant to an Assignment and Assumption Agreement in the form of *Exhibit G* hereto (the "Assignment and Assumption Agreement")), with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption Agreement, as of the Trade Date) shall not be less than US[redacted][A] unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by *Section 10.06(b)(i)* and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender or an affiliate of a Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Loans, if such assignment is to a Person that is not a Lender or an affiliate of such Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of [redacted]; *provided* that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its affiliates or Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the Defaulting Lender or its assignee shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to *Section 10.06(c)*, from and after the effective date specified in each Assignment and Assumption Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, shall have the rights and obligations of (as applicable) a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Party hereto) but (i) shall continue to be entitled to the benefits of *Article 3*, *Section 9.05*, *Section 10.03* and *Section 10.04* with respect to facts and circumstances occurring prior to the effective date of such assignment, and (ii) shall continue to be obligated in respect of any liabilities or obligations that expressly survive any such assignment; *provided*, that except to the extent otherwise expressly agreed by each affected Party no assignment by a

Defaulting Lender will constitute a waiver or release of any claim of any Party hereunder arising from the assigning Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *Section 10.06(d)*.

(c) Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior Notice. Except as registered in accordance with this *Section 10.06(c)*, the Borrower shall not be obligated to recognize or treat any assignee of any interest or with respect to any Loans as a Lender or Person otherwise entitled to assert, enforce or otherwise participate in any rights or benefits with respect thereto or hereunder.

(d) Participations. A Lender may sell or agree to sell to one or more other Persons a participation in all or any part of any Loans held by it, *provided* that no purchaser of a participation (a "Participant") shall have any rights or benefits under this Agreement or any Note (the Participant's rights against such Lender in respect of such participation to be those set forth the agreements executed by such Lender in favor of the Participant). All amounts payable by the Borrower to any Lender in respect of Loans held by it, shall be determined as if such Lender had not sold or agreed to sell any participation in such Loans, and as if such Lender were funding each of such Loan in the same way that it is funding the portion of such Loan in which no participation has been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) extend the date fixed for the payment of principal or interest on the related Loan or Loans, or any portion of any fee hereunder payable to the Participant, (ii) reduce the amount of any such payment of principal, (iii) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to participate in such interest or fee, (iv) alter the rights or obligations of the Borrower to repay the related Loans, or (v) consent to any modification, supplement or waiver hereof to the extent that the same, under *Section 10.01*, requires the consent of each Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in

registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent, in its capacity as the Agent, shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Disclosure. The Borrower agrees that any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees, participants or counterparties to any swap or derivative transaction relating to the transactions contemplated pursuant to this Agreement and potential assignees or participants hereunder or counterparties as aforesaid; *provided* that such assignees, participants or counterparties or potential assignees, participants or counterparties shall agree (i) to preserve the confidentiality of such information pursuant to a confidentiality agreement that provides for the same terms set forth in *Section 10.07*, (ii) not to disclose such information to a third party, and (iii) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

Section 10.07. Confidentiality. The Agent and each Lender agrees to hold any confidential information that any of them may receive from the Borrower or any of its Subsidiaries pursuant to this Agreement or any of the Loan Documents or in connection with any transaction contemplated herein or therein in confidence except for disclosure: (a) to other Lenders; (b) to its affiliates, officers, directors, employees, advisors, attorneys, and other agents deemed reasonably necessary to effectuate the transaction contemplated herein or therein; *provided* that such parties shall be advised of the requirement to maintain the confidentiality of such information the Agent or such Lender, as the case may be, shall be responsible for any such party's breach of such confidentiality agreement; (c) to regulatory officials having jurisdiction over the Agent or any Lender, or financial industry regulatory bodies claiming oversight over the Agent or such Lender; (d) as required by applicable law or legal process (*provided* that in the event the Agent or any Lender is so required to disclose any such confidential information, the Agent or any such Lender shall endeavor to notify promptly the Borrower so that the Borrower may seek a protective order or other appropriate remedy); (e) to the extent permitted in *Section 10.06(d)*; (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder and (g) subject to an agreement containing provisions substantially the same as those of this *Section 10.07*, to any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower. For purposes of this Agreement (x) the term "confidential information" means all information respecting NextEra Energy and its Subsidiaries, or any of them, other than (i) information previously filed with any governmental or quasi-governmental agency, authority, board, bureau, commission, department,

instrumentality or public body or which is otherwise available to the public, (ii) information that is delivered by the Borrower to the Agent or any Lender that the Borrower expressly identifies as non-confidential, (iii) information previously published in any public medium from a source other than, directly or indirectly, the Agent or any Lender, and (iv) information that is received by the Agent or any Lender from any third party that the Agent or such Lender reasonably believes, after due inquiry, was not and is not, violating any obligation of confidentiality to the Borrower and (y) "affiliate" means, with respect to any Lender, any Person that is wholly owned by such Lender or any corporation by which such Lender is wholly owned.

Section 10.08. Governing Law; Jurisdiction. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREUNDER (OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). THE PARTIES AGREE THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS SHALL BE BROUGHT ONLY IN THE COURTS OF THE STATE AND COUNTY OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE RELEVANT PARTIES BY MAIL AT THEIR RESPECTIVE ADDRESSES IN ACCORDANCE WITH *SECTION 10.02*. EACH PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

Section 10.09. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 10.10. Counterparts. This Agreement and any amendment hereof may be executed in several counterparts and by each Party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by an emailed a ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.11. Entire Agreement. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the Parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in *Section 10.01*.

Section 10.12. Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or

part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

Section 10.13. Third Party Beneficiaries. None of the provisions of this Agreement shall operate or are intended to operate for the benefit of, any Person (other than the Parties hereto and their respective successors and assigns permitted hereby), and no other Person shall have any rights under or with respect hereto (except to the limited extent expressly provided for with respect to any Indemnitee under *Section 10.04*).

Section 10.14. USA Patriot Act Notice. The Agent (for itself and not on behalf of any of the Lenders) and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identities the Borrower, which information includes the name and address of the Borrower and other information that will allow the Agent and such Lender to identify the Borrower in accordance with the Act.

Section 10.15. No Fiduciary Duties. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its affiliates, on the one hand, and the Agent, the Lender and their respective affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, and the Lenders or their respective affiliates.

Section 10.16. Electronic Records. The Borrower hereby acknowledges the receipt of a copy of this Agreement. The Agent and each Lender may, on behalf of the Borrower, create a microfilm or optical disk or other electronic image of this Agreement and may store the electronic image of this Agreement in its electronic form and then destroy the paper original as part of the Agent or any Lender's normal business practices, with the electronic image deemed to be an original.

Section 10.17. WAIVER OF JURY TRIAL. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement and the other Loan Documents to which it is a party by, among other things, the waiver and certifications contained in this *Section 10.17*.

Section 10.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such

liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable by it to any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Documents;

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of an EEA Financial Institution.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By _____
Paul I. Cutler
Treasurer

[redacted] as Administrative Agent and Lender

By: [redacted]
Name:
Title:

By: [redacted]
Name:
Title:

STATE OF [NEW YORK])
) ss.
COUNTY OF [NEW YORK])

Personally appeared before me, the undersigned, a Notary Public in and for said County, [redacted], to me known and known to me, who, being by me first duly sworn, declared that he/she is an [redacted] of [redacted] that being duly authorized he/she did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at _____, this 30 day of March, 20[redacted]

[redacted]
Notary Public

My Commission Expires:

By: _____
Name: _____
Title: _____

[redacted]
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SC6080939
Qualified in Suffolk County
My Commission Expires September 23, 2018

SCHEDULE I
TO TERM LOAN AGREEMENT

LENDERS

[redacted]	$100,000,000
Lending Office for all Loans: [redacted] Address for Notices: [redacted] Attn: [redacted]A Fax: [redacted] Tel: [redacted] Email: [redacted]	

SCHEDULE 4.03
TO TERM LOAN AGREEMENT

PERMITTED LIENS

1. Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

2. Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

3. Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, which liens do not individually or in the aggregate have a materially adverse effect on the business of the Borrower; and

4. Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which the Borrower or any of its Subsidiaries is a party, and other minor liens or encumbrances none of which in the opinion of the Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of the Borrower, which defects, liens and other encumbrances do not individually or in the aggregate have a materially adverse effect on the business of the Borrower.

SCHEDULE 4.04
TO TERM LOAN AGREEMENT

SUPPLEMENTAL DISCLOSURES

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.06
TO TERM LOAN AGREEMENT

LITIGATION

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.11(C)
TO TERM LOAN AGREEMENT

ERISA

None.

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

March 31, 2016

[redacted]
as Administrative Agent and Lender

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Borrower"), refers to the Term Loan Agreement, dated as of March 31, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted]A, as Administrative Agent and Lender (the "Agent"), and hereby requests a borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to the borrowing (the "Proposed Borrowing") as required by *Section 2.02(a)* of the Agreement.

(i) The Business Day of the Proposed Borrowing is March 31, 2016.

(ii) The Proposed Borrowing is a Eurodollar Rate Loan with an initial Interest Period of one (1) month.

(iii) The aggregate amount of the Proposed Borrowing is US$100,000,000.

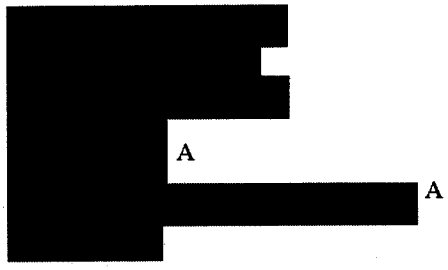
The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Loan, and

(B) Each of the representations and warranties contained in the Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Agreement will be true in all material respects as of the time of the making of the Loan with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

The proceeds of the Proposed Borrowing should be wire transferred to the Borrower in accordance with the following wire transfer instructions:

Name of Bank:
Street Address of Bank:
City/State/ZIP of Bank:
ABA Number of Bank:
SWIFT:
Name of Account:
Account Number at Bank:



[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT B TO AGREEMENT

[Form of Note]

NOTE

$100,000,000 Dated: March [___], 2016

FOR VALUE RECEIVED, the undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (hereinafter, together with its successors in title and assigns, called "**Borrower**"), by this promissory note (hereinafter called "**this Note**"), absolutely and unconditionally promises to pay to the order of [redacted] (hereinafter, together with its successors in title and permitted assigns, called the "**Lender**"), the principal sum of ONE HUNDRED THOUSAND DOLLARS AND NO/100 DOLLARS ($100,000,000), or the aggregate unpaid principal amount of the Loan evidenced by this Note made by Lender to Borrower pursuant to the Agreement (as hereinafter defined), whichever is less, on the Maturity Date (as defined in the Agreement), and to pay interest on the principal sum outstanding hereunder from time to time from the Effective Date until the said principal sum or the unpaid portion thereof shall have been paid in full.

The unpaid principal (not at the time overdue) of this Note shall bear interest at the annual rate from time to time in effect under the Agreement referred to below (the "**Applicable Rate**"). Accrued interest on the unpaid principal under this Note shall be payable on the dates, and in the manner, specified in the Agreement.

On the Maturity Date there shall become absolutely due and payable by Borrower hereunder, and Borrower hereby promises to pay to the Holder (as hereinafter defined) hereof, the balance (if any) of the principal hereof then remaining unpaid, all of the unpaid interest accrued hereon and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby.

Overdue principal of the Loan, and to the extent permitted by applicable law, overdue interest on the Loan and all other overdue amounts payable under this Note, shall bear interest payable on demand in the case of (i) overdue principal of or overdue interest on the Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to the Loan, and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment).

Each payment of principal, interest or other sum payable on or in respect of this Note or the indebtedness evidenced hereby shall be made by Borrower directly to Lender at Lender's office, as provided in the Agreement, for the account of the Holder, not later than 2:00 p.m., New York, New York time, on the due date of such payment. All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made without set-off or counterclaim and free and clear of and without any deduction of any kind for any taxes, levies, fees, deductions withholdings, restrictions or conditions of any nature, except as expressly set forth in *Section 3.10* and *Section 8.02* of the Agreement.

Absent manifest error, a certificate or statement signed by an authorized officer of Lender shall be conclusive evidence of the amount of principal due and unpaid under this Note as of the date of such certificate or statement.

This Note is made and delivered by the Borrower to the Lender pursuant to that certain Term Loan Agreement, dated as of March 31, 2016, by among the Borrower, the lenders party thereto, and [redacted], A as Administrative Agent and Lender (such agreement, as originally executed, or, if varied or supplemented or amended and restated from time to time hereafter, as so varied or supplemented or amended and restated, called the "**Agreement**"). This Note evidences the obligations of Borrower (a) to repay the principal amount of the Loan made by Lender to Borrower under the Agreement, (b) to pay interest, as provided in the Agreement on the principal amount hereof remaining unpaid from time to time, and (c) to pay other amounts which may become due and payable hereunder as provided herein and in the Agreement.

No reference herein to the Agreement, to any of the Schedules or Exhibits annexed thereto, or to any of the Loan Documents or to any provisions of any thereof, shall impair the obligations of Borrower, which are absolute, unconditional and irrevocable, to pay the principal of and the interest on this Note and to pay all (if any) other amounts which may become due and payable on or in respect of this Note or the indebtedness evidenced hereby, strictly in accordance with the terms and the tenor of this Note.

All capitalized terms used herein and defined in the Agreement shall have the same meanings herein as therein. For all purposes of this Note, "**Holder**" means the Lender or any other person who is at the time the lawful holder in possession of this Note.

Pursuant to, and upon the terms contained in the Agreement, the entire unpaid principal of this Note, all of the interest accrued on the unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby may be declared to be or may automatically become immediately due and payable, whereupon the entire unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall (if not already due and payable) forthwith become and be due and payable to the Holder of this Note without presentment, demand, protest, notice of protest or any other formalities of any kind, all of which are hereby expressly and irrevocably waived by Borrower.

All computations of interest payable as provided in this Note shall be determined in accordance with the terms of the Agreement.

Should all or any part of the indebtedness represented by this Note be collected by action at law, or in bankruptcy, insolvency, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, Borrower hereby promises to pay to the Holder of this Note, upon demand by the Holder at any time, in addition to principal, interest and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby, all court costs and reasonable attorneys' fees (including, without limitation, such reasonable fees of any in-house counsel) and all other reasonable collection charges and expenses incurred or sustained by the Holder.

Borrower hereby irrevocably waives notices of acceptance, presentment, notice of non-payment, protest, notice of protest, suit and all other conditions precedent in connection with the delivery, acceptance, collection and/or enforcement of this Note.

BORROWER HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS NOTE, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

This Note is intended to take effect as a sealed instrument.

This Note and the obligations of Borrower hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereunder (other than §5-1401 of the New York General Obligations Law).

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, **FLORIDA POWER & LIGHT COMPANY**, on the day and in the year first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

Signed by Florida Power and Light Company by Paul. I. Cutler, its Treasurer, in the presence of:

_____
Signature of Witness

_____
Print Name

Address: _____
_____
_____

EXHIBIT C TO AGREEMENT

[Form of Interest Rate Notice]

INTEREST RATE NOTICE

[Date]

[redacted]
as Administrative Agent and Lender

Ladies and Gentlemen:

Pursuant to *Section 2.06* of that certain Term Loan Agreement, dated as of March 31, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted]A [redacted] as Administrative Agent and Lender, the Borrower hereby gives you irrevocable notice of its request to Convert the Loan(s) and/or Interest Periods currently under effect under the Loan Agreement as follows ***[select from the following as applicable]***:

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate into a Base Rate Loan; [and/or]

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Base Rate into a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__]; [and/or]

- on [__date__], to continue $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate, as a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__].

Any capitalized terms used in this notice which are defined in the Loan Agreement have the meanings specified for those terms in the Loan Agreement.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT D TO AGREEMENT

Form of Borrower's Certificate

* * *

CERTIFICATE OF

FLORIDA POWER & LIGHT COMPANY

March 31, 2016

This Certificate is given pursuant to that certain Term Loan Agreement between Florida Power & Light Company (the "**Borrower**") the Lenders party thereto and [redacted], as Administrative Agent (the "**Agent**") and Lender, dated as of March 31, 2016 (the "**Loan Agreement**"). Each initially capitalized term which is used and not otherwise defined in this Certificate shall have has the meaning specified for such term in the Loan Agreement. This Certificate is delivered in satisfaction of the conditions precedent set forth in *Section 6.01* of the Loan Agreement.

1. The Borrower hereby provides notice to the Agent that March 31, 2016 is hereby deemed to be the Effective Date.

2. The Borrower hereby certifies to the Agent that as of the Effective Date, except in respect of the matters described in *Schedule 4.04* of the Loan Agreement, there has been no material adverse change in the business or financial condition of any of the Borrower or any of its Subsidiaries taken as a whole from that set forth in the financial statements included in the Borrower's annual report on Form 10-K referred to in *Section 4.04* of the Loan Agreement. This representation and warranty is made only as of the Effective Date and shall not be deemed made or remade on or as of any subsequent date notwithstanding anything contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement.

3. The Borrower hereby further certifies that as of the Effective Date, the representations and warranties of the Borrower contained in the Loan Agreement are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and there exists no Default.

[SIGNATURE APPEARS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By: _____
Paul I. Cutler
Treasurer

EXHIBIT E TO AGREEMENT

[Form of Opinion of Borrower's Counsel]

March 31, 2016

[redacted]
as Administrative Agent and Lender

Re: Florida Power & Light Company $100,000,000 Term Loan Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as Lender. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction")** and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one

time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and

may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), by and among [redacted] A Borrower, the lenders party thereto from time to time, and [redacted] A, as Administrative Agent and Lender.

(b) Borrower's Certificate, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

EXHIBIT F-1
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants
That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

* * *

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "***Assignment***") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "***Assignor***") and [*Insert name of Assignee*] (the "***Assignee***"). Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement identified below (as amended, the "***Loan Agreement***"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in *Annex I* attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Loan Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit) (the "***Assigned Interest***"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	**Assignor:**	_____
2.	**Assignee:**	_____ [*and is an affiliate of Assignor] [and is a Lender] [and is an affiliate of a Lender]*[1]
3.	**Borrower:**	Florida Power & Light Company
4.	**Administrative Agent:**	[redacted] as administrative agent under the Loan Agreement
5.	**Loan Agreement:**	Term Loan Agreement, dated as of March 31, 2016, among the Borrower, the lenders party thereto from time to time, and the Administrative Agent

[1] Select as applicable.

6. Assigned Interest:

Aggregate Amount of Loans for all Lenders	Amount of Loans Assigned	Percentage Assigned of Loans[2]
$_____	$_____	_____%

7. Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Loans of all Lenders thereunder.

[Consented to and][3] Accepted:

[redacted]
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:][4]

[3] To be included only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.
[4] To be included only if the consent of the Borrower is required by the terms of the Credit Agreement.

ANNEX I

FLORIDA POWER & LIGHT COMPANY
TERM LOAN AGREEMENT
DATED AS OF MARCH 31, 2016 (the "*LOAN AGREEMENT*")

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION AGREEMENT

1. **Representations and Warranties.**

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "***Loan Documents***"), (iii) the financial condition of Borrower, any of its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it meets all requirements of an Eligible Assignee under the Loan Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to *Section 5.04* thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Foreign Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. **Payments**. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued on and after the Effective Date.

3. **General Provisions**. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

CONFIDENTIAL

Exhibit l (l)

Amendment No. 1 to Bank 2 2016 Term Loan Agreement (Conversion to Revolver) between FPL and a commercial bank dated as of August 26, 2016 (August 2016 Conversion to Revolver 1).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(l), consisting of 11 pages, with the Florida Public Service Commission Clerk

AMENDMENT NO. 1 TO TERM LOAN AGREEMENT
(Conversion to Revolver)

This **AMENDMENT NO. 1 TO TERM LOAN AGREEMENT (CONVERSION TO REVOLVER)**, dated as of August 26, 2016 (this "**Amendment**") to the Agreement (as defined below), is entered into by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "**Borrower**") and [redacted], as Lender (the "**Lender**") and as Administrative Agent (the "**Agent**").

WITNESSETH:

WHEREAS, the Borrower, the Lender, the other lenders party thereto, and the Agent are parties that certain Term Loan Agreement, dated as of March 31, 2016 (together with Schedules and Exhibits thereto, and as modified, amended, supplemented, extended, renewed and/or replaced from time to time, the "**Agreement**"), pursuant to which the Lender made available to the Borrower a One Hundred Million Dollar ($100,000,000) term loan facility (the "**Term Loan Facility**"); and

WHEREAS, the Borrower has requested certain amendments to the Agreement, including to convert the Term Loan Facility into a commitment of the Lender to make revolving credit loans available to the Borrower from time to time, and the Lender and the Agent have agreed to make such amendments on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Agent and the Lender hereby agree as follows:

AGREEMENT:

1. Definitions. Capitalized terms used in this Amendment, including the recitals hereto, and not otherwise defined herein have the meanings given such terms in the Agreement. In addition, "**hereof**", "**herein**", "**hereto**", "**hereunder**" or similar expressions mean this Amendment, the recitals and any schedules hereto, as amended, supplemented, restated and replaced from time to time.

2. Amendment to Existing Provisions. The Agreement is hereby amended as follows:

§2.1 The following new defined terms shall be inserted in proper alphabetical order in *Section 1.01* of the Agreement:

"Amendment Effective Date" shall mean August 26, 2016.

"Commitment" shall mean, when used with reference to any Lender at the time any determination thereof is to be made, the obligation of such Lender to make Loans pursuant to *Section 2.01*, or, where the context so requires, the amount of such obligation which is set forth on *Schedule I* opposite such Lender's name as its Commitment, in each case as the same may be reduced from time to time in accordance with the terms of this Agreement.

"Commitments" shall mean the aggregate Commitments of the several Lenders.

"Commitment Fee" has the meaning given such term in *Section 2.09*.

[redacted]

"Commitment Termination Date" shall mean the earlier of (a) March 30, 2017 and (b) the date of termination in whole of the Commitments pursuant to *Section 2.08* or *Article 7*.

§2.2 The following defined terms in *Section 1.01* of the Agreement shall be amended in their entirety to read as follows:

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has a Commitment or any Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Maturity Date" shall mean the Commitment Termination Date.

"Standard & Poor's" means S&P Global Ratings.

§2.3 The defined term "Excluded Taxes" in *Section 1.01* of the Agreement shall be amended by deleting the reference to Section 2.07 and substituting therefor "Section 2.10".

§2.4 **Article 2** of the Agreement is hereby amended to read in its entirety as follows:

ARTICLE 2

LOANS

Section 2.01 Commitments to Lend. As of the Amendment Effective Date, each Lender severally agrees, on the terms of this Agreement (including *Section 6.02*), to (i) convert all of its Outstanding Loans to revolving credit loans, and (ii) thereafter to make Loans in Dollars to the Borrower for a period commencing on the Amendment Effective Date and terminating on the Commitment Termination Date, in an aggregate amount Outstanding at any one time not to exceed such Lender's Commitment. Within the limits of the Commitment of each Lender, the Borrower may borrow under this *Section 2.01*, prepay pursuant to *Section 2.02(d)* and re-borrow under this *Section 2.01*.

Section 2.02 Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time (i) on the proposed Borrowing Date in the case of a Base Rate Loan and (ii) at least three (3) Eurodollar Business Days prior to the proposed Borrowing Date in the case of a Eurodollar Rate Loan, specifying (A) the Borrowing Date (which shall be a Business Day), (B) whether the requested Borrowing is of a Base Rate Loan or a Eurodollar Rate Loan, or any combination thereof as permitted under the terms of this *Section 2.02*, and the amount of each, and (C) in the case of each Eurodollar Rate Loan, the initial Interest Period applicable thereto.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on each Borrowing Date hereunder, make Immediately Available Funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, at its address set forth on *Schedule I*. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in *Section 6.02*, the Agent will make such funds available to the Borrower by crediting the Borrower's general deposit account with the Agent.

(d) The Borrower shall have the right, at any time and from time to time, to repay the Loans in whole or in part, without penalty or premium, (i) upon not less than (i) three (3) Business Days prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and (ii) same day written notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted][A] or any larger integral multiple of [redacted][B], or equal to the remaining principal balance outstanding under such Loan and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such repayment in accordance with *Section 3.09*.

(e) Any notice delivered or given by the Borrower to the Agent as provided in this *Section 2.02* shall be irrevocable and binding upon the Borrower upon receipt by the Agent. Each Borrowing shall be in the principal amount of [redacted] or any larger integral multiple of [redacted]

(f) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with *Section 2.02(a)* and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender

shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Borrowings of such Type and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

(g) The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.03 Evidence of Indebtedness and Notes.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Amendment Effective Date, (iii) be in a stated maximum principal amount equal to the Commitment of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04 Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05 Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, the Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted]A [redacted].

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted]A

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of the Loan.

(d) In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than ten (10) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(f) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on the Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to the Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06 Interest Rate Conversion and Continuation Options.

(a) The Borrower may, subject to *Section 2.07(c)*, *Section 3.04*, and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan prior to the last day of the Interest Period relating to the Eurodollar Rate Loan, the Borrower shall indemnify each

Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Days prior to such election, and such Conversion shall be effective on the first day of an Interest Period; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made each Lender may take such action, if any, as it deems desirable to transfer its Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of any Loans of any Type may be Converted as specified herein, *provided* that partial Conversions shall be in an aggregate principal amount of [redacted]A or any larger integral multiple of [redacted] in excess thereof. Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower. The Agent shall notify the Lenders promptly of each such Interest Rate Notice made by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted] or any integral multiple of [redacted]B in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

(e) Upon the expiration of any Interest Period, the Borrower shall be deemed to have requested a new Interest Period of equal duration as the immediately preceding Interest Period, unless, at least three (3) Business Days prior to said expiration, the Borrower shall have delivered to the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) specifying a new Interest Period of a different duration.

Section 2.07 Computation of Interest and Fees.

(a) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for the purpose of determining the interest rate under *Section 2.05(a)(i)*.

(b) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than [redacted] such Loans shall automatically Convert into Base Rate Loans.

(c) Upon the occurrence and during the continuance of any Event of Default (i) each Eurodollar Rate Loan will automatically, on the last day of the existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.08 Commitment Reduction. The Borrower shall have the right, exercisable at any time and from time to time, upon two (2) Business Days' Notice to the Agent (or telephonic notice promptly confirmed in writing), to terminate in whole or reduce in part the Commitment; *provided* that each partial reduction of the Commitment shall be in an amount of [redacted] or integral multiples of [redacted] in excess thereof; and *provided further* that the Commitment may not be reduced to any amount less than the aggregate principal amount (without duplication) of all Loans Outstanding at the time of any such reduction.

Section 2.09 Commitment Fee. Borrower agrees to pay to the Agent for the account of each Lender a per annum Commitment Fee (the "**Commitment Fee**") for the period from and including the Amendment Effective Date to but not including the earlier of the date such Lender's Commitment is terminated and the Maturity Date, equal to the Commitment Fee Rate multiplied by the daily average unused amount of such Lender's Commitment for such period. The Commitment Fee shall be payable to the Agent for the account of each Lender (a) quarterly in arrears on the last day of each March, June, September and December, commencing on September 30, 2016, and (b) on the earlier of (i) the date the Commitments are terminated in full and (ii) the Maturity Date.

Section 2.10 Replacement of Lenders. If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv) any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and

the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) The Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

§2.5 Inserting "or *Section 6.02*" after the reference to "*Section 6.01*" in the second to last sentence of **Section 3.11(a)**.

§2.6 The following new sections shall be added to the Agreement in the proper numerical order:

Section 6.02 Each Loan. The obligation of each Lender to make each Loan pursuant to *Section 2.01* herein is subject to the following conditions precedent, each of which shall have been met or performed by the Borrowing Date with respect to each such Loan:

(a) **Borrowing Notice.** The Borrower shall have delivered the relevant Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(b) **No Default.** No Default shall have occurred and be continuing or will occur upon the making of the Loan on such Borrowing Date, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

§2.7 **Section 7.02** of the Agreement is hereby amended to read in its entirety as follows:

Section 7.02 Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same may be continuing, the Agent shall, at the request of, or may, with the consent of, the Majority Lenders, by Notice to the Borrower (an "Acceleration Notice"):

(a) immediately terminate the Commitments of each Lender; and/or

(b) declare all indebtedness and liabilities (whether matured or unmatured) of the Borrower with respect to this Agreement and all Notes, if any, as have been issued hereunder, to be, and they shall thereupon forthwith become, immediately due and payable (or to be due and payable at such later time as may be stated in such Acceleration Notice) without further demand, presentment, protest or other Notice of any kind, all of which are hereby expressly waived by the Borrower;

provided that in the event of any Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, the Commitments of each Lender hereunder shall automatically terminate and all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder, shall become immediately due and payable automatically and without any requirement that Notice be given to the Borrower.

§2.8 *Schedule I* of the Agreement is hereby deleted and replaced with *Schedule I* hereto.

§2.9 *Exhibit A* of the Agreement is hereby deleted and replaced with the form of *Exhibit A* hereto.

3. Bring-down of Representations. The Borrower hereby certifies that, as of the date of this Amendment, (1) the representations and warranties contained in *Article IV* of the Agreement, as amended hereby, are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and (2) there exists no Default; *provided* that, for purposes of the foregoing representations: all references in *Section 4.04*, *Schedule 4.04*, *Section 4.06*, *Schedule 4.06*, *Section 4.08* and *Section 4.11* of the Agreement to "Effective Date" shall instead be deemed to read "Amendment Effective Date".

4. Conditions Precedent to Effectiveness. This Amendment shall not be deemed effective until each of the following conditions precedent shall have been met or performed:

§4.1 Amendment. This Amendment shall have been duly executed and delivered by the Borrower, each Lender and the Agent.

§4.2 Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Amendment shall have been duly and effectively taken and evidence thereof satisfactory to the Lenders and the Agent shall have been provided to the Agent.

§4.3 Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Lenders and the Agent, such certificate being dated as of the Amendment Effective Date, signed by its duly authorized officer and giving the name and bearing a specimen signature of each individual who shall be authorized to sign this Amendment in the name and on behalf of the Borrower.

§4.4 Opinion of Counsel. The Agent shall have received an opinion addressed to the Lenders and the Agent, dated as of the Amendment Effective Date, substantially in the form of ***Annex A***, from Squire Patton Boggs (US) LLP, special counsel to the Borrower.

5. Effect on Original Terms. The Borrower, the Lender and the Agent hereby acknowledge and agree that, except as expressly set forth in this Amendment, all terms of the Agreement shall remain unmodified and shall continue in full force and effect from and as of the Amendment Effective Date.

6. Amendment Effective Date. Subject to the satisfaction of the conditions set forth in Section 4 above, this Amendment shall become effective on the Amendment Effective Date. On and after the effectiveness of this Amendment, each reference in the Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Agreement shall mean and be a reference to the Agreement, as amended by this Amendment.

7. Execution and Delivery. This Amendment may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by emailed pdf file or other electronic means shall be effective as delivery of a manually-executed counterpart signature page.

8. Headings. The division into sections and other subdivisions of this Amendment and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Amendment. Words in the singular include the plural and vice versa and words in one gender include all genders.

9. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY, as the Borrower

By: _____
Aldo Portales
Assistant Treasurer

[redacted]
as Administrative Agent and as a Lender

By: [redacted]
Name: [redacted]
Title: [redacted]

By: [redacted]
Name: [redacted]
Title: [redacted]

[redacted]

[redacted]
Notary Public, State of New York
01PQ6139097
Qualified in Nassau County
Certified in New York County
Commission Expires Dec. 19, 2017

SCHEDULE I
TO TERM LOAN AGREEMENT

LENDERS

Lender	Commitment
[redacted] A Lending Office for all Loans: [redacted] Address for Notices: [redacted] Attn: [redacted] A Fax: [redacted] A Tel: [redacted] A Email: [redacted] A	$100,000,000

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

[Date]

[redacted]
Attn: [redacted]
Fax: [redacted]
Tel: [redacted]
Email: [redacted]

Ladies and Gentlemen:

The undersigned, Florida Power & Light Company, a Florida corporation ("**Borrower**"), refers to the Term Loan Agreement, dated as of March 31, 2016, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of [•], 2016 (as heretofore and as further amended or modified from time to time, the "**Agreement**", the terms defined therein being used herein as therein defined), between Borrower, the Lenders that are parties thereto, and [redacted] as Administrative Agent, and hereby gives you notice, irrevocably, pursuant to *Section 2.02* of the Agreement that the undersigned hereby requests a Borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to such Borrowing (the "**Proposed Borrowing**") as required by *Section 2.02(a)* of the Agreement:

(A) The Business Day of the Proposed Borrowing is _____, 201__.

(B) The Type of Loans comprising the Proposed Borrowing are [Base Rate Loans] [Eurodollar Rate Loans].

(C) The aggregate amount of the Proposed Borrowing is US$_____.

(D) The initial Interest Period for each Eurodollar Rate Loan made as part of the Proposed Borrowing is ____ month[s]. The last day of such Interest Period is _____, _____.

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:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Loan on such Borrowing Date, and

(B) Each of the representations and warranties contained in the Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Agreement will be true in all material respects as of the time of the making of such Loan with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date)

The proceeds of the Proposed Borrowing should be wire transferred to Borrower in accordance with the following wire transfer instructions:

[_____]
[_____]
[_____]

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By:_____
Name:
Title:

ANNEX A

FORM OF

LEGAL OPINION OF SQUIRE PATTON BOGGS (US) LLP

August 26, 2016

[redacted]
as Administrative Agent and Lender
[redacted]

Attn: [redacted]A
Fax: [redacted]
Tel: [redacted]A
Email: [redacted]A

Re: Amendment to Term Loan Agreement, dated as of August 26, 2016 (the "**Amendment**"), by and among Florida Power & Light Company (the "**Borrower**") and [redacted] as Lender (the "Lender") and as Administrative Agent (the "**Agent**")

Ladies and Gentlemen:

This opinion is furnished to you pursuant to ***Section 4.4*** of the Amendment, which amends that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), among the Borrower, the Lender, the other lenders party thereto, and the Agent. This opinion is furnished to you at the request of the Borrower. Capitalized terms defined in the Agreement, as amended by the Amendment, and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to the Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the

blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction")** and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated

Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good

faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(1) Term Loan Agreement, dated as of March 31, 2016, by and among the Borrower, the Lender, the other lenders party thereto, and the Agent, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of August 26, 2016.

(2) Certificate of Borrower, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, dated as of the date hereof, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, dated as of the date hereof, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) Certificate of the Secretary of Borrower, dated as of March 31, 2016, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(iv) Certificate of the Secretary of Borrower, dated as of March 31, 2016, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit l (m)

Revolving Credit Agreement between FPL and a commercial bank dated as of September 27, 2016 (September 2016 Revolving Credit Agreement).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(m), consisting of 53 pages, with the Florida Public Service Commission Clerk

REVOLVING CREDIT AGREEMENT

$150,000,000 REVOLVING CREDIT FACILITY

BETWEEN

FLORIDA POWER & LIGHT COMPANY, AS BORROWER

AND

[redacted],
AS LENDER AND ADMINISTRATIVE AGENT

DATED AS OF SEPTEMBER 27, 2016

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Exhibit C	Form of Interest Rate Notice
Exhibit D	Form of Borrower's Certificate
Exhibit E	Form of Opinion of Borrower's Counsel
Exhibit F-1	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-2	U.S. Tax Compliance Certificate (For Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-3	U.S. Tax Compliance Certificate (For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit F-4	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit G	Form of Assignment and Assumption Agreement

REVOLVING CREDIT AGREEMENT

This **REVOLVING CREDIT AGREEMENT**, dated as of September 27, 2016, is by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "Borrower"), the lending institutions from time to time listed on *Schedule I* hereto (the "Lender" or "Lenders"), and [redacted] acting in its capacity as Administrative Agent for the Lenders (together with its successors and assigns in such capacity, the "Agent") (the Borrower, the Lenders and the Agent are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders agree to make available to the Borrower a One Hundred and Fifty Million United States Dollars (US$150,000,000) Revolving Credit facility; and

WHEREAS, the Lenders are willing to do so, on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 - DEFINITIONS AND RULES OF INTERPRETATION.

Section 1.01. Definitions. The following terms shall have the meanings set forth in this *Section 1.01* or elsewhere in the provisions of this Agreement referred to below:

"Acceleration Notice" has the meaning specified in *Section 7.02.*

"Affected Lender" has the meaning specified in *Section 2.07(b).*

"Actions" has the meaning specified in *Section 10.04.*

"Agent" has the meaning given such term in the Preamble.

"Agreement" means this Revolving Credit Agreement, including the Schedules and Exhibits hereto.

"Anti-Terrorism Law" means any Requirement of Law related to money laundering or financing terrorism including 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) (the "USA PATRIOT Act"), The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"Applicable Lending Office" means, in the case of any Lender, such Lender's Domestic Lending Office or Eurodollar Lending Office, as the case may be.

"Assignment and Assumption Agreement" has the meaning assigned to such term in *Section 10.06(b)*.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 or Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

[redacted]

"Base Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Base Rate.

"Borrower" has the meaning given such term in the Preamble.

"Borrowing" means the drawing down by the Borrower of a Loan or Loans from the Lenders on any given Borrowing Date.

"Borrowing Date" means the date on which any Loan is made or is to be made.

"Borrowing Notice" means a certificate to be provided pursuant to *Section 2.02(a)*, in substantially the form set forth in *Exhibit A*.

"Business Day" means any day other than (a) Saturday or Sunday, or (b) a day on which banking institutions in New York City, New York are required or authorized to close *(provided* that no day shall be deemed to be a Business Day with respect to any Eurodollar Rate Loan unless such day is also a Eurodollar Business Day).

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, for the purposes of the increased cost provisions in *Section 3.06* or *Section 3.07*, any changes with respect to capital adequacy or liquidity which result from (i) all requests, rules, guidelines or directives under or issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the

"Dodd-Frank Act") and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to "Basel III" (meaning the comprehensive set of reform measures developed (and designated as "Basel III" in September 2010) by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector), shall in each case be deemed to be a "Change in Law" as to which the affected Lender is entitled to compensation to the extent such request, rule, guideline or directive is either (1) enacted, adopted or issued after the Effective Date (but regardless of the date the applicable provision of the Dodd-Frank Act or Basel III to which such request, rule, guideline or directive relates was enacted, adopted or issued) or (2) enacted, adopted or issued prior to the Effective Date but either (A) does not require compliance therewith, or (B) which is not fully implemented until after the Effective Date and which entails increased cost related thereto that cannot be reasonably determined as of the Effective Date.

[redacted]

[redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Commitment" means, when used with reference to any Lender at the time any determination thereof is to be made, the obligation of such Lender to make Loans pursuant to *Section 2.01*, or, where the context so requires, the amount of such obligation which is set forth on *Schedule I* opposite such Lender's name as its Commitment, in each case as the same may be reduced from time to time in accordance with the terms of this Agreement.

"Commitments" means the aggregate Commitments of the several Lenders.

"Commitment Fee" has the meaning given such term in *Section 2.09*.

[redacted]

"Commitment Termination Date" means the earlier of (a) September 27, 2019, and (b) the date of termination in whole of the Commitments pursuant to Section 2.08 or Article 7.

"Communications" has the meaning specified in *Section 10.02(b)*.

"Communications Notice" has the meaning specified in *Section 10.02(c)*.

"Conversion" or "Convert" means a conversion of all or part of any Loan of one Type into a Loan of another Type pursuant to *Section 2.06* hereof (including any such conversion made as a result of the operation of any other provision hereof).

"Conversion Date" means the date on which all or any portion of any Loan is Converted or continued in accordance with *Section 2.06*.

"date of this Agreement" and "date hereof" means September 27, 2016.

"Default" means an Event of Default, or an event that with notice or lapse of time or both would become an Event of Default, or the filing in any court of competent jurisdiction of any petition or application or the commencement of any case or other proceeding referred to in *Section 7.01(g)* so long as the same remains undismissed or unstayed.

"Defaulting Lender" means, subject to *Section 3.11(b)*, any Lender that (a) fails to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, or

any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when such payment is due; (b) notifies the Borrower or the Agent in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that one or more conditions precedent to funding (each of which condition precedents, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) fails, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and to the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the subsequent receipt of such written confirmation by the Agent and the Borrower); or (d) has (or has a direct or indirect parent company that has) become the subject of any Insolvency Proceeding or Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of the preceding clauses (a) through (d) shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to *Section 3.11(b)*) upon the Agent's delivery of Notice of such determination to the Borrower and each Lender.

"Dollars" or "$" means United States dollars.

"Domestic Lending Office" means, with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining any Base Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

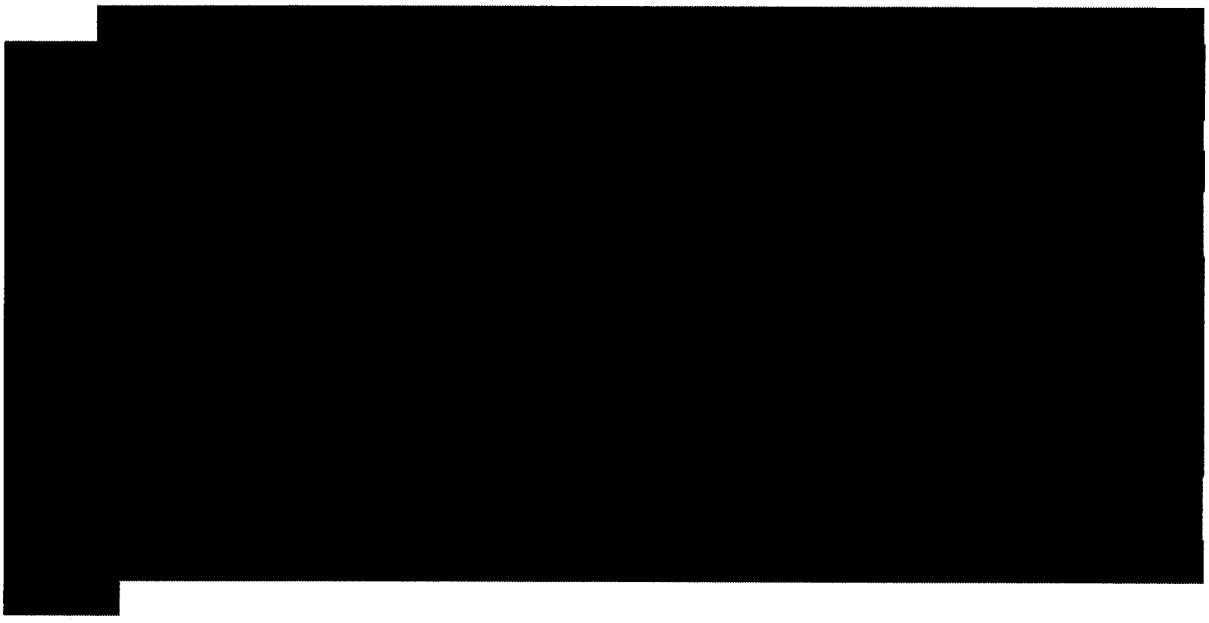
"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date on which all of the conditions precedent set forth in *Section 6.01* have been satisfied or waived, which is September 27, 2016.

"Eligible Assignee" means (i) any Lender or an affiliate of any Lender (in either instance, unless the relevant Lender is a Defaulting Lender at the time any such assignment is proposed), and (ii) any other Person that is approved by the Agent and, unless an Event of Default has occurred and is continuing at the time any such assignment is effected in accordance with the provisions of *Section 10.06(b)*, the Borrower, each of the foregoing approvals not to be unreasonably withheld or delayed; provided however, that neither the Borrower nor any affiliate of the Borrower shall qualify as an Eligible Assignee.

"Employee Benefit Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA maintained or contributed to by the Borrower or any ERISA Affiliate, other than a Multiemployer Plan.



"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means any Person that is treated as a single employer with the Borrower under Section 414 of the Code.

"ERISA Reportable Event" means a reportable event with respect to a Guaranteed Pension Plan within the meaning of Section 4043 of ERISA as to which the requirement of notice has not been waived.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Eurocurrency Reserve Rate" means, for any Interest Period for any Eurodollar Rate Loan, the average maximum rate at which reserves (including, without limitation, any marginal,

supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits against "Eurocurrency liabilities" (as such term is used in Regulation D) in effect two (2) Eurodollar Business Days before the first day of such Interest Period. Without limiting the effect of the foregoing, the Eurocurrency Reserve Rate shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Rate is to be determined as provided in the definition of "Eurodollar Rate" in this *Section 1.01* or (ii) any category of extensions of credit or other assets that includes Eurodollar Rate Loans.

"Eurodollar Business Day" means any Business Day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Eurodollar Lending Office" means with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, that shall be making or maintaining any Eurodollar Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

[redacted]

"Eurodollar Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Eurodollar Rate.

"Event of Default" has the meaning assigned to such term in *Section 7.01*.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in such Loan (other than pursuant to an assignment request by the Borrower under *Section 2.10*, or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to *Section 3.10*, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it

changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with *Section 3.10(c)*, and (d) any U.S. federal withholding Taxes imposed under FATCA.

"FASB ASC 715" means Financial Accounting Standards Board Accounting Standards Codification 715, Compensation – Retirement Benefits.

"FASB ASC 810" means Financial Accounting Standards Board Accounting Standards Codification 810, Consolidation.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

"Federal Funds Rate" means, for any day, a fluctuating interest rate per annum equal for each day during such period to the rate published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York for overnight Federal funds transactions with members of the Federal Reserve System, or, if such rate is not so published for any day that is a Business Day, the quotation for such day on such transactions received by the Agent from a Federal funds broker of recognized standing selected by it; *provided* that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"First Mortgage" means Borrower's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented and amended from time to time.

"Fitch" means Fitch Ratings.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FPSC Financing Order" means the Final Order Granting the Borrower Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on November 4, 2015, as Order No. PSC-15-0524-FOF-EI, and each successive order of the Florida Public Service Commission granting authority to the Borrower to issue and sell securities, as applicable.

[redacted]

Term Loan #5:
September 2016 Revolving Credit Agreement
(Exhibit 1 (m))
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IS CONFIDENTIAL IN ITS ENTIRETY

[redacted]

"generally accepted accounting principles" means generally accepted accounting principles, as recognized by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied and maintained on a consistent basis for the Borrower and its Subsidiaries throughout the period indicated and (subject to *Section 1.03*) consistent with the prior financial practice of the Borrower and its Subsidiaries.

"Governmental Authority" means, as to any Person, any government (or any political subdivision or jurisdiction thereof), court, bureau, agency or other governmental authority having jurisdiction over such Person or any of its business, operations or properties.

"Guaranteed Pension Plan" means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is subject to Title IV of ERISA and that is maintained or contributed to by the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate could be reasonably expected to have liability, other than a Multiemployer Plan.

"Immediately Available Funds" means funds with good value on the day and in the city in which payment is received.

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

"Indemnitee" has the meaning specified in *Section 10.04*.

"Indemnity Claim" has the meaning specified in *Section 10.04*.

"Initial Lenders" means those Lenders listed on *Schedule I* as of the Effective Date.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any competent court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, administrative receivership, administration, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, undertaken under any U.S. Federal or state or any foreign law.

"Interest Payment Date" means (a) as to any Base Rate Loan, the last day of each calendar quarter; (b) as to any Eurodollar Rate Loan in respect of which the Interest Period is (i) three (3) months or less, the last day of such Interest Period and (ii) more than three (3) months, the date that is three (3) months from the first day of such Interest Period and, in addition, the last day of such Interest Period; and (c) as to all Loans, the Maturity Date.

"Interest Period" means, with respect to any particular Eurodollar Rate Loan, the period which (i) initially commences on either (A) the borrowing or the initial Conversion Date of such Eurodollar Rate Loan or (B) the date of Conversion of all or any portion of any particular Base Rate Loan into a Eurodollar Rate Loan, as the case may be, and ends one (1), two (2), three (3) or six (6) months thereafter as selected by the Borrower; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period and ending on the last day of one of the periods set forth above, as selected by the Borrower in an Interest Rate Notice; *provided,* that all of the foregoing provisions relating to Interest Periods are subject to the following:

(a) if any Interest Period would otherwise end on a day that is not a Eurodollar Business Day, then such Interest Period shall end on the next succeeding Eurodollar Business Day unless the next succeeding Eurodollar Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Eurodollar Business Day;

(b) if any Interest Period begins on the last Eurodollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of the Interest Period), then the Interest Period shall end on the last Eurodollar Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Notice" means a Notice given by the Borrower to the Agent (in substantially the form set forth in *Exhibit C*) specifying the Borrower's election to Convert all or any portion of the Loans, or specifying the Interest Period with respect to all or any portion of any Eurodollar Rate Loans, or to continue the Loans for an additional Interest Period in accordance with *Section 2.06*.

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has an Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Liabilities" has the meaning specified in *Section 10.04*.

"LIBOR" has the meaning given such term in the definition of Eurodollar Rate.

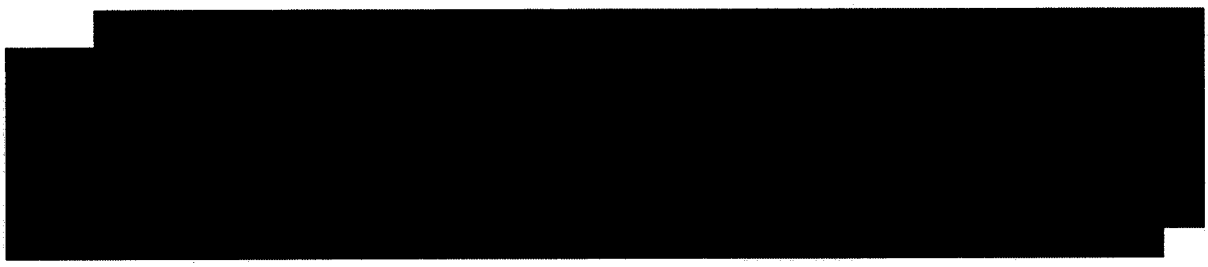
"Lien" means any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Loan" means the aggregate principal amount advanced by each Lender as a Loan or Loans to the Borrower under this Agreement.

"Loan Documents" means this Agreement, any Note or certificate or other document executed and delivered in connection herewith or therewith.

"Loans" means the aggregate principal amount of the Loans of all Lenders Outstanding at the time referred to in the context in which the term is used.

"Majority Lenders" means Lenders having more than fifty percent (50%) of the aggregate amount of the Commitments, or, if the Commitments shall have terminated, Lenders holder more than fifty percent (50%) of the aggregate unpaid principal amount of the Loans; provided that the Commitment of any Defaulting Lender shall be excluded for the purposes of making a determination of Majority Lenders.



"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Maturity Date" means the Commitment Termination Date.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) of ERISA to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute or has within any of the preceding five plan years contributed or had an obligation to contribute.

"NextEra Energy" means NextEra Energy, Inc., a Florida corporation.

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

"Nonrecourse Indebtedness" has the meaning specified in *Section 5.17*.

"Note" means the promissory note provided for by *Section 2.03(b)*, including (as applicable) all amendments thereto and restatements thereof and all promissory notes delivered in substitution or exchange therefor (including any amended and restated note issued pursuant to this Agreement).

"Notice" has the meaning specified in *Section 10.02*.

"One Month LIBOR" means the ICE Benchmark Administration Settlement Rate applicable to Dollars for a period of one (1) month (for the avoidance of doubt, One Month LIBOR for any day shall be based on the rate appearing on Reuters LIBOR01 Page (or other commercially available source providing such quotations as designated by the Agent from time to time) at approximately 11:00 a.m London time two (2) Business Days prior to such day);

provided that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

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

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

"Outstanding" means, with respect to any Loan, the aggregate unpaid principal amount thereof as of any date of determination.

"Participant" has the meaning specified in *Section 10.06(d)*.

"Participant Register" has the meaning specified in *Section 10.06(d)*.

"Parties" and "Party" have the meanings specified in the Preamble.

"PBGC" means the Pension Benefit Guaranty Corporation created by Section 4002 of ERISA and any successor entity or entities having similar responsibilities.

"Person" means any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Platform" has the meaning specified in *Section 10.02(b)*.

"Prime Rate" means, for any day, the prime commercial lending rate of the Agent as publicly announced to be in effect from time to time, such rate to be adjusted automatically, without notice, on the effective date of any change in such rate.

"Pro Rata Share" means, in respect of any Lender as of the date of any determination, the proportion which such Lender's Loans Outstanding bear to the total amount of Loans Outstanding.

"Rating Agency" means any of Fitch, Moody's or Standard & Poor's.

"Recipient" means the Agent and any Lender.

"Register" has the meaning specified in *Section 10.06(c)*.

"Regulations A, D, U and X" means, respectively, Regulations A, D, U and X of the Federal Reserve Board (or any successor).

"Regulatory Change" means, with respect to any Lender, any change after the Effective Date in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption, making or change in after such date of any interpretation, directive or request applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Removal Effective Date" has the meaning specified in *Section 9.07(b)*.

"Requirement of Law" means, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, if any, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or final, non-appealable determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Resignation Effective Date" has the meaning specified in *Section 9.07(a)*.

"Sanctions" means, sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), US Department of State, United Nations Security Council, European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Standard & Poor's" means S&P Global Ratings.

"Subsidiary" means any corporation, association, trust, or other business entity of which the Borrower (or where the context requires, NextEra Energy) shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority (by number of votes) of the outstanding Voting Stock.

[redacted]

[redacted]

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

[redacted]

"Type" has the meaning specified in *Section 1.02(h)*.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in paragraph (ii) of *Section 3.10(e)*.

[redacted]

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement, including any schedules or exhibits thereto, as any of same may be amended, modified or supplemented from time to time in accordance with its terms and, if applicable, the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) The words "include," "includes" and "including" are not limiting.

(f) Reference to any particular "Article," "Section," "Schedule," "Exhibit," "Recital" or "Preamble" refers to the corresponding Article, Section, Schedule, Exhibit, Recital or Preamble of this Agreement unless otherwise indicated.

(g) The words "herein," "hereof," "hereunder," "hereto" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(h) Loans hereunder are distinguished by "Type". The Type of a Loan refers to whether the Loan is a Base Rate Loan or a Eurodollar Rate Loan, each of which constitutes a Type.

Section 1.03. Accounting Matters. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles, as in effect from time to time; *provided* that, if the Borrower

notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in generally accepted accounting principles or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such Notice is given before or after such change in generally accepted accounting principles or in the application thereof, then (a) such provision shall be interpreted on the basis of generally accepted accounting principles as in effect and applied immediately before such change shall have become effective until such Notice shall have been withdrawn or such provision amended in accordance therewith and (b) the Borrower shall provide to the Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations made before and after giving effect to such change in generally accepted accounting principles.

ARTICLE 2 - LOANS.

Section 2.01. Commitment to Lend. Each of the Lenders severally agrees, on the terms of this Agreement (including, without limitation, *Article 6*), to make, simultaneously with the other Lenders, Loans in Dollars to the Borrower for a period commencing on the Effective Date and terminating on the Commitment Termination Date, in an aggregate amount Outstanding at any one time not to exceed such Lender's Commitment. Within the limits of the Commitment of each Lender, the Borrower may borrow under this Section 2.01, prepay pursuant to *Section 2.02(e)* and re-borrow under this *Section 2.01*.

Section 2.02. Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time (i) on the proposed Borrowing Date in the case of a Base Rate Loan and (ii) at least three (3) Eurodollar Business Days prior to the proposed Borrowing Date in the case of a Eurodollar Rate Loan, specifying (A) the Borrowing Date (which shall be a Business Day), (B) whether the requested Borrowing is of a Base Rate Loan or a Eurodollar Rate Loan, or any combination thereof as permitted under the terms of this *Section 2.02*, and the amount of each and (C) in the case of each Eurodollar Rate Loan, the initial Interest Period applicable thereto.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on each Borrowing Date, make immediately available funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, by wire transfer at its address set forth on *Schedule I*. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Section 7.02, the Agent will make such funds available to the Borrower by crediting the Borrower's designated account in accordance with the wire instructions included in the Borrowing Notice.

(d) Any notice delivered or given by the Borrower to the Agent as provided in this *Section 2.02* shall be irrevocable and binding upon the Borrower upon receipt by the Agent. Each Borrowing shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof. In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than [ten (10)]1 different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) The Borrower shall have the right, at any time and from time to time, to prepay the Loans in whole or in part, without penalty or premium, upon not less than three (3) Business Days' prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and same day written Notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof, or equal to the remaining principal balance outstanding under such Loan, and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such prepayment in accordance with *Section 3.09*.

(f) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with Section 2.02(a) and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Borrowings of such Type and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

(g) The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.03. Evidence of Indebtedness and Note.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive

1 confirm

absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any particular Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Effective Date, (iii) be in a stated maximum principal amount equal to the Commitment of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04. Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05. Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted]A per annum.

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted]

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of such Loan.

(d) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(e) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on each Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06. Interest Rate Conversion or Continuation Options.

(a) The Borrower may, subject to *Section 2.07, Section 3.04* and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan prior to the last day of the Interest Period relating to that Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Day prior to such election; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made, any Lender may take such action, if any, as it deems desirable to transfer the Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of Loans of any Type may be Converted as specified herein; *provided* that partial Conversions shall be in an aggregate principal amount of [redacted] or any integral multiple of [redacted] in excess thereof. The Agent shall notify the Lenders promptly of each such Interest Rate Notice made by the Borrower. Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted] or any integral multiple of [redacted] in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

[redacted]

Section 2.07. Computation of Interest and Fees.

(a) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for the purpose of determining the interest rate under *Section 2.05(a)(i)*.

(b) In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, any Lender (in this context, an "Affected Lender") determines that (i) adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans or (ii) the Eurodollar Rate will not adequately reflect the cost to such Affected Lender of making, funding or maintaining its Eurodollar Rate Loans, during any Interest Period, such Affected Lender shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower) to the Borrower and the Agent. In the event that the Agent receives such notices from Affected Lenders who collectively comprise the Majority Lenders, the Agent shall forthwith give Notice of such fact to the Borrower and the Lenders, and as a result thereof, (x) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed a request for a Base Rate Loan, (y) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (z) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent, upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders. Each Affected Lender agrees that it shall forthwith give Notice of such fact to the Borrower and the Agent at such time as the circumstances described in the first sentence of this *Section 2.07(b)* no longer pertain to it.

(c) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing shall be reduced, by payment or prepayment or

otherwise, to less than $10,000,000, such Loans shall automatically Convert into Base Rate Loans.

(d) Upon the occurrence and during the continuance of any Event of Default (i) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.08. Commitment Reduction. The Borrower shall have the right, exercisable at any time and from time to time, upon two (2) Business Days' Notice to the Agent (or telephonic notice promptly confirmed in writing), to terminate in whole or reduce in part the Commitment; *provided* that each partial reduction of the Commitment shall be in an amount of $10,000,000 or integral multiples of $1,000,000 in excess thereof; and *provided further* that the Commitment may not be reduced to any amount less than the aggregate principal amount (without duplication) of all Loans and Outstanding at the time of any such reduction.

Section 2.09. Commitment Fee. Borrower agrees to pay to the Agent for the account of each Lender a per annum Commitment Fee (the "Commitment Fee") for the period from and including the Effective Date (or such later date as such Lender incurs a Commitment hereunder) to but not including the earlier of the date such Lender's Commitment is terminated and the Maturity Date, equal to the Commitment Fee Rate multiplied by the daily average unused amount of such Lender's Commitment for such period. The Commitment Fee shall be payable to the Agent for the account of each Lender (a) quarterly in arrears on the last day of each March, June, September and December, commencing on December 31, 2016, and (b) on the earlier of (i) the date the Commitments are terminated in full and (ii) the Maturity Date.

Section 2.10 Replacement of Lenders. If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv) any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if such Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of

reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) the Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the Outstanding amount of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such Outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

ARTICLE 3 - CERTAIN GENERAL PROVISIONS.

Section 3.01. *[Reserved]*

Section 3.02. Funds for Payments.

(a) All payments of principal, interest, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, without counterclaim or setoff except as provided in *Article 8*, at the offices of the Agent, at its address set forth in *Schedule I*, for the respective accounts of the Lenders, in Immediately Available Funds, not later than 2:00 p.m., New York, New York time, on the due date therefor. Any payment received by the Agent after 2:00 p.m., New York, New York time, shall be deemed to have been received on the next succeeding Business Day. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to *Sections 3.06, 3.07, 3.09, 3.10, 10.03* and *10.04* to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

(b) Unless the Agent shall have received Notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent or each Lender, as the case may be, the Borrower shall repay to the Agent forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day

from the date such amount is distributed to such Lender until the date such Lender, repays such amount to the Agent, at the Federal Funds Rate.

Section 3.03. Computations. All computations of interest based on the Prime Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Except as otherwise provided in the definition of the term "Interest Period" with respect to any Eurodollar Rate Loan, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest on any principal so extended shall accrue during such extension.

Section 3.04. Inability to Determine Eurodollar Rate. In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, the Agent shall determine or be notified by the Majority Lenders that adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans, as the case may be, or that the Eurodollar Rate will not adequately reflect the cost to the Majority Lenders of making, funding or maintaining their Eurodollar Rate Loans, during any Interest Period, the Agent shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower and the Lenders) to the Borrower and the Lenders. In such event (a) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed to be a request for a Base Rate Loan, (b) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (c) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Agent or the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent or, as the case may be, the Agent upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders.

Section 3.05. Illegality. Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain any Loan as a Eurodollar Rate Loan, such Lender shall promptly give Notice of such circumstances to the Borrower and the other Lenders and thereupon (a) the commitment of such Lender to make any Loan as a Eurodollar Rate Loan or Convert any portion of the Loans of another Type to a Eurodollar Rate Loan shall automatically be suspended, and (b) such Lender's portion of the Loans then outstanding as Eurodollar Rate Loans, if any, shall be Converted automatically to Base Rate Loans on the last day of each Interest Period applicable to each such Eurodollar Rate Loan or within such earlier period as may be required by law. Notwithstanding anything contained in this *Section 3.05* to the contrary, in the event that any Lender is unable to make or maintain any Loan as a Eurodollar Rate Loan as set forth in this *Section 3.05*, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Eurodollar Lending Office so as to avoid such inability.

Section 3.06. Additional Costs. If any Change in Law:

(a) imposes, increases or renders applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of law) against assets held by, or deposits in or for the account of, or loans by, or commitments of an office of any Lender, or

(b) imposes on any Lender or the Agent any other conditions or requirements with respect to this Agreement, the other Loan Documents, any Loan or the Commitment of such Lender hereunder,

(c) and the foregoing has the result of:

(i) increasing the cost or reducing the return to any Lender of making, funding, issuing, renewing, extending or maintaining any Loan as a Eurodollar Rate Loan or maintaining its Commitment, or

(ii) reducing the amount of principal, interest or other amount payable to such Lender hereunder on account of any Loan being a Eurodollar Rate Loan, or

(iii) requiring such Lender to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Lender from the Borrower hereunder,

then, and in each such case, the Borrower will, upon demand made by such Lender at any time and from time to time and as often as the occasion therefor may arise, pay to such Lender such additional amounts as will be sufficient to compensate such Lender for such additional cost, reduction, payment or foregone interest or other sum. Notwithstanding anything contained in this *Section 3.06* to the contrary, upon the occurrence of any event set forth in this *Section 3.06* with respect to any Lender, such affected Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Applicable Lending Office so as to avoid the effect of such event set forth in this *Section 3.06*.

Section 3.07. Capital Adequacy. If any Change in Law affects the amount of capital or liquidity required or expected to be maintained by any Lender or any corporation controlling such Lender due to the existence of its Commitment or Loans, and such Lender determines that the result of the foregoing is to increase the cost or reduce the return to such Lender of making or maintaining its Commitment or Loans, then such Lender may notify the Borrower of such fact. To the extent that the costs of such increased capital or liquidity requirements are not reflected in the Base Rate and/or the Eurodollar Rate, the Borrower and such Lender shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrower receives such Notice, an adjustment payable hereunder that will adequately compensate such Lender in light of these circumstances, and in connection therewith, such Lender will provide to the Borrower reasonably detailed information regarding the increase of such Lender's costs. If the Borrower and such Lender are unable to agree to such adjustment within thirty (30) days of the date on which the Borrower receives such Notice, then commencing on the date of such Notice (but not

earlier than the effective date of any such increased capital or liquidity requirement), the interest payable hereunder shall increase by an amount that will, in such Lender's reasonable determination, provide adequate compensation. Each Lender agrees that amounts claimed pursuant to this *Section 3.07* shall be made in good faith and on an equitable basis.

Section 3.08. Recovery of Additional Compensation.

(a) Certificate. If any Lender claims any additional amounts pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, it shall provide to the Agent and the Borrower a certificate setting forth such additional amounts payable pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, and a reasonable explanation of such amounts which are due (*provided* that, without limiting the requirement that reasonable detail be furnished, nothing herein shall require such Lender to disclose any confidential information relating to the organization of its affairs). Such certificate shall be conclusive, absent manifest error, that such amounts are due and owing.

(b) Delay in Requests. Delay on the part of any Lender to demand compensation pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as applicable, shall not constitute a waiver of such Lender's right to demand such compensation; [redacted]A

[redacted]

Section 3.09. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense (including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain any Loan as a Eurodollar Rate Loan) that such Lender may sustain or incur as a consequence of (a) default by the Borrower in payment of the principal amount of or any interest on any Eurodollar Rate Loan as and when due and payable, (b) default by the Borrower in making a prepayment after the Borrower has given a Notice of prepayment pursuant to *Section 2.02(e)*, (c) default by the Borrower in making a Borrowing after the Borrower has given a Borrowing Notice pursuant to *Section 2.02* or continuing any Loan, after the Borrower has given (or is deemed to have given) pursuant to *Section 2.06* an Interest Rate Notice, or (d) the making of any payment of principal of a Eurodollar Rate Loan on a day that is not the last day of the applicable Interest Period with respect thereto, including interest or fees payable by such Lender to lenders or funds obtained by it in order to maintain any Loan.

Section 3.10. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by such Withholding Agent, then

the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this *Section 3.10*) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification

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

(ii) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of *Section 10.06* relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to such Lender from any other source against any amount due to the Agent under this *Section 3.10(c)(ii)*.

(d) Evidence of Payments. Within thirty (30) days after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this *Section 3.10*, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in *Section 3.10(e)(ii)(1), (ii)(2)* and *(ii)(4)* below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the Recipient on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form

W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed originals of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit F-1* to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-2* or *Exhibit F-3*, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if such Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-4* on behalf of each such direct and indirect partner;

(3) any Foreign Lender, shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly

completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments to FATCA made after the Effective Date.

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

(f) Treatment of Certain Refunds. If any Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this *Section 3.10* (including by the payment of additional amounts pursuant to this *Section 3.10*), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this *Section 3.10* with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this *Section 3.10(f)* (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this *Section 3.10(f)*, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this *Section 3.10(f)* the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This *Section 3.10(f)* shall not be construed to require any indemnified

party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 3.11. Defaulting Lenders; Cure.

(a) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article 7* or otherwise), or received by the Agent from a Defaulting Lender by exercise of right of set-off, shall be applied at such time or times as may be determined by the Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; *third*, if so agreed by the Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in *Section 6.01*, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this *Section 3.11(a)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto (and the amounts thus applied or held shall discharge any corresponding obligations of the Borrower relating thereto).

(b) Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the Parties, whereupon as of the effective date specified in such Notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral or other acceptable credit support), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders, whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided, further,* that except to the extent otherwise expressly agreed by the affected Parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any Party arising from that Lender's having been a Defaulting Lender.

(c) Effect on Other Obligations. No Commitment of any Lender shall be increased or otherwise affected, and except as otherwise expressly provided in this *Section 3.11*, performance by the Borrower of its obligations hereunder shall not be excused or otherwise modified as a result of the operation of this *Section 3.11*. The rights and remedies against a Defaulting Lender under this *Section 3.11* are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lenders and the Agent as follows:

Section 4.01. Corporate Authority.

(a) Incorporation; Good Standing. The Borrower (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite corporate power to own its property and conduct its business as now conducted, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction where such qualification is necessary except where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.

(b) Authorization. The execution, delivery and performance of this Agreement, the other Loan Documents to which the Borrower is or is to become a party and the transactions contemplated hereby and thereby (i) are within the corporate authority of the Borrower, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any breach or contravention of any provision of any law, statute, rule or regulation to which the Borrower is subject or any material judgment, order, writ, injunction, license or permit applicable to the Borrower, except where any such conflict, breach, or contravention would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, a material adverse effect on the ability of the Borrower to perform its obligations under the Loan Documents or a material adverse effect on the validity or enforceability of the Loan Documents, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order, and (iv) do not conflict with any provision of the Restated Articles of Incorporation of the Borrower, as amended, or Bylaws, as amended, of, or any material agreement or other material instrument binding upon, the Borrower, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order. This Agreement and each other Loan Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Enforceability. The execution and delivery by the Borrower of this Agreement and the other Loan Documents will result in valid and legally binding obligations of the Borrower, enforceable against it in accordance with the respective terms and provisions

hereof and thereof, except as enforceability is limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity.

Section 4.02. Governmental Approvals. The execution and delivery by the Borrower of this Agreement and the other Loan Documents, and the performance by it of its obligations thereunder, do not require the approval or consent of, or filing with, any Governmental Authority, except those which have been obtained on or prior to the date hereof, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order.

Section 4.03. Title to Properties. The Borrower or one or more of its consolidated subsidiaries owns all of the assets reflected as the Borrower's assets in the consolidated balance sheet of the Borrower as at December 31, 2015 referred to in *Section 4.04* or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business or as otherwise permitted pursuant to the provisions of this Agreement since that date and except for such assets owned from time to time by any entity whose assets are consolidated on the balance sheet of the Borrower and its Subsidiaries solely as a result of the operation of FASB ASC 810), subject to no Liens, except for such matters set forth in *Schedule 4.03* or otherwise permitted pursuant to the provisions of this Agreement and Liens upon the assets of any Subsidiary of Borrower.

Section 4.04. Financial Statements. The Borrower's annual report on Form 10-K for the period ended December 31, 2015, includes the consolidated balance sheet of the Borrower and its subsidiaries as at such date and related consolidated income statements of Borrower and its subsidiaries, for the fiscal period then ended, which have been certified by the Borrower's independent public accountants. The financial statements of the Borrower included as a part of such annual report have been prepared in accordance with generally accepted accounting principles and present fairly the consolidated financial position and results of operations of the Borrower and its subsidiaries, taken as a whole, at the respective dates and for the respective periods to which they apply. As of the Effective Date, there has been no material adverse change in the business or financial condition of the Borrower and its subsidiaries, taken as a whole, since December 31, 2015, except as set forth *in Schedule 4.04.*

Section 4.05. Franchises, Patents, Copyrights, Etc. The Borrower possesses all material franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted and, except where in any such case any such conflict would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, without known conflict with any rights of others.

Section 4.06. Litigation. Except as described in *Schedule 4.06,* as of the Effective Date, there is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to have a material adverse effect on the

business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, or to materially impair the right of the Borrower to carry on its business substantially as now conducted by it. There is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or any of its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to question the validity of this Agreement or any of the other Loan Documents or any actions taken or to be taken pursuant hereto or thereto.

Section 4.07. Compliance With Other Instruments, Laws, Etc. The Borrower is not in violation of any provision of its charter documents, bylaws, or any agreement or instrument to which it is subject or by which it or any of its properties is bound or any material decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that would materially and adversely affect the financial condition, properties or business of the Borrower and its Subsidiaries, taken as a whole.

Section 4.08. Tax Status. The Borrower has (a) prepared and, giving effect to all proper extensions, timely filed all federal and state income tax returns and, to the best knowledge of the Borrower, all other material tax returns, reports and declarations required by any applicable jurisdiction to which the Borrower is legally subject, which, giving effect to all proper extensions, were required to be filed prior to the Effective Date, (b) paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) to the extent deemed necessary or appropriate by the Borrower, set aside on its books provisions reasonably adequate for the payment of all known taxes for periods subsequent to the periods to which such returns, reports or declarations apply.

Section 4.09. No Default. No Default has occurred and is continuing.

Section 4.10. Investment Company Act. The Borrower is not an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940.

Section 4.11. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions.

(b) Terminability of Plans. Under each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries which is an employee welfare benefit plan within the meaning of §3(1) or §3(2)(B) of ERISA, no benefits are due unless the event giving rise to the benefit entitlement occurs prior to plan termination (except as required by Title I, Part 6 of ERISA). The Borrower and its Subsidiaries may terminate their respective participation in each such plan at any time (other than a plan that provides benefits pursuant to a collective bargaining agreement) in the discretion of the Borrower or its Subsidiaries without liability to any Person.

(c) Guaranteed Pension Plans. As of the Effective Date, each contribution required to be made to a Guaranteed Pension Plan by either the Borrower or an ERISA Affiliate, whether required to satisfy the minimum funding requirements described in §302 or §303 of ERISA, the notice or lien provisions of §303(k) of ERISA, or otherwise, has been timely made. As of the Effective Date, no waiver from the minimum funding standards or extension of amortization periods has been received with respect to any Guaranteed Pension Plan. As of the Effective Date, no liability to the PBGC (other than required insurance premiums, all of which have been paid) has been incurred by the Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and there has not been any ERISA Reportable Event which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of §4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans by more than $500,000.

(d) Multiemployer Plans. Neither the Borrower nor any ERISA Affiliate has incurred any material unpaid liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under §4201 of ERISA or as a result of a sale of assets described in §4204 of ERISA. Neither the Borrower nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization, insolvent or "endangered" or "critical" status under and within the meaning of §4241, §4245 or §305, respectively, of ERISA or that any Multiemployer Plan intends to terminate or has been terminated under §4041A of ERISA.

Section 4.12. Use of Proceeds. The proceeds of the Loans shall be used for the general corporate purposes of the Borrower.

Section 4.13. Compliance with Margin Stock Regulations. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "'margin stock" (within the meaning of Regulation U or Regulation X of the Federal Reserve Board), and no part of the proceeds of the Loans will be used to purchase or carry any "margin stock," to extend credit to others for the purpose of purchasing or carrying any "margin stock" or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of Regulation U or Regulation X. In addition, not more than twenty-five percent (25%) of the value (as determined by any reasonable method) of the assets of the Borrower consists of margin stock.

Section 4.14. USA PATRIOT ACT, OFAC and Other Regulations.

(a) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate (i) has violated any Anti-Terrorism Laws or (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, employees, brokers or agents of the Borrower, such Subsidiary or Affiliate is a Person that is, or is owned or controlled by Persons that are: (i) the subject of any Sanctions, or (ii) located, organized or resident in a country, region or territory that is, or whose government is, the subject of Sanctions, which on the Effective Date are Crimea, Cuba, Iran, North Korea, Sudan and Syria.

(c) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate acting or benefiting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Person, or in any country or territory, that is the subject of any Sanctions, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(d) The Borrower has and, to the knowledge of the Borrower, its Subsidiaries have, conducted their business in compliance with applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws and money laundering laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

ARTICLE 5 - COVENANTS OF BORROWER

The Borrower covenants and agrees that, so long as any portion of the Loans, any Note as may be issued hereunder or any Commitment is outstanding:

Section 5.01. Punctual Payment. The Borrower will duly and punctually pay or cause to be paid (a) the principal and interest on the Loans, and (b) the fees and all other amounts provided for in this Agreement and the other Loan Documents.

Section 5.02. Maintenance of Office. The Borrower will maintain its chief executive office at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, or at such other place in the United States of America as the Borrower shall designate by Notice to the Agent, in accordance with *Section 10.02.*

Section 5.03. Records and Accounts. The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with generally accepted accounting principles and (b) to the extent deemed necessary or appropriate by the Borrower, maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, contingencies, and other reserves.

Section 5.04. Financial Statements, Certificates and Information. The Borrower will deliver to each Lender and the Agent, which, for the purposes of this *Section 5.04*, may be made available electronically by the Borrower as provided in the final sentence of this *Section 5.04*:

(a) as soon as practicable, but in any event not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower, the consolidated balance sheet of the Borrower and its subsidiaries as at the end of such year, and the related consolidated statements of income and consolidated statements of cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year or year-end, as applicable, and all such consolidated statements to be prepared in accordance with generally accepted accounting principles, and certified by Deloitte & Touche LLP or by other independent public accountants reasonably satisfactory to the Agent. The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's annual report on Form 10-K for the period for which such financial statements are to be delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer shall have obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(b) as soon as practicable, but in any event not later than sixty (60) days after the end of each of the first three (3) fiscal quarters of the Borrower copies of the unaudited consolidated balance sheet of the Borrower and its subsidiaries as at the end of such quarter, and the related consolidated statements of income and consolidated statements of cash flows for the portion of the fiscal year to which they apply, all prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower that the information contained in such financial statements fairly presents the financial position of the Borrower and its Subsidiaries as of the end of such quarter (subject to year-end adjustments). The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's quarterly report on Form 10-Q for the period for which such financial statements are being delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer has obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(c) contemporaneously with the filing or mailing thereof, copies of all material of a financial nature filed by the Borrower with the Securities and Exchange Commission;

(d) promptly after the commencement thereof, Notice of all actions and proceedings before any court, governmental agency or arbitrator of the type described in *Section 4.06* to which the Borrower is a party or its properties are subject; and

(e) from time to time such other financial data and information as the Agent or any Lender may reasonably request.

Reports or financial information required to be delivered pursuant to this *Section 5.04* shall, to the extent any such financial statements, reports, proxy statements or other materials are included in materials otherwise filed with the Securities and Exchange Commission, be deemed to be delivered hereunder on the date of such filing. Any such report or financial information may also be delivered to the Agent electronically as provided in *Section 10.02(b)*.

Section 5.05. Default Notification. The Borrower will promptly provide Notice to the Agent regarding the occurrence of any Default of which the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower has actual knowledge or notice.

Section 5.06. Corporate Existence: Maintenance of Properties. The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence (except as otherwise expressly permitted by the first sentence of *Section 5.13*), and will do or cause to be done all things commercially reasonable to preserve and keep in full force and effect its franchises; and the Borrower will, (a) cause all of its properties used and useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and (b) cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this *Section 5.06* shall prevent the Borrower or any of its Subsidiaries from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the sole judgment of the Borrower or its Subsidiary, as the case may be, desirable in the conduct of its or their business and does not in the aggregate materially adversely affect the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole; *provided further* that nothing in this *Section 5.06* shall affect or impair in any manner the ability of the Borrower or any of its Subsidiaries to sell or dispose of all or any portion of its property and assets (including, without limitation, its shares in any Subsidiary or all or any portion of the property or assets of any Subsidiary); and *provided finally* that, in the event of any loss or damage to its property or assets, the Borrower and its Subsidiaries shall be obligated to repair, replace or restore any such property or assets only if the Borrower or such Subsidiaries have determined that such repair, replacement or restoration is necessary or appropriate and any such repair, replacement and/or restoration may be effectuated by the Borrower or a Subsidiary in such time period and in the manner it deems appropriate.

Section 5.07. Taxes. The Borrower will duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all material taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges that in the aggregate are not material to the business or assets of the Borrower) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials, or supplies that if unpaid might by law become a Lien or charge upon any of its property; *provided* that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and, to the extent that the Borrower deems necessary, the Borrower shall

have set aside on its books adequate reserves with respect thereto; and *provided further* that the Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any Lien that may have attached as security therefor.

Section 5.08. Visits by Lenders. The Borrower shall permit the Lenders, through Agent or any of the Lenders' other designated representatives, to visit the properties of the Borrower and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, its officers, upon reasonable Notice and all at such reasonable times and intervals as the Agent or any Lender may reasonably request.

Section 5.09. Compliance with Laws, Contracts, Licenses, and Permits. The Borrower will comply with (a) the laws and regulations applicable to the Borrower (including, without limitation, ERISA) wherever its business is conducted, (b) the provisions of its charter documents and by-laws, (c) all agreements and instruments by which it or any of its properties may be bound, and (d) all decrees, orders, and judgments applicable to the Borrower, except where in any such case the failure to comply with any of the foregoing would not materially adversely affect the business, property or financial condition of the Borrower and its Subsidiaries, taken as a whole. If at any time while any portion of the Loans or any other amount hereunder or any Commitment is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any Governmental Authority shall become necessary or required in order that the Borrower may fulfill any of its obligations hereunder or under any other Loan Document, the Borrower will promptly take or cause to be taken all reasonable steps within the power of the Borrower to obtain such authorization, consent, approval, permit or license and furnish the Agent with evidence thereof.

Section 5.10. Use of Proceeds. The Borrower will use the proceeds of the Loans solely for the purposes described in *Section 4.12*.

Section 5.11. Rating Agencies. The Borrower will at all times during the term of this Agreement employ at least two (2) Rating Agencies for the purpose of rating the Borrower's non-credit enhanced long-term senior unsecured debt or, to the extent such rating is not available, the Borrower's long-term senior secured debt, one of which must be either Moody's or Standard & Poor's.

Section 5.12. Maintenance of Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates: *provided, however,* that the Borrower may self-insure (which may include the establishment of reserves, allocation of resources, establishment of credit facilities and other similar arrangements) to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates and to the extent consistent with prudent business practice.

Section 5.13. Prohibition of Fundamental Changes. The Borrower will not consummate any transaction of merger or consolidation or amalgamation, or liquidation or dissolution;

[redacted]

[redacted]

The Borrower will not convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or substantially all of its business or assets, whether now owned or hereafter acquired, to any other Person unless [redacted]

Section 5.14. Indebtedness. The Borrower will insure that all obligations of the Borrower under this Agreement and the other Loan Documents rank and will rank [redacted] in respect of priority of payment by the Borrower and priority of lien, charge or other security in respect of assets of the Borrower [redacted]

Section 5.15. Liens. The Borrower will not create any Lien upon or with respect to any of its properties, or assign any right to receive income, in each case to secure or provide for the payment of any debt of any Person, other than:

(i) purchase money liens or purchase money security interests upon or in any property acquired by the Borrower in the ordinary course of business to secure the purchase price or construction cost of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property or construction of improvements on such property;

(ii) Liens existing on property acquired by the Borrower at the time of its acquisition, *provided* that such Liens were not created in contemplation of such acquisition and do not extend to any assets other than the property so acquired;

(iii) Liens securing Nonrecourse Indebtedness created for the purpose of financing the acquisition, improvement or construction of the property subject to such Liens;

(iv) the replacement, extension or renewal of any Lien permitted by clauses (i) through (iii) of this *Section 5.15* upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in the direct or indirect obligor) of the indebtedness secured thereby;

(v) Liens upon or with respect to margin stock;

(vi) (a) deposits or pledges to secure payment of workers' compensation, unemployment insurance, old age pensions or other social security; (b) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of money) or leases, public or statutory obligations, surety or appeal bonds or other deposits or pledges for purposes of like general nature in the ordinary course of business; (c) Liens for property taxes not delinquent and Liens for taxes which in good faith are being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; (d) mechanics', carriers', workmen's, repairmen's or other like Liens arising in the ordinary course of business securing obligations which are not overdue for a period of sixty (60) days or more or which are in good faith being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and (e) other matters described in *Schedule 4.03*; and

(vii) the Lien of the Borrower's First Mortgage, any other Liens, charges or encumbrances permitted thereunder from time to time, and any other Lien or Liens upon all or any portion of the property or assets which are subject to the Lien of the First Mortgage;

(viii) any Liens securing any pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds or other taxable or tax-exempt bonds or similar obligations issued by or on behalf of the Borrower from time to time, and any Liens given to secure any refinancing or refunding of any such obligations; and

(ix) any other Liens or security interests (other than Liens or security interests described in clauses (i) through (viii) of this *Section 5.15*), if the aggregate principal amount of the indebtedness secured by all such Liens and security interests (without duplication) does not exceed in the aggregate $50,000,000 at any one time outstanding; [redacted]

Section 5.16. Employee Benefit Plans. The Borrower will not:

(a) engage in any non-exempt "prohibited transaction" within the meaning of §406 of ERISA or §4975 of the Code which could result in a material liability for the Borrower; or

(b) permit any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to fail to meet the "minimum funding standards" described in §302 and §303 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to an extent which, or terminate any Guaranteed Pension Plan

sponsored by the Borrower or its ERISA Affiliates in a manner which, could result in the imposition of a lien or encumbrance on the assets of the Borrower or any of its Subsidiaries pursuant to §303(k) or §4068 of ERISA; or

(d) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of §4001(a)(16) of ERISA) of Guaranteed Pension Plans sponsored by the Borrower or its ERISA Affiliates exceeding the value of the aggregate assets of such plans by more than the amount set forth in *Section 4.11(c)*. For purposes of this covenant, poor investment performance by any trustee or investment management of a Guaranteed Pension Plan shall not be considered as a breach of this covenant.

Section 5.17 [redacted]

[redacted]

[redacted]

Section 5.18. Compliance with Anti-Corruption Laws and Anti-Terrorism Regulations. The Borrower shall not:

(a) Violate any applicable anti-corruption laws or any Anti-Terrorism Laws or engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Use, directly or indirectly, the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (x) in violation of applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws or money laundering laws, (y) to fund any activities or business of or with any Person, or in any country or territory, that, is, or whose government is, the subject of Sanctions at the time of such funding, or (z) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

(c) Deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, or (ii) engage in or conspire

to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 6 - CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement and each Initial Lender's Commitment to make Loans pursuant to *Section 2.01* is subject to the following conditions precedent, each of which shall have been met or performed in the reasonable opinion of the Agent:

(a) Execution of this Agreement. This Agreement shall have been duly executed and delivered by the Parties.

(b) Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Agreement and any other Loan Document to which it is a Party, shall have been duly and effectively taken, and evidence thereof satisfactory to the Lenders shall have been provided by the Borrower to the Agent.

(c) Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Agent dated as of the Effective Date, signed by its duly authorized officer, and giving the name and bearing a specimen signature of each individual who shall be authorized: (1) to sign, in the name and on behalf of the Borrower each of the Loan Documents to which it is a party, (2) to make requests for Borrowings or Conversion requests and (3) to give notices and to take other action on its behalf under the Loan Documents.

(d) Borrower's Certificate. The Agent shall have received from the Borrower's executed certificate, dated as of the Effective Date, substantially in the form of *Exhibit D*.

(e) Opinion of Counsel. The Agent shall have received a favorable opinion addressed to the Lenders and the Agent, dated as of the Effective Date, substantially in the form of *Exhibit E* attached hereto, from Squire Patton Boggs (US) LLP, counsel to the Borrower.

(f) No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make any Loan.

(g) Governmental Regulation. Each Lender shall have received such statements in substance and form reasonably satisfactory to such Lender as such Lender shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve Board, including, without limitation, applicable "know your customer" requirements.

(h) Note. A Note (if same is requested by any Initial Lender) shall have been duly executed and delivered by the Borrower.

(i) Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement, the other Loan Documents and all other

documents incident thereto shall be satisfactory in substance and in form to the Lenders and to counsel for the Agent, and the Lenders and such counsel shall have received all information and such counterpart originals or certified or other copies of such documents as the Agent may reasonably request.

(j) Payment of Fees and Expenses. The Borrower shall have paid all accrued fees and expenses of the Agent (including the accrued fees and expenses of counsel to the Agent).

Section 6.02. Each Loan. The obligation of the Lender to make a Loan pursuant to *Section 2.01* herein is subject to the following conditions precedent, each of which shall have been met or performed by the Borrowing Date with respect to each such Loan:

(a) Borrowing Notice. The Borrower shall have delivered the Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(b) No Default. No Default shall have occurred and be continuing or will occur upon the making of such Loan on such Borrowing Date, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

ARTICLE 7 - EVENTS OF DEFAULT, ACCELERATION, ETC.

Section 7.01. Events of Default. The following events shall constitute "Events of Default" for purposes of this Agreement:

(a) the Borrower shall fail to pay any principal of ay Loan when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(b) the Borrower shall fail to pay any interest on any Loan, any fees or other sums due hereunder or under any of the other Loan Documents, for a period of [redacted] following the date when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(c) (i) the Borrower shall fail to perform any term, covenant or agreement contained in *Section 5.05, Section 5.06* (but only as to corporate existence), *Section 5.10, Section 5.12, Section 5.13* (upon the consummation of any transaction prohibited by said *Section 5.13*), *Section 5.15, Section 5.17* or *Section 5.18(b)* or (ii) the Borrower shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified elsewhere in this *Section 7.01*) for [redacted] after Notice of such failure has been given to the Borrower by the Agent or any Lender; or

(d) any representation or warranty of the Borrower in this Agreement or any of the other Loan Documents or in any other document or instrument delivered pursuant to or in connection with this Agreement shall prove to have been false in any material respect upon the date when made or deemed to have been made by the terms of this Agreement; or

(e) the Borrower shall default in the payment when due of any principal of or any interest on any Funded Debt aggregating [redacted] or more, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound, evidencing or securing Funded Debt, in an aggregate amount of [redacted] or more, for such period of time as would permit (assuming the giving of appropriate notice or the lapse of time if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof, unless such failure shall have been cured by the Borrower or effectively waived by such holder or holders; or

(f) the Borrower shall (1) voluntarily terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (2) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(g) without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of the Borrower: the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of the Borrower, or of all or any substantial part of the assets of the Borrower, or other like relief in respect of the Borrower, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts unless such proceeding is contested in good faith by the Borrower; and, if the proceeding is being contested in good faith by the Borrower, the same shall continue undismissed, or unstayed and in effect, for any period of [redacted] or an order for relief against the Borrower shall be entered in any involuntary case under the Bankruptcy Code; or

(h) there shall remain in force, undischarged, unsatisfied and unstayed, for more than [redacted] whether or not consecutive, any final judgment against the Borrower that, with other then undischarged, unsatisfied and unstayed, outstanding final judgments against the Borrower exceeds in the aggregate [redacted] or

(i) if any of the Loan Documents shall be canceled, terminated, revoked or rescinded by the Borrower otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of all Lenders, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall

be commenced by or on behalf of the Borrower, any of its stockholders, or any court or any other Governmental Authority of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(j) (i) with respect to any Guaranteed Pension Plan, (A) an ERISA Reportable Event shall have occurred; (B) an application for a minimum funding waiver shall have been filed; (C) a notice of intent to terminate such plan pursuant to Section 4041(a)(2) of ERISA shall have been issued; (D) a lien under Section 303(k) of ERISA shall be imposed; (E) the PBGC shall have instituted proceedings to terminate such plan; (F) the PBGC shall have applied to have a trustee appointed to administer such plan pursuant to Section 4042 of ERISA; or (G) any event or condition that constitutes grounds for the termination of, or the appointment of a trustee to administer, such plan pursuant to Section 4042 of ERISA shall have occurred or shall exist, *provided* that with respect to the event or condition described in Section 4042(a)(4) of ERISA, the PBGC shall have notified the Borrower or any ERISA Affiliate that it has made a determination that such plan should be terminated on such basis; or (ii) with respect to any Multiemployer Plan, the Borrower or any ERISA Affiliate shall incur liability as a result of a partial or complete withdrawal from such plan or the reorganization, insolvency or termination of such plan; and, in the case of each of (i) or (ii), the Majority Lenders shall have determined in their reasonable discretion that such events or conditions, individually or in the aggregate, reasonably could be expected likely to result in liability of the Borrower in an aggregate amount exceeding [redacted]A or

[redacted]

Section 7.02. Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same is continuing, the Agent shall, at the request of, or may, with the consent of, the Majority Lenders, by Notice to Borrower (an "Acceleration Notice"):

(i) immediately terminate the Commitments of each Lender; and/or

(ii) declare all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder to be, and they, shall thereupon forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

provided that in the event of any Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, the Commitments of each Lender hereunder shall automatically terminate and all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder, shall become immediately due and payable automatically and without any requirement of an Acceleration Notice from Agent or any Lender.

ARTICLE 8 - SHARING.

Section 8.01. Sharing Among Lenders. If any Lender shall obtain from the Borrower any payment of any principal of or interest on any Loan owing to it or payment of any other amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Agent as provided herein and other than amounts owing to such Lender pursuant to *Sections 3.06*, *3.07*, *3.09*, *3.10, 10.03* or *10.04*), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due hereunder or thereunder by the Borrower to such Lender than the percentage received by any other Lender, it shall promptly purchase from such other Lenders a participation in (or, if and to the extent specified by such Lender, a direct interest in) the Loans or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

Section 8.02. Borrower's Offset Rights. To the extent permitted by law, the Borrower may offset against any payments due to any Lender under this Agreement or the Notes the amounts of any loss suffered by the Borrower as a result of the failure of such Lender to return any monies of the Borrower on deposit with such Lender due to the insolvency of such Lender. Any such offset may be made only against payments due to the insolvent Lender, when and as the same become due, and no offsets may be made against any amounts due and payable to any other Lender. The Borrower may not exercise any right of setoff with respect to all or any portion of deposits which are insured by the Federal Deposit Insurance Corporation.

ARTICLE 9 - AGENT.

Section 9.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints [redacted] to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this *Article 9* are solely for the benefit of the Agent and the Lenders, and except as otherwise provided herein, the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers when acting in its capacity as a Lender as any other Lender, and may

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

Section 9.03. Exculpatory Provisions.

(a) The duties and obligations of the Agent are only as expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Proceedings or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Insolvency Proceedings; and

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

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Section 7.02* and *Section 10.01*), or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Default unless and until Notice describing such Default is given to the Agent by the Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the

performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in *Article 6* or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

Section 9.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon (*provided* that the foregoing is not intended to be construed or to operate in derogation of the Notice requirements in *Section 10.02*). In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05. Indemnification. The Lenders agree to indemnify the Agent to the extent not reimbursed under *Section 10.03* and *Section 10.04*, but without limiting the obligations of the Borrower under said Sections, and ratably in accordance with its respective Pro Rata Share, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted (including by any Lender) against the Agent, arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document or any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrower is obligated to pay under *Section 10.03* and *Section 10.04* but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, *provided* that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

Section 9.06. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The exculpatory provisions of this *Article 9* shall apply to the Agent's activities as the Agent, and also shall apply to the activities any such sub-agent permitted herein. The Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that such sub-agent acted with gross negligence or willful misconduct.

Section 9.07. Resignation or Removal of Agent.

(a) The Agent may at any time give Notice of its resignation to the Lenders and the Borrower. Upon receipt of any such Notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an affiliate thereof with an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives Notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"), then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such Notice on the Resignation Effective Date.

(b) If the Person serving as the Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Majority Lenders may, to the extent permitted by applicable law, by Notice to the Borrower and such Person remove such Person as the Agent and, in consultation with Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor, which successor Agent shall be a Lender and maintain an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such Notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable): (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that, in the event any collateral security is then being held by the Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed); and (2) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Agent as provided for in this *Section 9.07*. Upon the acceptance by a successor of such appointment for it to act as successor Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall, except as provided above, be discharged from all of its duties and obligations hereunder or under the other Loan Documents (*provided* that the foregoing shall not relieve the retiring or removed Agent from any liability for its gross negligence or willful misconduct hereunder). The fees payable by the Borrower to a successor Agent shall be the same as those payable to the predecessor Agent unless otherwise agreed between the Borrower and such successor Agent. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this *Article 9* and *Section 10.03* and *Section 10.04* shall

continue in effect for the benefit of such retiring or removed Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Agent hereunder.

Section 9.08. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties, and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

ARTICLE 10 - MISCELLANEOUS

Section 10.01. Consents, Amendments, Waivers, Etc. Except as otherwise provided in this Agreement, any consent or approval required or permitted by this Agreement to be given by one or more or all of the Lenders may be given, and any term of this Agreement or of any other instrument related hereto or mentioned herein may be amended, and the performance or observance by the Borrower of any terms of this Agreement or such other instrument or the continuance of any Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Borrower and the written consent of the Majority Lenders. Notwithstanding the foregoing, (a) the rate of interest on and the term of the Loans, the Maturity Date, the principal amount of the Loans owing to each Lender, the dates on which interest is required to be paid hereunder, the amount and dates of payment of the fees or principal owing each Lender hereunder may not be changed, the amount of any Lender's Commitment hereunder may not be increased and the tenor of such Lender's obligations hereunder may not be extended, in any such case without the written consent of Borrower and the written consent of each Lender affected thereby; (b) *Article 9*, this *Section 10.01*, the definition of Majority Lenders, the definition of Pro Rata Share and any provision of the Loan Documents that requires action by all of the Lenders may not be amended without the written consent of all of the Lenders and (c) *Article 9* may not be amended without the written consent of the Agent. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of the Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

Section 10.02. Notices. (a) Except as otherwise expressly provided in this Agreement, all notices, demands, consents, waivers, elections, approvals, requests and similar communications required or permitted to be provided in connection with this Agreement (any of the foregoing being referred to as a "Notice") shall be set forth in writing and shall be given by U.S. registered or certified mail (return receipt requested) or by recognized nationwide courier service (with signature required to evidence receipt), and shall be deemed received by the addressee Party when delivered during normal business hours to such Party's address as shown below (or such other address as that Party may specify from time to time in written Notice given

pursuant hereto not less than thirty (30) days prior to the date that the new address is intended to become effective); *provided* that (x) any Notice delivered in accordance with *Article 2* may be delivered by facsimile or other specified electronic delivery system acceptable to the Agent and the Borrower, and (y)any Notice delivered to the appropriate address for the receiving Party at any time other than during normal business hours will be deemed to be given and received by the receiving Party on the next Business Day thereafter:

(i) if to the Borrower, at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. (561) 694-6204, Facsimile No. (561) 694-3707), or at such other address for Notice as the Borrower shall last have furnished in writing to the Person giving the Notice;

(ii) if to the Agent, at [redacted]A [redacted] (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No [redacted]A Facsimile No. [redacted]B Email: [redacted] or such other address for Notice as the Agent shall last have furnished in writing to the Person giving the Notice;

(iii) if to any Lender, at such Person's address set forth on *Schedule I*, or such other address for Notice as such Person shall have last furnished in writing to the Person giving the Notice.

(b) So long as [redacted] or any of its affiliates is the Agent, materials required to be delivered pursuant to *Section 5.04(a)*, *(b)*, *(c)* and (*d*) and *Section 5.05* shall be delivered to the Agent in an electronic medium in a format acceptable to the Agent and the Lenders by email at: [redacted]A and [redacted] (or such other address as the Agent may notify the Borrower from time to time). The Borrower agrees that the Agent may make such materials, as well as any other written information, documents, instruments and other material relating to the Borrower, any of its Subsidiaries or any other materials or matters relating to this Agreement, any Notes as may be issued hereunder or any of the transactions contemplated hereby (collectively, the "Communications") available to the Lenders by posting such notices on DebtDomain or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Agent nor any of its affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Agent or any of its affiliates in connection with the Platform. The Agent shall not be liable (except to the extent that such liability arises out of the gross negligence, bad faith or willful misconduct of the Agent or its Related Parties) for any damages arising from the use by

unintended recipients of any information or other materials distributed by the Agent, pursuant to this *Section 10.02(b)* or *Section 10.02(c)* through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Each Lender agrees that Notice to it (as provided in the next sentence) (a "Communication Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such Lender for purposes of this Agreement; *provided* that if requested by any Lender, the Agent shall deliver a copy of the Communications to such Lender by email or facsimile. Each Lender agrees (i) to notify the Agent in writing of such Lender's email address to which a Communication Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from time to time thereafter to ensure that the Agent has on record an effective email address for such Lender) and (ii) that any Communication Notice may be sent to such email address.

Section 10.03. Expenses. The Borrower agrees to pay promptly following receipt of written invoices describing in reasonable detail (a) the reasonable fees, expenses and disbursements of the Agent's external counsel incurred in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, the negotiation of this Agreement and the closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (b) the reasonable fees, expenses and disbursements of the Agent in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, and [redacted]

Section 10.04. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, the Lenders and their respective officers, affiliates, directors, employees, agents and advisors (each, an "Indemnitee") from and against any and all claims, actions and suits by a third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Actions"), whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses payable by any Indemnitee to any third party (which third party may, for

these purposes, include the Agent or a Lender) (collectively, "Liabilities") of every nature and character incurred by or awarded against any such Indemnitee (including the reasonable fees and expenses of counsel), in each case arising out of this Agreement or any of the other Loan Documents or the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loans, or (b) the Borrower entering into or performing this Agreement or any of the other Loan Documents; *provided* that the liabilities, losses, damages and expenses indemnified pursuant to this *Section 10.04* shall not include any liabilities, losses, damages and expenses in respect of any taxes, levies, imposts, deductions, charges or withholdings, indemnification for which is provided on the basis, and to the extent, specified in *Section 3.09*; and *provided further*, that such indemnity shall not be available as to any Indemnitee, to the extent that such liabilities, losses, damages and expenses arise out of the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Parties. In the event that an Indemnitee shall become subject to any Action or Liability with respect to any matter for which indemnification may apply pursuant to this *Section 10.04* (an "Indemnity Claim"), such Indemnitee shall give Notice of such Indemnity Claim to the Borrower by telephone at (561) 694-6204 and also in accordance with the written Notice requirements in *Section 10.02*. Such Indemnitee may retain counsel and conduct the defense of such Indemnity Claim, as it may in its sole discretion deem proper, at the sole cost and expense of the Borrower. So long as no Default shall have occurred and be continuing hereunder, no Indemnitee shall compromise or settle any claim without the prior written consent of the Borrower, which consent shall not unreasonably be withheld or delayed (*provided* that the Borrower shall only be responsible for the reasonable fees and expenses of one counsel for all Indemnitees taken as a whole unless any actual or potential conflict of interest between such Indemnitees makes it inappropriate for one counsel to represent all such Indemnitees, in which event the Borrower shall be responsible for the reasonable fees and expenses of one additional counsel for each group of affected Indemnitees similarly situated taken as a whole). [redacted][A]

[redacted][A] In the case of an investigation, litigation or other proceeding to which the indemnity in this *Section 10.04* applies, such indemnity shall be effective whether or not the affected Indemnitee is a party thereto and whether or not the transactions contemplated hereby are consummated. Each Party also agrees not to assert any claim against any other Party or any of its respective affiliates, or any of its respective directors, officers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, any Notes as may be issued hereunder, any other Loan Document, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans (*provided* that the foregoing shall not preclude any Indemnitee from seeking to recover the preceding types of damages from the Borrower to the extent the same are specifically payable by such Indemnitee to any third party).

Section 10.05. Survival of Covenants. All covenants, agreements representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrower pursuant hereto shall be deemed to have been relied upon by the Agent and the Lenders, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by the Lenders of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount

due under this Agreement, the Notes, or any of the other Loan Documents remains outstanding. All statements contained in any certificate or other paper delivered to the Agent or any Lender at any time by or on behalf of the Borrower pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties by the Borrower hereunder. [redacted]

Section 10.06. Assignment and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties 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 Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of *Section 10.06(b)* or *Section 10.06(f)*, (ii) by way of participation in accordance with the provisions of *Section 10.06(d)*, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of *Section 10.06(e)* (and any other attempted assignment or transfer by any Party shall be null and void). Other than as specified in *Section 9.05* and *Section 10.04*, nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the Parties, their respective successors and assigns permitted hereby, and Participants to the extent provided in *Section 10.06(d)*) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(i) Minimum Amounts. The amount of the Commitment and the principal outstanding balance of the Loans of the assigning Lender subject to such assignment (determined as of the date the Assignment and Assumption, made pursuant to an Assignment and Assumption Agreement in the form of Exhibit G hereto (the "Assignment and Assumption Agreement")), with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption Agreement, as of the Trade Date) shall not be less than [redacted]A, unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents.

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

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by *Section 10.06(b)(i)* and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender or an affiliate of a Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Loans, if such assignment is to a Person that is not a Lender or an affiliate of such Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of [redacted]; *provided* that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its affiliates or Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the Defaulting Lender or its assignee shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph,

then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to *Section 10.06(c)*, from and after the effective date specified in each Assignment and Assumption Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, shall have the rights and obligations of (as applicable) a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Party hereto) but (i) shall continue to be entitled to the benefits of *Article 3*, *Section 9.05*, *Section 10.03* and *Section 10.04* with respect to facts and circumstances occurring prior to the effective date of such assignment, and (ii) shall continue to be obligated in respect of any liabilities or obligations that expressly survive any such assignment; *provided*, that except to the extent otherwise expressly agreed by each affected Party no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any Party hereunder arising from the assigning Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *Section 10.06(d)*.

(c) Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, the Commitments and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior Notice. Except as registered in accordance with this *Section 10.06(c)*, the Borrower shall not be obligated to recognize or treat any assignee of any interest or with respect to the Commitments or any Loans as a Lender or Person otherwise entitled to assert, enforce or otherwise participate in any rights or benefits with respect thereto or hereunder.

(d) Participations. A Lender may sell or agree to sell to one or more other Persons a participation in all or any part of any Loans held by it, or in its Commitment, *provided* that no purchaser of a participation (a "Participant") shall have any rights or benefits under this Agreement or any Note (the Participant's rights against such Lender in respect of such participation to be those set forth the agreements executed by such Lender in favor of the Participant). All amounts payable by the Borrower to any Lender in respect of Loans held by it, and its Commitment, shall be determined as if such Lender had not sold or agreed to sell any participation in such Loans and Commitment, and as if such Lender were funding each of such

Loan and Commitment in the same way that it is funding the portion of such Loan and Commitment in which no participation has been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term, or extend the time or waive any requirement for the reduction or termination of such Lender's related Commitment, (ii) extend the date fixed for the payment of principal or interest on the related Loan or Loans, or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to participate in such interest or fee, (v) alter the rights or obligations of the Borrower to repay the related Loans, or (vi) consent to any modification, supplement or waiver hereof to the extent that the same, under *Section 10.01*, requires the consent of each Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent, in its capacity as the Agent, shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Disclosure. The Borrower agrees that any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees, participants or counterparties to any swap or derivative transaction relating to the transactions contemplated pursuant to this Agreement and potential assignees or participants hereunder or counterparties as aforesaid; *provided* that such assignees, participants or counterparties or potential assignees, participants or counterparties shall agree (i) to preserve the confidentiality of such information pursuant to a confidentiality agreement that provides for the same terms set forth in *Section 10.07*, (ii) not to disclose such information to a third party, and (iii) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

Section 10.07. Confidentiality. The Agent and each Lender agrees to hold any confidential information that any of them may receive from the Borrower or any of its Subsidiaries pursuant to this Agreement or any of the Loan Documents or in connection with any transaction contemplated herein or therein in confidence except for disclosure: (a) to other Lenders; (b) to its affiliates, officers, directors, employees, advisors, attorneys, and other agents deemed reasonably necessary to effectuate the transaction contemplated herein or therein; *provided* that such parties shall be advised of the requirement to maintain the confidentiality of such information the Agent or such Lender, as the case may be, shall be responsible for any such party's breach of such confidentiality agreement; (c) to regulatory officials having jurisdiction over the Agent or any Lender, or financial industry regulatory bodies claiming oversight over the Agent or such Lender; (d) as required by applicable law or legal process (*provided* that in the event the Agent or any Lender is so required to disclose any such confidential information, the Agent or any such Lender shall endeavor to notify promptly the Borrower so that the Borrower may seek a protective order or other appropriate remedy); (e) to the extent permitted in *Section 10.06(d)*; (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder and (g) subject to an agreement containing provisions substantially the same as those of this *Section 10.07*, to any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower. For purposes of this Agreement (x) the term "confidential information" means all information respecting NextEra Energy and its Subsidiaries, or any of them, other than (i) information previously filed with any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or public body or which is otherwise available to the public, (ii) information that is delivered by the Borrower to the Agent or any Lender that the Borrower expressly identifies as non-confidential, (iii) information previously published in any public medium from a source other than, directly or indirectly, the Agent or any Lender, and (iv) information that is received by the Agent or any Lender from any third party that the Agent or such Lender reasonably believes, after due inquiry, was not and is not, violating any obligation of confidentiality to the Borrower and (y) "affiliate" means, with respect to any Lender, any Person that is wholly owned by such Lender or any corporation by which such Lender is wholly owned.

Section 10.08. Governing Law; Jurisdiction. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREUNDER (OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). THE PARTIES AGREE THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS SHALL BE BROUGHT ONLY IN THE COURTS OF THE STATE AND COUNTY OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE RELEVANT PARTIES BY MAIL AT THEIR RESPECTIVE ADDRESSES IN ACCORDANCE WITH *SECTION 10.02*. EACH PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE

VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

Section 10.09. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 10.10. Counterparts. This Agreement and any amendment hereof may be executed in several counterparts and by each Party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by an emailed a ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.11. Entire Agreement. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the Parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in *Section 10.01*.

Section 10.12. Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

Section 10.13. Third Party Beneficiaries. None of the provisions of this Agreement shall operate or are intended to operate for the benefit of, any Person (other than the Parties hereto and their respective successors and assigns permitted hereby), and no other Person shall have any rights under or with respect hereto (except to the limited extent expressly provided for with respect to any Indemnitee under *Section 10.04*).

Section 10.14. USA Patriot Act Notice. The Agent (for itself and not on behalf of any of the Lenders) and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identities the Borrower, which information includes the name and address of the Borrower and other information that will allow the Agent and such Lender to identify the Borrower in accordance with the USA PATRIOT Act.

Section 10.15. No Fiduciary Duties. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its affiliates, on the one hand, and the Agent, the Lenders and their respective affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, and the Lenders or their respective affiliates.

Section 10.16. Electronic Records. The Borrower hereby acknowledges the receipt of a copy of this Agreement. The Agent and each Lender may, on behalf of the Borrower, create a

microfilm or optical disk or other electronic image of this Agreement and may store the electronic image of this Agreement in its electronic form and then destroy the paper original as part of the Agent or any Lender's normal business practices, with the electronic image deemed to be an original.

Section 10.17. WAIVER OF JURY TRIAL. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement and the other Loan Documents to which it is a party by, among other things, the waiver and certifications contained in this *Section 10.17.*

Section 10.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable by it to any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Documents;

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of an EEA Financial Institution.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY, as the Borrower

By: _____
Name: Paul I. Curler
Title: Treasurer

[redacted] as Administrative Agent and Lender

By: [redacted]
Name:
Title:

STATE OF [redacted])
) ss.
COUNTY OF [redacted])

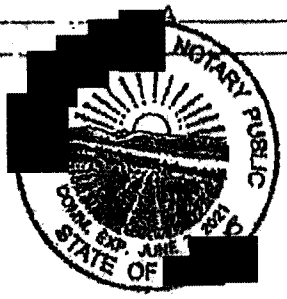
Personally appeared before me, the undersigned, a Notary Public in and for said County, [redacted] to me known and known to me, who, being by me first duly sworn, declared that he/she is a Managing Director of [redacted] that being duly authorized he/she did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at [redacted] this 27th day of September, 2016.

[redacted]
Notary Public

My Commission Expires: 6-7-21

By: _____
Name: _____
Title: _____



SCHEDULE I
TO REVOLVING CREDIT AGREEMENT

LENDER

[redacted]A	$150,000,000
Lending Office and Address for Notices for all Loans: [redacted] With copies to: [redacted]	

SCHEDULE 4.03
TO REVOLVING CREDIT AGREEMENT

PERMITTED LIENS

1. Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

2. Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

3. Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, which liens do not individually or in the aggregate have a materially adverse effect on the business of the Borrower; and

4. Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which the Borrower or any of its Subsidiaries is a party, and other minor liens or encumbrances none of which in the opinion of the Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of the Borrower, which defects, liens and other encumbrances do not individually or in the aggregate have a materially adverse effect on the business of the Borrower.

SCHEDULE 4.04
TO REVOLVING CREDIT AGREEMENT

SUPPLEMENTAL DISCLOSURES

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.06
TO REVOLVING CREDIT AGREEMENT

LITIGATION

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

September ___, 2016

[redacted]

With copies to:

[redacted]

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Borrower"), refers to the Revolving Credit Agreement, dated as of September ___, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted] as Administrative Agent (the "Agent") and Lender, and hereby requests a borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to the borrowing (the "Proposed Borrowing") as required by *Section 2.02(a)* of the Loan Agreement.

(i) The Business Day of the Proposed Borrowing is _____, ____.

(ii) The Proposed Borrowing is a Eurodollar Rate Loan with an initial Interest Period of _____.

(iii) The aggregate amount of the Proposed Borrowing is US$_____.

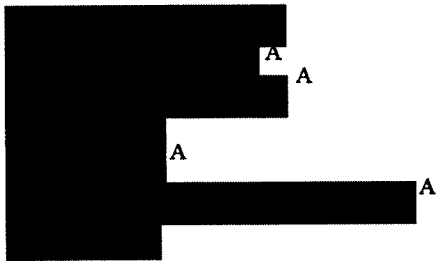
The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Proposed Borrowing, and

(B) Each of the representations and warranties contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement will be true in all material respects as of the time of the making of the Proposed Borrowing with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

The proceeds of the Proposed Borrowing should be wire transferred to the Borrower in accordance with the following wire transfer instructions:

Name of Bank:
Street Address of Bank:
City/State/ZIP of Bank:
ABA Number of Bank:
SWIFT:
Name of Account:
Account Number at Bank:



[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT B TO AGREEMENT

[Form of Note]

NOTE

$150,000,000 Dated: September 27, 2016

FOR VALUE RECEIVED, the undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (hereinafter, together with its successors in title and assigns, called the "**Borrower**"), by this promissory note (hereinafter called "**this Note**"), absolutely and unconditionally promises to pay to the order of [redacted] A (hereinafter, together with its successors in title and permitted assigns, called the "**Lender**"), the principal sum of ONE HUNDRED AND FIFTY MILLION DOLLARS AND NO/100 DOLLARS ($150,000,000), or the aggregate unpaid principal amount of the Loan evidenced by this Note made by Lender to Borrower pursuant to the Agreement (as hereinafter defined), whichever is less, on the Maturity Date (as defined in the Agreement), and to pay interest on the principal sum outstanding hereunder from time to time from the Effective Date until the said principal sum or the unpaid portion thereof shall have been paid in full.

The unpaid principal (not at the time overdue) of this Note shall bear interest at the annual rate from time to time in effect under the Agreement referred to below (the "**Applicable Rate**"). Accrued interest on the unpaid principal under this Note shall be payable on the dates, and in the manner, specified in the Agreement.

On the Maturity Date there shall become absolutely due and payable by Borrower hereunder, and the Borrower hereby promises to pay to the Holder (as hereinafter defined) hereof, the balance (if any) of the principal hereof then remaining unpaid, all of the unpaid interest accrued hereon and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby.

Overdue principal of the Loans, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable under this Note, shall bear interest payable on demand in the case of (i) overdue principal of or overdue interest on any Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan, and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment).

Each payment of principal, interest or other sum payable on or in respect of this Note or the indebtedness evidenced hereby shall be made by the Borrower directly to the Agent at the Agent's office, as provided in the Agreement, for the account of the Holder, not later than 2:00 p.m., New York, New York time, on the due date of such payment. All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made without set-off or counterclaim and free and clear of and without any deduction of any kind for any taxes, levies, fees, deductions withholdings, restrictions or conditions of any nature, except as expressly set forth in *Section 3.10* and *Section 8.02* of the Agreement.

Absent manifest error, a certificate or statement signed by an authorized officer of Lender shall be conclusive evidence of the amount of principal due and unpaid under this Note as of the date of such certificate or statement.

This Note is made and delivered by the Borrower to the Lender pursuant to that certain Revolving Credit Agreement, dated as of September 27, 2016, by among the Borrower, the lenders party thereto, and [redacted], as Administrative Agent and Lender (such agreement, as originally executed, or, if varied or supplemented or amended and restated from time to time hereafter, as so varied or supplemented or amended and restated, called the "**Agreement**"). This Note evidences the obligations of Borrower (a) to repay the principal amount of the Loans made by Lender to Borrower under the Agreement, (b) to pay interest, as provided in the Agreement on the principal amount hereof remaining unpaid from time to time, and (c) to pay other amounts which may become due and payable hereunder as provided herein and in the Agreement.

No reference herein to the Agreement, to any of the Schedules or Exhibits annexed thereto, or to any of the Loan Documents or to any provisions of any thereof, shall impair the obligations of the Borrower, which are absolute, unconditional and irrevocable, to pay the principal of and the interest on this Note and to pay all (if any) other amounts which may become due and payable on or in respect of this Note or the indebtedness evidenced hereby, strictly in accordance with the terms and the tenor of this Note.

All capitalized terms used herein and defined in the Agreement shall have the same meanings herein as therein. For all purposes of this Note, "**Holder**" means the Lender or any other person who is at the time the lawful holder in possession of this Note.

Pursuant to, and upon the terms contained in the Agreement, the entire unpaid principal of this Note, all of the interest accrued on the unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby may be declared to be or may automatically become immediately due and payable, whereupon the entire unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall (if not already due and payable) forthwith become and be due and payable to the Holder of this Note without presentment, demand, protest, notice of protest or any other formalities of any kind, all of which are hereby expressly and irrevocably waived by the Borrower.

All computations of interest payable as provided in this Note shall be determined in accordance with the terms of the Agreement.

Should all or any part of the indebtedness represented by this Note be collected by action at law, or in bankruptcy, insolvency, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, the Borrower hereby promises to pay to the Holder of this Note, upon demand by the Holder at any time, in addition to principal, interest and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby, all court costs and reasonable attorneys' fees (including, without limitation, such reasonable fees of any in-house counsel) and all other reasonable collection charges and expenses incurred or sustained by the Holder.

The Borrower hereby irrevocably waives notices of acceptance, presentment, notice of non-payment, protest, notice of protest, suit and all other conditions precedent in connection with the delivery, acceptance, collection and/or enforcement of this Note.

THE BORROWER HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS NOTE, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

This Note is intended to take effect as a sealed instrument.

This Note and the obligations of the Borrower hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereunder (other than §5-1401 of the New York General Obligations Law).

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, **FLORIDA POWER & LIGHT COMPANY**, on the day and in the year first above written.

FLORIDA POWER & LIGHT COMPANY

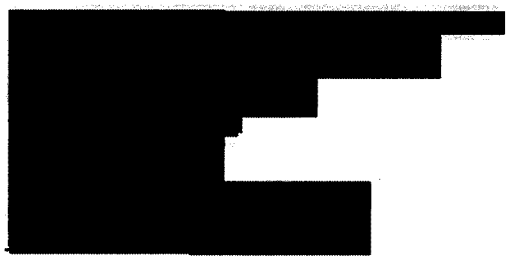
By: _____
Name:
Title:

EXHIBIT C TO AGREEMENT

[Form of Interest Rate Notice]

INTEREST RATE NOTICE

[Date]



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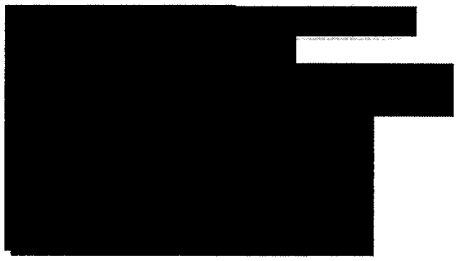


Ladies and Gentlemen:

Pursuant to *Section 2.06* of that certain Revolving Credit Agreement, dated as of September ___, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted], as Administrative Agent and Lender, the Borrower hereby gives you irrevocable notice of its request to Convert the Loan(s) and/or Interest Periods currently under effect under the Loan Agreement as follows ***[select from the following as applicable]***:

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate into a Base Rate Loan; [and/or]

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Base Rate into a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__]; [and/or]

- on [___date___], to continue $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate, as a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__].

Any capitalized terms used in this notice which are defined in the Loan Agreement have the meanings specified for those terms in the Loan Agreement.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT D TO AGREEMENT

Form of Borrower's Certificate

* * *

CERTIFICATE OF

FLORIDA POWER & LIGHT COMPANY

September 27, 2016

This Certificate is given pursuant to that certain Revolving Credit Agreement between Florida Power & Light Company (the "**Borrower**") the Lenders party thereto and [redacted] as Administrative Agent (the "**Agent**") and **Lender**, dated as of September ___, 2016 (the "**Loan Agreement**"). Each initially capitalized term which is used and not otherwise defined in this Certificate shall have has the meaning specified for such term in the Loan Agreement. This Certificate is delivered in satisfaction of the conditions precedent set forth in *Section 6.01* of the Loan Agreement.

1. The Borrower hereby provides notice to the Agent that September 27, 2016 is hereby deemed to be the Effective Date.

2. The Borrower hereby certifies to the Agent that as of the Effective Date, except in respect of the matters described in *Schedule 4.04* of the Loan Agreement, there has been no material adverse change in the business or financial condition of any of the Borrower or any of its Subsidiaries taken as a whole from that set forth in the financial statements included in the Borrower's annual report on Form 10-K referred to in *Section 4.04* of the Loan Agreement. This representation and warranty is made only as of the Effective Date and shall not be deemed made or remade on or as of any subsequent date notwithstanding anything contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement.

3. The Borrower hereby further certifies that as of the Effective Date, the representations and warranties of the Borrower contained in the Loan Agreement are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and there exists no Default.

[SIGNATURE APPEARS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

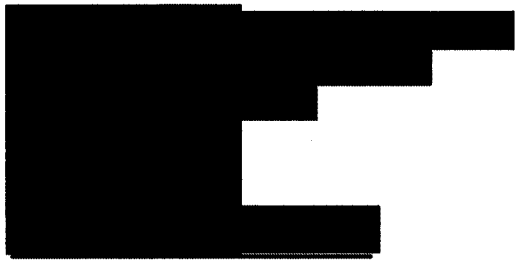
FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT E TO AGREEMENT

[Form of Opinion of Borrower's Counsel]

September 27, 2016



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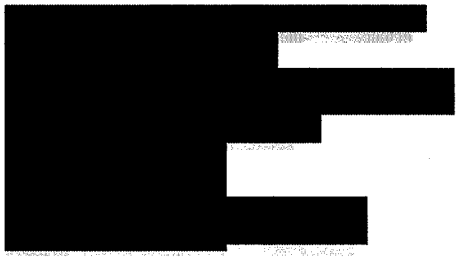

Re: Florida Power & Light Company $150,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of September 27, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted],[A] as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent

review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each

such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under. (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws. as amended. of Borrower, assuming that the aggregate principal amount of the Loans and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal. New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of September 27, 2016 (the "**Agreement**") by and between the Borrower, the lenders party thereto from time to time, and [redacted] as Administrative Agent and Lender.

(b) Note, dated as of September 27, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $150,000,000.

(c) Borrower's Certificate, dated as of September 27, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

EXHIBIT F-1
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lender That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of September ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants
That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of September ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of September ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of September ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

* * *

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "***Assignment***") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "***Assignor***") and [*Insert name of Assignee*] (the "***Assignee***"). Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement identified below (as amended, the "***Loan Agreement***"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex I attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Loan Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit) (the "***Assigned Interest***"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	**Assignor:**	_____
2.	**Assignee:**	_____ [*and is an affiliate of Assignor] [and is a Lender] [and is an affiliate of a Lender]*[1]
3.	**Borrower:**	Florida Power & Light Company
4.	**Administrative Agent:**	[redacted], as administrative agent under the **Loan Agreement:** Revolving Credit Agreement, dated as of September ___, 2016, among the Borrower the lenders party thereto from time to time, and the Administrative Agent

[1] Select as applicable.

6. Assigned Interest:

Facility Assigned	Amount of Loans Assigned	Percentage Assigned of Loans[2]
Revolving Credit Commitment	$_____	_____%

7. Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Loans thereunder.

[Consented to and][3] Accepted:

[redacted]
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:][4]

ANNEX I

FLORIDA POWER & LIGHT COMPANY
REVOLVING CREDIT AGREEMENT
DATED AS OF MARCH ___, 2016 (the "*LOAN AGREEMENT*")

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION AGREEMENT

1. **Representations and Warranties**.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "***Loan Documents***"), (iii) the financial condition of Borrower, any of its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it meets all requirements of an Eligible Assignee under the Loan Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to *Section 5.04* thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Foreign Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. **Payments**. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued on and after the Effective Date.

3. **General Provisions**. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

CONFIDENTIAL

Exhibit l (n)

Revolving Credit Agreement between FPL and a commercial bank dated as of November 30, 2016 (November 2016 Revolving Credit Agreement).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(n), consisting of 59 pages, with the Florida Public Service Commission Clerk

REVOLVING CREDIT AGREEMENT

$75,000,000 REVOLVING CREDIT FACILITY

BETWEEN

FLORIDA POWER & LIGHT COMPANY, AS BORROWER

AND

[redacted]

AS LENDER AND ADMINISTRATIVE AGENT

DATED AS OF NOVEMBER 30, 2016

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Exhibit F-4	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit G	Form of Assignment and Assumption Agreement

REVOLVING CREDIT AGREEMENT

This **REVOLVING CREDIT AGREEMENT**, dated as of November 30, 2016, is by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "Borrower"), the lending institutions from time to time listed on *Schedule I* hereto (the "Lender" or "Lenders"), and [redacted] acting in its capacity as Administrative Agent for the Lenders (together with its successors and assigns in such capacity, the "Agent") (the Borrower, the Lenders and the Agent are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders agree to make available to the Borrower a Seventy Five Million United States Dollars (US$75,000,000) Revolving Credit facility; and

WHEREAS, the Lenders are willing to do so, on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 - DEFINITIONS AND RULES OF INTERPRETATION.

Section 1.01. Definitions. The following terms shall have the meanings set forth in this *Section 1.01* or elsewhere in the provisions of this Agreement referred to below:

"Acceleration Notice" has the meaning specified in *Section 7.02*.

"Affected Lender" has the meaning specified in *Section 2.07(b)*.

"Actions" has the meaning specified in *Section 10.04*.

"Agent" has the meaning given such term in the Preamble.

"Agreement" means this Revolving Credit Agreement, including the Schedules and Exhibits hereto.

"Anti-Terrorism Law" means any Requirement of Law related to money laundering or financing terrorism including 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) (the "USA PATRIOT Act"), The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"Applicable Lending Office" means, in the case of any Lender, such Lender's Domestic Lending Office or Eurodollar Lending Office, as the case may be.

[redacted]

[redacted]

"Applicable Rating" means, at the time of any determination thereof, the Rating of the Applicable Rating Agencies, at least one of which must be either Moody's or Standard & Poor's.

"Applicable Rating Agencies" means, at the time of any determination thereof, all Rating Agencies employed by the Borrower (which shall be a minimum of two, at least one of which must be either Moody's or Standard & Poor's) for rating the Borrower's non-credit enhanced long-term senior unsecured debt (other than a shelf rating).

"Assignment and Assumption Agreement" has the meaning assigned to such term in *Section 10.06(b)*.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 or Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

[redacted]

"Base Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Base Rate.

"Borrower" has the meaning given such term in the Preamble.

"Borrowing" means the drawing down by the Borrower of a Loan or Loans from the Lenders on any given Borrowing Date.

"Borrowing Date" means the date on which any Loan is made or is to be made.

"Borrowing Notice" means a certificate to be provided pursuant to *Section 2.02(a)*, in substantially the form set forth in *Exhibit A*.

"Business Day" means any day other than (a) Saturday or Sunday, or (b) a day on which banking institutions in New York City, New York or Atlanta, Georgia are required or authorized to close *(provided* that no day shall be deemed to be a Business Day with respect to any Eurodollar Rate Loan unless such day is also a Eurodollar Business Day).

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, for the purposes of the increased cost provisions in *Section 3.06* or *Section 3.07*, any changes with respect to capital adequacy or liquidity which result from (i) all requests, rules, guidelines or directives under or issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to "Basel III" (meaning the comprehensive set of reform measures developed (and designated as "Basel III" in September 2010) by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector), shall in each case be deemed to be a "Change in Law" as to which the affected Lender is entitled to compensation to the extent such request, rule, guideline or directive is either (1) enacted, adopted or issued after the Effective Date (but regardless of the date the applicable provision of the Dodd-Frank Act or Basel III to which such request, rule, guideline or directive relates was enacted, adopted or issued) or (2) enacted, adopted or issued prior to the Effective Date but either (A) does not require compliance therewith, or (B) which is not fully implemented until after the Effective Date and which entails increased cost related thereto that cannot be reasonably determined as of the Effective Date.

[redacted]

[redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Commitment" means, when used with reference to any Lender at the time any determination thereof is to be made, the obligation of such Lender to make Loans pursuant to *Section 2.01*, or, where the context so requires, the amount of such obligation which is set forth on *Schedule I* opposite such Lender's name as its Commitment, in each case as the same may be reduced from time to time in accordance with the terms of this Agreement.

"Commitments" means the aggregate Commitments of the several Lenders.

"Commitment Fee" has the meaning given such term in *Section 2.09*.

"Commitment Termination Date" means the earlier of (a) May 30, 2018, and (b) the date of termination in whole of the Commitments pursuant to Section 2.08 or Article 7.

"Communications" has the meaning specified in *Section 10.02(b)*.

"Communications Notice" has the meaning specified in *Section 10.02(c)*.

"Conversion" or "Convert" means a conversion of all or part of any Loan of one Type into a Loan of another Type pursuant to *Section 2.06* hereof (including any such conversion made as a result of the operation of any other provision hereof).

"Conversion Date" means the date on which all or any portion of any Loan is Converted or continued in accordance with *Section 2.06*.

"date of this Agreement" and "date hereof" means November 30, 2016.

"Default" means an Event of Default, or an event that with notice or lapse of time or both would become an Event of Default, or the filing in any court of competent jurisdiction of any petition or application or the commencement of any case or other proceeding referred to in *Section 7.01(g)* so long as the same remains undismissed or unstayed.

"Defaulting Lender" means, subject to *Section 3.11(b)*, any Lender that (a) fails to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when such payment is due; (b) notifies the Borrower or the Agent in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that one or more conditions precedent to funding (each of which condition precedents, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) fails, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and to the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the subsequent receipt of such written confirmation by the Agent and the Borrower); or (d) has (or has a direct or indirect parent company that has) become the subject of any Insolvency Proceeding or Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of the preceding clauses (a) through (d) shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to *Section 3.11(b)*) upon the Agent's delivery of Notice of such determination to the Borrower and each Lender.

"Dollars" or "$" means United States dollars.

"Domestic Lending Office" means, with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining any Base Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date on which all of the conditions precedent set forth in *Section 6.01* have been satisfied or waived, which is November 30, 2016.

"Eligible Assignee" means (i) any Lender or an affiliate of any Lender (in either instance, unless the relevant Lender is a Defaulting Lender at the time any such assignment is proposed), and (ii) any other Person that is approved by the Agent and, unless an Event of Default has occurred and is continuing at the time any such assignment is effected in accordance with the provisions of *Section 10.06(b)*, the Borrower, each of the foregoing approvals not to be unreasonably withheld or delayed; provided however, that neither the Borrower nor any affiliate of the Borrower shall qualify as an Eligible Assignee.

"Employee Benefit Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA maintained or contributed to by the Borrower or any ERISA Affiliate, other than a Multiemployer Plan.

[redacted]

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means any Person that is treated as a single employer with the Borrower under Section 414 of the Code.

"ERISA Reportable Event" means a reportable event with respect to a Guaranteed Pension Plan within the meaning of Section 4043 of ERISA as to which the requirement of notice has not been waived.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Eurocurrency Reserve Rate" means, for any Interest Period for any Eurodollar Rate Loan, the average maximum rate at which reserves (including, without limitation, any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits against "Eurocurrency liabilities" (as such term is used in Regulation D) in effect two (2) Eurodollar Business Days before the first day of such Interest Period. Without limiting the effect of the foregoing, the Eurocurrency Reserve Rate shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Rate is to be determined as provided in the definition of "Eurodollar Rate" in this *Section 1.01* or (ii) any category of extensions of credit or other assets that includes Eurodollar Rate Loans.

"Eurodollar Business Day" means any Business Day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Eurodollar Lending Office" means with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, that shall be making or maintaining any Eurodollar Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

[redacted]

"Eurodollar Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Eurodollar Rate.

"Event of Default" has the meaning assigned to such term in *Section 7.01*.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in

such Loan (other than pursuant to an assignment request by the Borrower under *Section 2.10*, or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to *Section 3.10*, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with *Section 3.10(c)*, and (d) any U.S. federal withholding Taxes imposed under FATCA.

"FASB ASC 715" means Financial Accounting Standards Board Accounting Standards Codification 715, Compensation – Retirement Benefits.

"FASB ASC 810" means Financial Accounting Standards Board Accounting Standards Codification 810, Consolidation.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

"Federal Funds Rate" means, for any day, a fluctuating interest rate per annum equal for each day during such period to the rate published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York for overnight Federal funds transactions with members of the Federal Reserve System, or, if such rate is not so published for any day that is a Business Day, the quotation for such day on such transactions received by the Agent from a Federal funds broker of recognized standing selected by it; *provided* that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"First Mortgage" means Borrower's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented and amended from time to time.

"Fitch" means Fitch Ratings.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FPSC Financing Order" means the Final Order Granting the Borrower Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on November 4, 2015, as Order No. PSC-15-0524-FOF-EI, and each successive order of the Florida Public Service Commission granting authority to the Borrower to issue and sell securities, as applicable.

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[redacted]

"generally accepted accounting principles" means generally accepted accounting principles, as recognized by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied and maintained on a consistent basis for the Borrower and its Subsidiaries throughout the period indicated and (subject to *Section 1.03*) consistent with the prior financial practice of the Borrower and its Subsidiaries.

"Governmental Authority" means, as to any Person, any government (or any political subdivision or jurisdiction thereof), court, bureau, agency or other governmental authority having jurisdiction over such Person or any of its business, operations or properties.

"Guaranteed Pension Plan" means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is subject to Title IV of ERISA and that is maintained or contributed to by the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate could be reasonably expected to have liability, other than a Multiemployer Plan.

"Immediately Available Funds" means funds with good value on the day and in the city in which payment is received.

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

"Indemnitee" has the meaning specified in *Section 10.04*.

"Indemnity Claim" has the meaning specified in *Section 10.04*.

"Initial Lenders" means those Lenders listed on *Schedule I* as of the Effective Date.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any competent court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, administrative receivership, administration, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, undertaken under any U.S. Federal or state or any foreign law.

"Interest Payment Date" means (a) as to any Base Rate Loan, the last day of each calendar quarter; (b) as to any Eurodollar Rate Loan in respect of which the Interest Period is (i)

three (3) months or less, the last day of such Interest Period and (ii) more than three (3) months, the date that is three (3) months from the first day of such Interest Period and, in addition, the last day of such Interest Period; and (c) as to all Loans, the Maturity Date.

"Interest Period" means, with respect to any particular Eurodollar Rate Loan, the period which (i) initially commences on either (A) the borrowing or the initial Conversion Date of such Eurodollar Rate Loan or (B) the date of Conversion of all or any portion of any particular Base Rate Loan into a Eurodollar Rate Loan, as the case may be, and ends one (1), two (2), three (3) or six (6) months thereafter as selected by the Borrower; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period and ending on the last day of one of the periods set forth above, as selected by the Borrower in an Interest Rate Notice; *provided,* that all of the foregoing provisions relating to Interest Periods are subject to the following:

(a) if any Interest Period would otherwise end on a day that is not a Eurodollar Business Day, then such Interest Period shall end on the next succeeding Eurodollar Business Day unless the next succeeding Eurodollar Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Eurodollar Business Day;

(b) if any Interest Period begins on the last Eurodollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of the Interest Period), then the Interest Period shall end on the last Eurodollar Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Notice" means a Notice given by the Borrower to the Agent (in substantially the form set forth in *Exhibit C*) specifying the Borrower's election to Convert all or any portion of the Loans, or specifying the Interest Period with respect to all or any portion of any Eurodollar Rate Loans, or to continue the Loans for an additional Interest Period in accordance with *Section 2.06*.

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has an Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Liabilities" has the meaning specified in *Section 10.04*.

"LIBOR" has the meaning given such term in the definition of Eurodollar Rate.

"Lien" means any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Loan" means the aggregate principal amount advanced by each Lender as a Loan or Loans to the Borrower under this Agreement.

"Loan Documents" means this Agreement, any Note or certificate or other document executed and delivered in connection herewith or therewith.

"Loans" means the aggregate principal amount of the Loans of all Lenders Outstanding at the time referred to in the context in which the term is used.

"Majority Lenders" means Lenders having more than fifty percent (50%) of the aggregate amount of the Commitments, or, if the Commitments shall have terminated, Lenders holder more than fifty percent (50%) of the aggregate unpaid principal amount of the Loans; provided that the Commitment of any Defaulting Lender shall be excluded for the purposes of making a determination of Majority Lenders.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Maturity Date" means the Commitment Termination Date.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) of ERISA to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute or has within any of the preceding five plan years contributed or had an obligation to contribute.

"NextEra Energy" means NextEra Energy, Inc., a Florida corporation.

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

"Nonrecourse Indebtedness" has the meaning specified in *Section 5.17*.

"Note" means the promissory note provided for by *Section 2.03(b)*, including (as applicable) all amendments thereto and restatements thereof and all promissory notes delivered in substitution or exchange therefor (including any amended and restated note issued pursuant to this Agreement).

"Notice" has the meaning specified in *Section 10.02*.

"One Month LIBOR" means the ICE Benchmark Administration Settlement Rate applicable to Dollars for a period of one (1) month (for the avoidance of doubt, One Month LIBOR for any day shall be based on the rate appearing on Reuters LIBOR01 Page (or other

commercially available source providing such quotations as designated by the Agent from time to time) at approximately 11:00 a.m London time two (2) Business Days prior to such day); *provided* that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

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

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

"Outstanding" means, with respect to any Loan, the aggregate unpaid principal amount thereof as of any date of determination.

"Participant" has the meaning specified in *Section 10.06(d)*.

"Participant Register" has the meaning specified in *Section 10.06(d)*.

"Parties" and "Party" have the meanings specified in the Preamble.

"PBGC" means the Pension Benefit Guaranty Corporation created by Section 4002 of ERISA and any successor entity or entities having similar responsibilities.

"Person" means any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Platform" has the meaning specified in *Section 10.02(b)*.

"Prime Rate" means, for any day, the prime commercial lending rate of the Agent as publicly announced to be in effect from time to time, such rate to be adjusted automatically, without notice, on the effective date of any change in such rate.

"Pro Rata Share" means, in respect of any Lender as of the date of any determination, the proportion which such Lender's Loans Outstanding bear to the total amount of Loans Outstanding.

"Rating Agency" means any of Fitch, Moody's or Standard & Poor's.

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"Recipient" means the Agent and any Lender.

"Register" has the meaning specified in *Section 10.06(c)*.

"Regulations A, D, U and X" means, respectively, Regulations A, D, U and X of the Federal Reserve Board (or any successor).

"Regulatory Change" means, with respect to any Lender, any change after the Effective Date in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption, making or change in after such date of any interpretation, directive or request

applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Removal Effective Date" has the meaning specified in *Section 9.07(b)*.

"Requirement of Law" means, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, if any, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or final, non-appealable determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Resignation Effective Date" has the meaning specified in *Section 9.07(a)*.

"Sanctions" means, sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), US Department of State, United Nations Security Council, European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Standard & Poor's" means S&P Global Ratings.

"Subsidiary" means any corporation, association, trust, or other business entity of which the Borrower (or where the context requires, NextEra Energy) shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority (by number of votes) of the outstanding Voting Stock.

[redacted]

[redacted]

[redacted]

[redacted]

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

[redacted]

"Type" has the meaning specified in *Section 1.02(h)*.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in paragraph (ii) of *Section 3.10(e)*.

[redacted]

[redacted]

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement, including any schedules or exhibits thereto, as any of same may be amended, modified or supplemented from time to time in accordance with its terms and, if applicable, the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) The words "include," "includes" and "including" are not limiting.

(f) Reference to any particular "Article," "Section," "Schedule," "Exhibit," "Recital" or "Preamble" refers to the corresponding Article, Section, Schedule, Exhibit, Recital or Preamble of this Agreement unless otherwise indicated.

(g) The words "herein," "hereof," "hereunder," "hereto" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(h) Loans hereunder are distinguished by "Type". The Type of a Loan refers to whether the Loan is a Base Rate Loan or a Eurodollar Rate Loan, each of which constitutes a Type.

Section 1.03. Accounting Matters. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles, as in effect from time to time; *provided* that, if the Borrower notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in generally accepted accounting principles or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such Notice is given before or after such change in generally accepted accounting principles or in the application thereof, then (a) such provision shall be

interpreted on the basis of generally accepted accounting principles as in effect and applied immediately before such change shall have become effective until such Notice shall have been withdrawn or such provision amended in accordance therewith and (b) the Borrower shall provide to the Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations made before and after giving effect to such change in generally accepted accounting principles.

ARTICLE 2 - LOANS.

Section 2.01. Commitment to Lend. Each of the Lenders severally agrees, on the terms of this Agreement (including, without limitation, *Article 6*), to make, simultaneously with the other Lenders, Loans in Dollars to the Borrower for a period commencing on the Effective Date and terminating on the Commitment Termination Date, in an aggregate amount Outstanding at any one time not to exceed such Lender's Commitment. Within the limits of the Commitment of each Lender, the Borrower may borrow under this Section 2.01, prepay pursuant to *Section 2.02(e)* and re-borrow under this *Section 2.01*.

Section 2.02. Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time (i) on the proposed Borrowing Date in the case of a Base Rate Loan and (ii) at least three (3) Eurodollar Business Days prior to the proposed Borrowing Date in the case of a Eurodollar Rate Loan, specifying (A) the Borrowing Date (which shall be a Business Day), (B) whether the requested Borrowing is of a Base Rate Loan or a Eurodollar Rate Loan, or any combination thereof as permitted under the terms of this *Section 2.02*, and the amount of each and (C) in the case of each Eurodollar Rate Loan, the initial Interest Period applicable thereto.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on each Borrowing Date, make immediately available funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, by wire transfer at its address set forth on *Schedule I*. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Section 7.02, the Agent will make such funds available to the Borrower by crediting the Borrower's designated account in accordance with the wire instructions included in the Borrowing Notice.

(d) Any notice delivered or given by the Borrower to the Agent as provided in this *Section 2.02* shall be irrevocable and binding upon the Borrower upon receipt by the Agent. Each Borrowing shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof. In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than six (6) different Interest Periods for Loans outstanding at the same time (for which

purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) The Borrower shall have the right, at any time and from time to time, to prepay the Loans in whole or in part, without penalty or premium, upon not less than three (3) Business Days' prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and same day written Notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof, or equal to the remaining principal balance outstanding under such Loan, and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such prepayment in accordance with *Section 3.09*.

(f) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with Section 2.02(a) and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Borrowings of such Type and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

(g) The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.03. Evidence of Indebtedness and Note.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any particular Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made

by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Effective Date, (iii) be in a stated maximum principal amount equal to the Commitment of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04. Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05. Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted]

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted]

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of such Loan.

(d) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(e) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on each Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above

the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06. Interest Rate Conversion or Continuation Options.

(a) The Borrower may, subject to *Section 2.07, Section 3.04* and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan prior to the last day of the Interest Period relating to that Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Day prior to such election; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made, any Lender may take such action, if any, as it deems desirable to transfer the Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of Loans of any Type may be Converted as specified herein; *provided* that partial Conversions shall be in an aggregate principal amount of [redacted][A] or any integral multiple of [redacted][B] in excess thereof. The Agent shall notify the Lenders promptly of each such Interest Rate Notice made by the Borrower. Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted][A] or any integral multiple of [redacted][B] in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

[redacted]

Section 2.07. Computation of Interest and Fees.

(a) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for the purpose of determining the interest rate under *Section 2.05(a)(i)*.

(b) In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, any Lender (in this context, an "Affected Lender") determines that (i) adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans or (ii) the Eurodollar Rate will not adequately reflect the cost to such Affected Lender of making, funding or maintaining its Eurodollar Rate Loans, during any Interest Period, such Affected Lender shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower) to the Borrower and the Agent. In the event that the Agent receives such notices from Affected Lenders who collectively comprise the Majority Lenders, the Agent shall forthwith give Notice of such fact to the Borrower and the Lenders, and as a result thereof, (x) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed a request for a Base Rate Loan, (y) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (z) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent, upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders. Each Affected Lender agrees that it shall forthwith give Notice of such fact to the Borrower and the Agent at such time as the circumstances described in the first sentence of this *Section 2.07(b)* no longer pertain to it.

(c) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than [redacted] such Loans shall automatically Convert into Base Rate Loans.

(d) Upon the occurrence and during the continuance of any Event of Default (i) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.08. Commitment Reduction. The Borrower shall have the right, exercisable at any time and from time to time, upon two (2) Business Days' Notice to the Agent (or telephonic notice promptly confirmed in writing), to terminate in whole or reduce in part the Commitment; *provided* that each partial reduction of the Commitment shall be in an amount of [redacted] or integral multiples of [redacted] in excess thereof; and *provided further* that the Commitment may not be reduced to any amount less than the aggregate principal amount (without duplication) of all Loans and Outstanding at the time of any such reduction.

Section 2.09. Commitment Fee. Borrower agrees to pay to the Agent for the account of each Lender a per annum Commitment Fee (the "Commitment Fee") for the period from and including the Effective Date (or such later date as such Lender incurs a Commitment hereunder) to but not including the earlier of the date such Lender's Commitment is terminated and the Maturity Date, equal to the Applicable Commitment Fee Rate multiplied by the daily average unused amount of such Lender's Commitment for such period. The Commitment Fee shall be payable to the Agent for the account of each Lender (a) quarterly in arrears on the last day of each March, June, September and December, commencing on December 31, 2016, and (b) on the earlier of (i) the date the Commitments are terminated in full and (ii) the Maturity Date.

Section 2.10 Replacement of Lenders. If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv) any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if such Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) the Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the Outstanding amount of its Loans, any accrued and unpaid

interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such Outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

ARTICLE 3 - CERTAIN GENERAL PROVISIONS.

Section 3.01. *[Reserved]*

Section 3.02. Funds for Payments.

(a) All payments of principal, interest, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, without counterclaim or setoff except as provided in *Article 8*, at the offices of the Agent, at its address set forth in *Schedule I*, for the respective accounts of the Lenders, in Immediately Available Funds, not later than 2:00 p.m., New York, New York time, on the due date therefor. Any payment received by the Agent after 2:00 p.m., New York, New York time, shall be deemed to have been received on the next succeeding Business Day. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to *Sections 3.06, 3.07, 3.09, 3.10, 10.03* and *10.04* to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

(b) Unless the Agent shall have received Notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent or each Lender, as the case may be, the Borrower shall repay to the Agent forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender, repays such amount to the Agent, at the Federal Funds Rate.

Section 3.03. Computations. All computations of interest based on the Prime Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Except as otherwise provided in the definition of the term "Interest

Period" with respect to any Eurodollar Rate Loan, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest on any principal so extended shall accrue during such extension.

Section 3.04. Inability to Determine Eurodollar Rate. In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, the Agent shall determine or be notified by the Majority Lenders that adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans, as the case may be, or that the Eurodollar Rate will not adequately reflect the cost to the Majority Lenders of making, funding or maintaining their Eurodollar Rate Loans, during any Interest Period, the Agent shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower and the Lenders) to the Borrower and the Lenders. In such event (a) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed to be a request for a Base Rate Loan, (b) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (c) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Agent or the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent or, as the case may be, the Agent upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders.

Section 3.05. Illegality. Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain any Loan as a Eurodollar Rate Loan, such Lender shall promptly give Notice of such circumstances to the Borrower and the other Lenders and thereupon (a) the commitment of such Lender to make any Loan as a Eurodollar Rate Loan or Convert any portion of the Loans of another Type to a Eurodollar Rate Loan shall automatically be suspended, and (b) such Lender's portion of the Loans then outstanding as Eurodollar Rate Loans, if any, shall be Converted automatically to Base Rate Loans on the last day of each Interest Period applicable to each such Eurodollar Rate Loan or within such earlier period as may be required by law. Notwithstanding anything contained in this *Section 3.05* to the contrary, in the event that any Lender is unable to make or maintain any Loan as a Eurodollar Rate Loan as set forth in this *Section 3.05*, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Eurodollar Lending Office so as to avoid such inability.

Section 3.06. Additional Costs. If any Change in Law:

(a) imposes, increases or renders applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of law) against assets held by, or deposits in or for the account of, or loans by, or commitments of an office of any Lender, or

(b) imposes on any Lender or the Agent any other conditions or requirements with respect to this Agreement, the other Loan Documents, any Loan or the Commitment of such Lender hereunder,

(c) and the foregoing has the result of:

(i) increasing the cost or reducing the return to any Lender of making, funding, issuing, renewing, extending or maintaining any Loan as a Eurodollar Rate Loan or maintaining its Commitment, or

(ii) reducing the amount of principal, interest or other amount payable to such Lender hereunder on account of any Loan being a Eurodollar Rate Loan, or

(iii) requiring such Lender to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Lender from the Borrower hereunder,

then, and in each such case, the Borrower will, upon demand made by such Lender at any time and from time to time and as often as the occasion therefor may arise, pay to such Lender such additional amounts as will be sufficient to compensate such Lender for such additional cost, reduction, payment or foregone interest or other sum. Notwithstanding anything contained in this *Section 3.06* to the contrary, upon the occurrence of any event set forth in this *Section 3.06* with respect to any Lender, such affected Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Applicable Lending Office so as to avoid the effect of such event set forth in this *Section 3.06*.

Section 3.07. Capital Adequacy. If any Change in Law affects the amount of capital or liquidity required or expected to be maintained by any Lender or any corporation controlling such Lender due to the existence of its Commitment or Loans, and such Lender determines that the result of the foregoing is to increase the cost or reduce the return to such Lender of making or maintaining its Commitment or Loans, then such Lender may notify the Borrower of such fact. To the extent that the costs of such increased capital or liquidity requirements are not reflected in the Base Rate and/or the Eurodollar Rate, the Borrower and such Lender shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrower receives such Notice, an adjustment payable hereunder that will adequately compensate such Lender in light of these circumstances, and in connection therewith, such Lender will provide to the Borrower reasonably detailed information regarding the increase of such Lender's costs. If the Borrower and such Lender are unable to agree to such adjustment within thirty (30) days of the date on which the Borrower receives such Notice, then commencing on the date of such Notice (but not earlier than the effective date of any such increased capital or liquidity requirement), the interest payable hereunder shall increase by an amount that will, in such Lender's reasonable determination, provide adequate compensation. Each Lender agrees that amounts claimed pursuant to this *Section 3.07* shall be made in good faith and on an equitable basis.

Section 3.08. Recovery of Additional Compensation.

(a) Certificate. If any Lender claims any additional amounts pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, it shall provide to the Agent and the Borrower a certificate setting forth such additional amounts payable pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, and a reasonable explanation of such amounts which are due (*provided* that, without limiting the requirement that reasonable detail be furnished, nothing herein shall require such Lender to disclose any confidential information relating to the organization of its affairs). Such certificate shall be conclusive, absent manifest error, that such amounts are due and owing.

(b) Delay in Requests. Delay on the part of any Lender to demand compensation pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as applicable, shall not constitute a waiver of such Lender's right to demand such compensation; [redacted]A

Section 3.09. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense (including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain any Loan as a Eurodollar Rate Loan) that such Lender may sustain or incur as a consequence of (a) default by the Borrower in payment of the principal amount of or any interest on any Eurodollar Rate Loan as and when due and payable, (b) default by the Borrower in making a prepayment after the Borrower has given a Notice of prepayment pursuant to *Section 2.02(e)*, (c) default by the Borrower in making a Borrowing after the Borrower has given a Borrowing Notice pursuant to *Section 2.02* or continuing any Loan, after the Borrower has given (or is deemed to have given) pursuant to *Section 2.06* an Interest Rate Notice, or (d) the making of any payment of principal of a Eurodollar Rate Loan on a day that is not the last day of the applicable Interest Period with respect thereto, including interest or fees payable by such Lender to lenders or funds obtained by it in order to maintain any Loan.

Section 3.10. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by such Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable

under this *Section 3.10*) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification

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

(ii) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of *Section 10.06* relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to such Lender from any other source against any amount due to the Agent under this *Section 3.10(c)(ii)*.

(d) Evidence of Payments. Within thirty (30) days after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this *Section 3.10*, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower

or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in *Section 3.10(e)(ii)(1), (ii)(2)* and *(ii)(4)* below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the Recipient on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed originals of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit F-1* to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-2* or *Exhibit F-3*, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if such Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-4* on behalf of each such direct and indirect partner;

(3) any Foreign Lender, shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments to FATCA made after the Effective Date.

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

(f) Treatment of Certain Refunds. If any Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this *Section 3.10* (including by the payment of additional amounts pursuant to this *Section 3.10*), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this *Section 3.10* with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this *Section 3.10(f)* (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this *Section 3.10(f)*, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this *Section 3.10(f)* the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This *Section 3.10(f)* shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 3.11. Defaulting Lenders; Cure.

(a) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article 7* or otherwise), or received by the Agent from a Defaulting Lender by exercise of right of set-off, shall be applied at such time or times as may be determined by the Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; *third*, if so agreed by the Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in *Section 6.01*, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this *Section 3.11(a)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto (and the amounts thus applied or held shall discharge any corresponding obligations of the Borrower relating thereto).

(b) Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the Parties, whereupon as of the effective date specified in such Notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral or other acceptable credit support), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders, whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided, further,* that except to the extent otherwise expressly agreed by the affected Parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any Party arising from that Lender's having been a Defaulting Lender.

(c) Effect on Other Obligations. No Commitment of any Lender shall be increased or otherwise affected, and except as otherwise expressly provided in this *Section 3.11*,

performance by the Borrower of its obligations hereunder shall not be excused or otherwise modified as a result of the operation of this *Section 3.11*. The rights and remedies against a Defaulting Lender under this *Section 3.11* are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lenders and the Agent as follows:

Section 4.01. Corporate Authority.

(a) Incorporation; Good Standing. The Borrower (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite corporate power to own its property and conduct its business as now conducted, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction where such qualification is necessary except where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.

(b) Authorization. The execution, delivery and performance of this Agreement, the other Loan Documents to which the Borrower is or is to become a party and the transactions contemplated hereby and thereby (i) are within the corporate authority of the Borrower, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any breach or contravention of any provision of any law, statute, rule or regulation to which the Borrower is subject or any material judgment, order, writ, injunction, license or permit applicable to the Borrower, except where any such conflict, breach, or contravention would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, a material adverse effect on the ability of the Borrower to perform its obligations under the Loan Documents or a material adverse effect on the validity or enforceability of the Loan Documents, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order, and (iv) do not conflict with any provision of the Restated Articles of Incorporation of the Borrower, as amended, or Bylaws, as amended, of, or any material agreement or other material instrument binding upon, the Borrower, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order. This Agreement and each other Loan Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Enforceability. The execution and delivery by the Borrower of this Agreement and the other Loan Documents will result in valid and legally binding obligations of the Borrower, enforceable against it in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency,

reorganization, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity.

Section 4.02. Governmental Approvals. The execution and delivery by the Borrower of this Agreement and the other Loan Documents, and the performance by it of its obligations thereunder, do not require the approval or consent of, or filing with, any Governmental Authority, except those which have been obtained on or prior to the date hereof, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order.

Section 4.03. Title to Properties. The Borrower or one or more of its consolidated subsidiaries owns all of the assets reflected as the Borrower's assets in the consolidated balance sheet of the Borrower as at December 31, 2015 referred to in *Section 4.04* or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business or as otherwise permitted pursuant to the provisions of this Agreement since that date and except for such assets owned from time to time by any entity whose assets are consolidated on the balance sheet of the Borrower and its Subsidiaries solely as a result of the operation of FASB ASC 810), subject to no Liens, except for such matters set forth in *Schedule 4.03* or otherwise permitted pursuant to the provisions of this Agreement and Liens upon the assets of any Subsidiary of Borrower.

Section 4.04. Financial Statements. The Borrower's annual report on Form 10-K for the period ended December 31, 2015, includes the consolidated balance sheet of the Borrower and its subsidiaries as at such date and related consolidated income statements of Borrower and its subsidiaries, for the fiscal period then ended, which have been certified by the Borrower's independent public accountants. The financial statements of the Borrower included as a part of such annual report have been prepared in accordance with generally accepted accounting principles and present fairly the consolidated financial position and results of operations of the Borrower and its subsidiaries, taken as a whole, at the respective dates and for the respective periods to which they apply. As of the Effective Date, there has been no material adverse change in the business or financial condition of the Borrower and its subsidiaries, taken as a whole, since December 31, 2015, except as set forth *in Schedule 4.04.*

Section 4.05. Franchises, Patents, Copyrights, Etc. The Borrower possesses all material franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted and, except where in any such case any such conflict would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, without known conflict with any rights of others.

Section 4.06. Litigation. Except as described in *Schedule 4.06,* as of the Effective Date, there is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole,

or to materially impair the right of the Borrower to carry on its business substantially as now conducted by it. There is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or any of its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to question the validity of this Agreement or any of the other Loan Documents or any actions taken or to be taken pursuant hereto or thereto.

Section 4.07. Compliance With Other Instruments, Laws, Etc. The Borrower is not in violation of any provision of its charter documents, bylaws, or any agreement or instrument to which it is subject or by which it or any of its properties is bound or any material decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that would materially and adversely affect the financial condition, properties or business of the Borrower and its Subsidiaries, taken as a whole.

Section 4.08. Tax Status. The Borrower has (a) prepared and, giving effect to all proper extensions, timely filed all federal and state income tax returns and, to the best knowledge of the Borrower, all other material tax returns, reports and declarations required by any applicable jurisdiction to which the Borrower is legally subject, which, giving effect to all proper extensions, were required to be filed prior to the Effective Date, (b) paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) to the extent deemed necessary or appropriate by the Borrower, set aside on its books provisions reasonably adequate for the payment of all known taxes for periods subsequent to the periods to which such returns, reports or declarations apply.

Section 4.09. No Default. No Default has occurred and is continuing.

Section 4.10. Investment Company Act. The Borrower is not an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940.

Section 4.11. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions.

(b) Terminability of Plans. Under each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries which is an employee welfare benefit plan within the meaning of §3(1) or §3(2)(B) of ERISA, no benefits are due unless the event giving rise to the benefit entitlement occurs prior to plan termination (except as required by Title I, Part 6 of ERISA). The Borrower and its Subsidiaries may terminate their respective participation in each such plan at any time (other than a plan that provides benefits pursuant to a collective bargaining agreement) in the discretion of the Borrower or its Subsidiaries without liability to any Person.

(c) Guaranteed Pension Plans. As of the Effective Date, each contribution required to be made to a Guaranteed Pension Plan by either the Borrower or an ERISA

Affiliate, whether required to satisfy the minimum funding requirements described in §302 or §303 of ERISA, the notice or lien provisions of §303(k) of ERISA, or otherwise, has been timely made. As of the Effective Date, no waiver from the minimum funding standards or extension of amortization periods has been received with respect to any Guaranteed Pension Plan. As of the Effective Date, no liability to the PBGC (other than required insurance premiums, all of which have been paid) has been incurred by the Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and there has not been any ERISA Reportable Event which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of §4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans by more than $500,000.

(d) Multiemployer Plans. Neither the Borrower nor any ERISA Affiliate has incurred any material unpaid liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under §4201 of ERISA or as a result of a sale of assets described in §4204 of ERISA. Neither the Borrower nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization, insolvent or "endangered" or "critical" status under and within the meaning of §4241, §4245 or §305, respectively, of ERISA or that any Multiemployer Plan intends to terminate or has been terminated under §4041A of ERISA.

Section 4.12. Use of Proceeds. The proceeds of the Loans shall be used for the general corporate purposes of the Borrower.

Section 4.13. Compliance with Margin Stock Regulations. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "'margin stock" (within the meaning of Regulation U or Regulation X of the Federal Reserve Board), and no part of the proceeds of the Loans will be used to purchase or carry any "margin stock," to extend credit to others for the purpose of purchasing or carrying any "margin stock" or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of Regulation U or Regulation X. In addition, not more than twenty-five percent (25%) of the value (as determined by any reasonable method) of the assets of the Borrower consists of margin stock.

Section 4.14. USA PATRIOT ACT, OFAC and Other Regulations.

(a) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate (i) has violated any Anti-Terrorism Laws or (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, employees, brokers or agents of the Borrower, such Subsidiary or Affiliate is a Person that is, or is owned or controlled by Persons that are: (i) the subject of any Sanctions, or (ii) located, organized or resident in a country, region or territory that is, or whose government is, the subject of Sanctions, which on the Effective Date are Crimea, Cuba, Iran, North Korea, Sudan and Syria.

(c) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate acting or benefiting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Person, or in any country or territory, that is the subject of any Sanctions, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(d) The Borrower has and, to the knowledge of the Borrower, its Subsidiaries have, conducted their business in compliance with applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws and money laundering laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

ARTICLE 5 - COVENANTS OF BORROWER

The Borrower covenants and agrees that, so long as any portion of the Loans, any Note as may be issued hereunder or any Commitment is outstanding:

Section 5.01. Punctual Payment. The Borrower will duly and punctually pay or cause to be paid (a) the principal and interest on the Loans, and (b) the fees and all other amounts provided for in this Agreement and the other Loan Documents.

Section 5.02. Maintenance of Office. The Borrower will maintain its chief executive office at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, or at such other place in the United States of America as the Borrower shall designate by Notice to the Agent, in accordance with *Section 10.02.*

Section 5.03. Records and Accounts. The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with generally accepted accounting principles and (b) to the extent deemed necessary or appropriate by the Borrower, maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, contingencies, and other reserves.

Section 5.04. Financial Statements, Certificates and Information. The Borrower will deliver to each Lender and the Agent, which, for the purposes of this *Section 5.04*, may be made available electronically by the Borrower as provided in the final sentence of this *Section 5.04*:

(a) as soon as practicable, but in any event not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower, the consolidated balance sheet of the Borrower and its subsidiaries as at the end of such year, and the related consolidated statements of income and consolidated statements of cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year or year-end, as applicable, and all such consolidated statements to be prepared in accordance with generally accepted accounting principles, and certified by Deloitte & Touche LLP or by other independent public accountants reasonably satisfactory to the Agent. The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's annual report on Form 10-K for the period for which such financial statements are to be delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer shall have obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(b) as soon as practicable, but in any event not later than sixty (60) days after the end of each of the first three (3) fiscal quarters of the Borrower copies of the unaudited consolidated balance sheet of the Borrower and its subsidiaries as at the end of such quarter, and the related consolidated statements of income and consolidated statements of cash flows for the portion of the fiscal year to which they apply, all prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower that the information contained in such financial statements fairly presents the financial position of the Borrower and its Subsidiaries as of the end of such quarter (subject to year-end adjustments). The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's quarterly report on Form 10-Q for the period for which such financial statements are being delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer has obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(c) contemporaneously with the filing or mailing thereof, copies of all material of a financial nature filed by the Borrower with the Securities and Exchange Commission;

(d) promptly after the commencement thereof, Notice of all actions and proceedings before any court, governmental agency or arbitrator of the type described in *Section 4.06* to which the Borrower is a party or its properties are subject; and

(e) from time to time such other financial data and information as the Agent or any Lender may reasonably request.

Reports or financial information required to be delivered pursuant to this *Section 5.04* shall, to the extent any such financial statements, reports, proxy statements or other materials are included in materials otherwise filed with the Securities and Exchange Commission, be deemed to be delivered hereunder on the date of such filing. Any such report or financial information may also be delivered to the Agent electronically as provided in *Section 10.02(b)*.

Section 5.05. Default Notification. The Borrower will promptly provide Notice to the Agent regarding the occurrence of any Default of which the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower has actual knowledge or notice.

Section 5.06. Corporate Existence: Maintenance of Properties. The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence (except as otherwise expressly permitted by the first sentence of *Section 5.13*), and will do or cause to be done all things commercially reasonable to preserve and keep in full force and effect its franchises; and the Borrower will, (a) cause all of its properties used and useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and (b) cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this *Section 5.06* shall prevent the Borrower or any of its Subsidiaries from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the sole judgment of the Borrower or its Subsidiary, as the case may be, desirable in the conduct of its or their business and does not in the aggregate materially adversely affect the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole; *provided further* that nothing in this *Section 5.06* shall affect or impair in any manner the ability of the Borrower or any of its Subsidiaries to sell or dispose of all or any portion of its property and assets (including, without limitation, its shares in any Subsidiary or all or any portion of the property or assets of any Subsidiary); and *provided finally* that, in the event of any loss or damage to its property or assets, the Borrower and its Subsidiaries shall be obligated to repair, replace or restore any such property or assets only if the Borrower or such Subsidiaries have determined that such repair, replacement or restoration is necessary or appropriate and any such repair, replacement and/or restoration may be effectuated by the Borrower or a Subsidiary in such time period and in the manner it deems appropriate.

Section 5.07. Taxes. The Borrower will duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all material taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges that in the aggregate are not material to the business or assets of the Borrower) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials, or supplies that if unpaid might by law become a Lien or charge upon any of its property; *provided* that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and, to the extent that the Borrower deems necessary, the Borrower shall

have set aside on its books adequate reserves with respect thereto; and *provided further* that the Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any Lien that may have attached as security therefor.

Section 5.08. Visits by Lenders. The Borrower shall permit the Lenders, through Agent or any of the Lenders' other designated representatives, to visit the properties of the Borrower and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, its officers, upon reasonable Notice and all at such reasonable times and intervals as the Agent or any Lender may reasonably request.

Section 5.09. Compliance with Laws, Contracts, Licenses, and Permits. The Borrower will comply with (a) the laws and regulations applicable to the Borrower (including, without limitation, ERISA) wherever its business is conducted, (b) the provisions of its charter documents and by-laws, (c) all agreements and instruments by which it or any of its properties may be bound, and (d) all decrees, orders, and judgments applicable to the Borrower, except where in any such case the failure to comply with any of the foregoing would not materially adversely affect the business, property or financial condition of the Borrower and its Subsidiaries, taken as a whole. If at any time while any portion of the Loans or any other amount hereunder or any Commitment is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any Governmental Authority shall become necessary or required in order that the Borrower may fulfill any of its obligations hereunder or under any other Loan Document, the Borrower will promptly take or cause to be taken all reasonable steps within the power of the Borrower to obtain such authorization, consent, approval, permit or license and furnish the Agent with evidence thereof.

Section 5.10. Use of Proceeds. The Borrower will use the proceeds of the Loans solely for the purposes described in *Section 4.12*.

Section 5.11. Rating Agencies. The Borrower will at all times during the term of this Agreement employ at least two (2) Rating Agencies for the purpose of rating the Borrower's non-credit enhanced long-term senior unsecured debt or, to the extent such rating is not available, the Borrower's long-term senior secured debt, one of which must be either Moody's or Standard & Poor's.

Section 5.12. Maintenance of Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates: *provided, however,* that the Borrower may self-insure (which may include the establishment of reserves, allocation of resources, establishment of credit facilities and other similar arrangements) to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates and to the extent consistent with prudent business practice.

Section 5.13. Prohibition of Fundamental Changes. The Borrower will not consummate any transaction of merger or consolidation or amalgamation, or liquidation or dissolution;

[redacted]

[redacted]

The Borrower will not convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or substantially all of its business or assets, whether now owned or hereafter acquired, to any other Person unless [redacted]

Section 5.14. Indebtedness. The Borrower will insure that all obligations of the Borrower under this Agreement and the other Loan Documents [redacted] in respect of priority of payment by the Borrower and priority of lien, charge or other security in respect of assets of the Borrower [redacted]

Section 5.15. Liens. The Borrower will not create any Lien upon or with respect to any of its properties, or assign any right to receive income, in each case to secure or provide for the payment of any debt of any Person, other than:

(i) purchase money liens or purchase money security interests upon or in any property acquired by the Borrower in the ordinary course of business to secure the purchase price or construction cost of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property or construction of improvements on such property;

(ii) Liens existing on property acquired by the Borrower at the time of its acquisition, *provided* that such Liens were not created in contemplation of such acquisition and do not extend to any assets other than the property so acquired;

(iii) Liens securing Nonrecourse Indebtedness created for the purpose of financing the acquisition, improvement or construction of the property subject to such Liens;

(iv) the replacement, extension or renewal of any Lien permitted by clauses (i) through (iii) of this *Section 5.15* upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in the direct or indirect obligor) of the indebtedness secured thereby;

(v) Liens upon or with respect to margin stock;

(vi) (a) deposits or pledges to secure payment of workers' compensation, unemployment insurance, old age pensions or other social security; (b) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of money) or leases, public or statutory obligations, surety or appeal bonds or other deposits or pledges for purposes of like general nature in the ordinary course of business; (c) Liens for property taxes not delinquent and Liens for taxes which in good faith are being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; (d) mechanics', carriers', workmen's, repairmen's or other like Liens arising in the ordinary course of business securing obligations which are not overdue for a period of sixty (60) days or more or which are in good faith being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and (e) other matters described in *Schedule 4.03*; and

(vii) the Lien of the Borrower's First Mortgage, any other Liens, charges or encumbrances permitted thereunder from time to time, and any other Lien or Liens upon all or any portion of the property or assets which are subject to the Lien of the First Mortgage;

(viii) any Liens securing any pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds or other taxable or tax-exempt bonds or similar obligations issued by or on behalf of the Borrower from time to time, and any Liens given to secure any refinancing or refunding of any such obligations; and

(ix) any other Liens or security interests (other than Liens or security interests described in clauses (i) through (viii) of this *Section 5.15*), if the aggregate principal amount of the indebtedness secured by all such Liens and security interests (without duplication) does not exceed in the aggregate [redacted]A at any one time outstanding; [redacted]A

Section 5.16. Employee Benefit Plans. The Borrower will not:

(a) engage in any non-exempt "prohibited transaction" within the meaning of §406 of ERISA or §4975 of the Code which could result in a material liability for the Borrower; or

(b) permit any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to fail to meet the "minimum funding standards" described in §302 and §303 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to an extent which, or terminate any Guaranteed Pension Plan

sponsored by the Borrower or its ERISA Affiliates in a manner which, could result in the imposition of a lien or encumbrance on the assets of the Borrower or any of its Subsidiaries pursuant to §303(k) or §4068 of ERISA; or

(d) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of §4001(a)(16) of ERISA) of Guaranteed Pension Plans sponsored by the Borrower or its ERISA Affiliates exceeding the value of the aggregate assets of such plans by more than the amount set forth in *Section 4.11(c)*. For purposes of this covenant, poor investment performance by any trustee or investment management of a Guaranteed Pension Plan shall not be considered as a breach of this covenant.

Section 5.17. [redacted]

Section 5.18. Compliance with Anti-Corruption Laws and Anti-Terrorism Regulations. The Borrower shall not:

(a) Violate any applicable anti-corruption laws or any Anti-Terrorism Laws or engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Use, directly or indirectly, the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (x) in violation of applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws or money laundering laws, (y) to fund any activities or business of or with any Person, or in any country or territory, that, is, or whose government is, the subject of Sanctions at the time of such funding, or (z) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

(c) Deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 6 - CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement and each Initial Lender's Commitment to make Loans pursuant to *Section 2.01* is subject to the following conditions precedent, each of which shall have been met or performed in the reasonable opinion of the Agent:

(a) Execution of this Agreement. This Agreement shall have been duly executed and delivered by the Parties.

(b) Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Agreement and any other Loan Document to which it is a Party, shall have been duly and effectively taken, and evidence thereof satisfactory to the Lenders shall have been provided by the Borrower to the Agent.

(c) Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Agent dated as of the Effective Date, signed by its duly authorized officer, and giving the name and bearing a specimen signature of each individual who shall be authorized: (1) to sign, in the name and on behalf of the Borrower each of the Loan Documents to which it is a party, (2) to make requests for Borrowings or Conversion requests and (3) to give notices and to take other action on its behalf under the Loan Documents.

(d) Borrower's Certificate. The Agent shall have received from the Borrower's executed certificate, dated as of the Effective Date, substantially in the form of *Exhibit D*.

(e) Opinion of Counsel. The Agent shall have received a favorable opinion addressed to the Lenders and the Agent, dated as of the Effective Date, substantially in the form of *Exhibit E* attached hereto, from Squire Patton Boggs (US) LLP, counsel to the Borrower.

(f) No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make any Loan.

(g) Governmental Regulation. Each Lender shall have received such statements in substance and form reasonably satisfactory to such Lender as such Lender shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve Board, including, without limitation, applicable "know your customer" requirements.

(h) Note. A Note (if same is requested by any Initial Lender) shall have been duly executed and delivered by the Borrower.

(i) Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement, the other Loan Documents and all other documents incident thereto shall be satisfactory in substance and in form to the Lenders and to counsel for the Agent, and the Lenders and such counsel shall have received all information and

such counterpart originals or certified or other copies of such documents as the Agent may reasonably request.

(j) Payment of Fees and Expenses. The Borrower shall have paid all accrued fees and expenses of the Agent (including the accrued fees and expenses of counsel to the Agent).

Section 6.02. Each Loan. The obligation of the Lender to make a Loan pursuant to *Section 2.01* herein is subject to the following conditions precedent, each of which shall have been met or performed by the Borrowing Date with respect to each such Loan:

(a) Borrowing Notice. The Borrower shall have delivered the Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(b) No Default. No Default shall have occurred and be continuing or will occur upon the making of such Loan on such Borrowing Date, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

ARTICLE 7 - EVENTS OF DEFAULT, ACCELERATION, ETC.

Section 7.01. Events of Default. The following events shall constitute "Events of Default" for purposes of this Agreement:

(a) the Borrower shall fail to pay any principal of ay Loan when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(b) the Borrower shall fail to pay any interest on any Loan, any fees or other sums due hereunder or under any of the other Loan Documents, for a period of [redacted] following the date when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(c) (i) the Borrower shall fail to perform any term, covenant or agreement contained in *Section 5.05, Section 5.06* (but only as to corporate existence), *Section 5.10*, *Section 5.12*, *Section 5.13* (upon the consummation of any transaction prohibited by said *Section 5.13*), *Section 5.15*, *Section 5.17* or *Section 5.18(b)* or (ii) the Borrower shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified elsewhere in this *Section 7.01*) for [redacted] after Notice of such failure has been given to the Borrower by the Agent or any Lender; or

(d) any representation or warranty of the Borrower in this Agreement or any of the other Loan Documents or in any other document or instrument delivered pursuant to or in

connection with this Agreement shall prove to have been false in any material respect upon the date when made or deemed to have been made by the terms of this Agreement; or

(e) the Borrower shall default in the payment when due of any principal of or any interest on any Funded Debt aggregating [redacted] or more, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound, evidencing or securing Funded Debt, in an aggregate amount of [redacted] or more, for such period of time as would permit (assuming the giving of appropriate notice or the lapse of time if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof, unless such failure shall have been cured by the Borrower or effectively waived by such holder or holders; or

(f) the Borrower shall (1) voluntarily terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (2) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(g) without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of the Borrower: the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of the Borrower, or of all or any substantial part of the assets of the Borrower, or other like relief in respect of the Borrower, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts unless such proceeding is contested in good faith by the Borrower; and, if the proceeding is being contested in good faith by the Borrower, the same shall continue undismissed, or unstayed and in effect, for any period of [redacted] or an order for relief against the Borrower shall be entered in any involuntary case under the Bankruptcy Code; or

(h) there shall remain in force, undischarged, unsatisfied and unstayed, for more than thirty (30) days, whether or not consecutive, any final judgment against the Borrower that, with other then undischarged, unsatisfied and unstayed, outstanding final judgments against the Borrower exceeds in the aggregate [redacted] or

(i) if any of the Loan Documents shall be canceled, terminated, revoked or rescinded by the Borrower otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of all Lenders, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of the Borrower, any of its stockholders, or any court or any other Governmental Authority of competent jurisdiction shall make a determination that, or

issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(j) (i) with respect to any Guaranteed Pension Plan, (A) an ERISA Reportable Event shall have occurred; (B) an application for a minimum funding waiver shall have been filed; (C) a notice of intent to terminate such plan pursuant to Section 4041(a)(2) of ERISA shall have been issued; (D) a lien under Section 303(k) of ERISA shall be imposed; (E) the PBGC shall have instituted proceedings to terminate such plan; (F) the PBGC shall have applied to have a trustee appointed to administer such plan pursuant to Section 4042 of ERISA; or (G) any event or condition that constitutes grounds for the termination of, or the appointment of a trustee to administer, such plan pursuant to Section 4042 of ERISA shall have occurred or shall exist, *provided* that with respect to the event or condition described in Section 4042(a)(4) of ERISA, the PBGC shall have notified the Borrower or any ERISA Affiliate that it has made a determination that such plan should be terminated on such basis; or (ii) with respect to any Multiemployer Plan, the Borrower or any ERISA Affiliate shall incur liability as a result of a partial or complete withdrawal from such plan or the reorganization, insolvency or termination of such plan; and, in the case of each of (i) or (ii), the Majority Lenders shall have determined in their reasonable discretion that such events or conditions, individually or in the aggregate, reasonably could be expected likely to result in liability of the Borrower in an aggregate amount exceeding [redacted] or

[redacted] or

[redacted]

Section 7.02. Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same is continuing, the Agent shall, at the request of, or may, with the consent of, the Majority Lenders, by Notice to Borrower (an "Acceleration Notice"):

(i) immediately terminate the Commitments of each Lender; and/or

(ii) declare all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder to be, and they, shall thereupon forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

provided that in the event of any Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, the Commitments of each Lender hereunder shall automatically terminate and all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder, shall become immediately due and payable automatically and without any requirement of an Acceleration Notice from Agent or any Lender.

ARTICLE 8 - SHARING.

Section 8.01. Sharing Among Lenders. If any Lender shall obtain from the Borrower any payment of any principal of or interest on any Loan owing to it or payment of any other

amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Agent as provided herein and other than amounts owing to such Lender pursuant to *Sections 3.06*, *3.07*, *3.09*, *3.10*, *10.03* or *10.04*), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due hereunder or thereunder by the Borrower to such Lender than the percentage received by any other Lender, it shall promptly purchase from such other Lenders a participation in (or, if and to the extent specified by such Lender, a direct interest in) the Loans or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

Section 8.02. Borrower's Offset Rights. To the extent permitted by law, the Borrower may offset against any payments due to any Lender under this Agreement or the Notes the amounts of any loss suffered by the Borrower as a result of the failure of such Lender to return any monies of the Borrower on deposit with such Lender due to the insolvency of such Lender. Any such offset may be made only against payments due to the insolvent Lender, when and as the same become due, and no offsets may be made against any amounts due and payable to any other Lender. The Borrower may not exercise any right of setoff with respect to all or any portion of deposits which are insured by the Federal Deposit Insurance Corporation.

ARTICLE 9 - AGENT.

Section 9.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints [redacted] to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this *Article 9* are solely for the benefit of the Agent and the Lenders, and except as otherwise provided herein, the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers when acting in its capacity as a Lender as any other Lender, and may exercise such rights and powers as though it were not the Agent, and the term "Lender" and "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor

or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

Section 9.03. Exculpatory Provisions.

(a) The duties and obligations of the Agent are only as expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Proceedings or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Insolvency Proceedings; and

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

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Section 7.02* and *Section 10.01*), or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Default unless and until Notice describing such Default is given to the Agent by the Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in *Article 6*

or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

Section 9.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon (*provided* that the foregoing is not intended to be construed or to operate in derogation of the Notice requirements in *Section 10.02*). In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05. Indemnification. The Lenders agree to indemnify the Agent to the extent not reimbursed under *Section 10.03* and *Section 10.04*, but without limiting the obligations of the Borrower under said Sections, and ratably in accordance with its respective Pro Rata Share, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted (including by any Lender) against the Agent, arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document or any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrower is obligated to pay under *Section 10.03* and *Section 10.04* but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, *provided* that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

Section 9.06. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The exculpatory provisions of this *Article 9* shall apply to the Agent's activities as the Agent, and also shall apply to the activities any such sub-agent permitted herein. The Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that such sub-agent acted with gross negligence or willful misconduct.

Section 9.07. Resignation or Removal of Agent.

(a) The Agent may at any time give Notice of its resignation to the Lenders and the Borrower. Upon receipt of any such Notice of resignation, the Majority Lenders shall

have the right, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an affiliate thereof with an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives Notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"), then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such Notice on the Resignation Effective Date.

(b) If the Person serving as the Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Majority Lenders may, to the extent permitted by applicable law, by Notice to the Borrower and such Person remove such Person as the Agent and, in consultation with Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor, which successor Agent shall be a Lender and maintain an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such Notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable): (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that, in the event any collateral security is then being held by the Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed); and (2) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Agent as provided for in this *Section 9.07*. Upon the acceptance by a successor of such appointment for it to act as successor Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall, except as provided above, be discharged from all of its duties and obligations hereunder or under the other Loan Documents (*provided* that the foregoing shall not relieve the retiring or removed Agent from any liability for its gross negligence or willful misconduct hereunder). The fees payable by the Borrower to a successor Agent shall be the same as those payable to the predecessor Agent unless otherwise agreed between the Borrower and such successor Agent. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this *Article 9* and *Section 10.03* and *Section 10.04* shall continue in effect for the benefit of such retiring or removed Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Agent hereunder.

Section 9.08. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Agent or any other Lender or any of their Related Parties, and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

ARTICLE 10 - MISCELLANEOUS

Section 10.01. Consents, Amendments, Waivers, Etc. Except as otherwise provided in this Agreement, any consent or approval required or permitted by this Agreement to be given by one or more or all of the Lenders may be given, and any term of this Agreement or of any other instrument related hereto or mentioned herein may be amended, and the performance or observance by the Borrower of any terms of this Agreement or such other instrument or the continuance of any Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Borrower and the written consent of the Majority Lenders. Notwithstanding the foregoing, (a) the rate of interest on and the term of the Loans, the Maturity Date, the principal amount of the Loans owing to each Lender, the dates on which interest is required to be paid hereunder, the amount and dates of payment of the fees or principal owing each Lender hereunder may not be changed, the amount of any Lender's Commitment hereunder may not be increased and the tenor of such Lender's obligations hereunder may not be extended, in any such case without the written consent of Borrower and the written consent of each Lender affected thereby; (b) *Article 9*, this *Section 10.01*, the definition of Majority Lenders, the definition of Pro Rata Share and any provision of the Loan Documents that requires action by all of the Lenders may not be amended without the written consent of all of the Lenders and (c) *Article 9* may not be amended without the written consent of the Agent. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of the Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

Section 10.02. Notices. (a) Except as otherwise expressly provided in this Agreement, all notices, demands, consents, waivers, elections, approvals, requests and similar communications required or permitted to be provided in connection with this Agreement (any of the foregoing being referred to as a "Notice") shall be set forth in writing and shall be given by U.S. registered or certified mail (return receipt requested) or by recognized nationwide courier service (with signature required to evidence receipt), and shall be deemed received by the addressee Party when delivered during normal business hours to such Party's address as shown below (or such other address as that Party may specify from time to time in written Notice given pursuant hereto not less than thirty (30) days prior to the date that the new address is intended to become effective); *provided* that (x) any Notice delivered in accordance with *Article 2* may be delivered by facsimile or other specified electronic delivery system acceptable to the Agent and the Borrower, and (y)any Notice delivered to the appropriate address for the receiving Party at

any time other than during normal business hours will be deemed to be given and received by the receiving Party on the next Business Day thereafter:

(i) if to the Borrower, at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. (561) 694-6204, Facsimile No. (561) 694-3707), or at such other address for Notice as the Borrower shall last have furnished in writing to the Person giving the Notice;

(ii) if to the Agent, at [redacted] Attention: _____ (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. [redacted] Facsimile No. [redacted] Email: [redacted] or such other address for Notice as the Agent shall last have furnished in writing to the Person giving the Notice;

(iii) if to any Lender, at such Person's address set forth on *Schedule I*, or such other address for Notice as such Person shall have last furnished in writing to the Person giving the Notice.

(b) So long as [redacted] or any of its affiliates is the Agent, materials required to be delivered pursuant to *Section 5.04(a)*, *(b)*, *(c)* and (*d*) and *Section 5.05* shall be delivered to the Agent in an electronic medium in a format acceptable to the Agent and the Lenders by email at: [redacted] (or such other address as the Agent may notify the Borrower from time to time). The Borrower agrees that the Agent may make such materials, as well as any other written information, documents, instruments and other material relating to the Borrower, any of its Subsidiaries or any other materials or matters relating to this Agreement, any Notes as may be issued hereunder or any of the transactions contemplated hereby (collectively, the "Communications") available to the Lenders by posting such notices on DebtDomain or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Agent nor any of its affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Agent or any of its affiliates in connection with the Platform. The Agent shall not be liable (except to the extent that such liability arises out of the gross negligence, bad faith or willful misconduct of the Agent or its Related Parties) for any damages arising from the use by unintended recipients of any information or other materials distributed by the Agent, pursuant to this *Section 10.02(b)* or *Section 10.02(c)* through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Each Lender agrees that Notice to it (as provided in the next sentence) (a "Communication Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such Lender for purposes of this Agreement; *provided* that if requested by any Lender, the Agent shall deliver a copy of the Communications to such Lender by email or facsimile. Each Lender agrees (i) to notify the Agent in writing of such Lender's email address to which a Communication Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from time to time thereafter to ensure that the Agent has on record an effective email address for such Lender) and (ii) that any Communication Notice may be sent to such email address.

Section 10.03. Expenses. The Borrower agrees to pay promptly following receipt of written invoices describing in reasonable detail (a) the reasonable fees, expenses and disbursements of the Agent's external counsel incurred in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, the negotiation of this Agreement and the closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (b) the reasonable fees, expenses and disbursements of the Agent in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, and [redacted]

Section 10.04. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, the Lenders and their respective officers, affiliates, directors, employees, agents and advisors (each, an "Indemnitee") from and against any and all claims, actions and suits by a third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Actions"), whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses payable by any Indemnitee to any third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Liabilities") of every nature and character incurred by or awarded against any such Indemnitee (including the reasonable fees and expenses of counsel), in each case arising out of this Agreement or any of the other Loan Documents or the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loans, or (b) the Borrower entering into

or performing this Agreement or any of the other Loan Documents; *provided* that the liabilities, losses, damages and expenses indemnified pursuant to this *Section 10.04* shall not include any liabilities, losses, damages and expenses in respect of any taxes, levies, imposts, deductions, charges or withholdings, indemnification for which is provided on the basis, and to the extent, specified in *Section 3.09*; and *provided further*, that such indemnity shall not be available as to any Indemnitee, to the extent that such liabilities, losses, damages and expenses arise out of the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Parties. In the event that an Indemnitee shall become subject to any Action or Liability with respect to any matter for which indemnification may apply pursuant to this *Section 10.04* (an "Indemnity Claim"), such Indemnitee shall give Notice of such Indemnity Claim to the Borrower by telephone at (561) 694-6204 and also in accordance with the written Notice requirements in *Section 10.02*. Such Indemnitee may retain counsel and conduct the defense of such Indemnity Claim, as it may in its sole discretion deem proper, at the sole cost and expense of the Borrower. So long as no Default shall have occurred and be continuing hereunder, no Indemnitee shall compromise or settle any claim without the prior written consent of the Borrower, which consent shall not unreasonably be withheld or delayed (*provided* that the Borrower shall only be responsible for the reasonable fees and expenses of one counsel for all Indemnitees taken as a whole unless any actual or potential conflict of interest between such Indemnitees makes it inappropriate for one counsel to represent all such Indemnitees, in which event the Borrower shall be responsible for the reasonable fees and expenses of one additional counsel for each group of affected Indemnitees similarly situated taken as a whole). [redacted] In the case of an investigation, litigation or other proceeding to which the indemnity in this *Section 10.04* applies, such indemnity shall be effective whether or not the affected Indemnitee is a party thereto and whether or not the transactions contemplated hereby are consummated. Each Party also agrees not to assert any claim against any other Party or any of its respective affiliates, or any of its respective directors, officers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, any Notes as may be issued hereunder, any other Loan Document, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans (*provided* that the foregoing shall not preclude any Indemnitee from seeking to recover the preceding types of damages from the Borrower to the extent the same are specifically payable by such Indemnitee to any third party).

Section 10.05. Survival of Covenants. All covenants, agreements representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrower pursuant hereto shall be deemed to have been relied upon by the Agent and the Lenders, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by the Lenders of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement, the Notes, or any of the other Loan Documents remains outstanding. All statements contained in any certificate or other paper delivered to the Agent or any Lender at any time by or on behalf of the Borrower pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties by the Borrower hereunder. [redacted]

[redacted]

Section 10.06. Assignment and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties 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 Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of *Section 10.06(b)* or *Section 10.06(f)*, (ii) by way of participation in accordance with the provisions of *Section 10.06(d)*, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of *Section 10.06(e)* (and any other attempted assignment or transfer by any Party shall be null and void). Other than as specified in *Section 9.05* and *Section 10.04*, nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the Parties, their respective successors and assigns permitted hereby, and Participants to the extent provided in *Section 10.06(d)*) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(i) Minimum Amounts. The amount of the Commitment and the principal outstanding balance of the Loans of the assigning Lender subject to such assignment (determined as of the date the Assignment and Assumption, made pursuant to an Assignment and Assumption Agreement in the form of *Exhibit G* hereto (the "Assignment and Assumption Agreement")), with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption Agreement, as of the Trade Date) shall not be less than [redacted] unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents.

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

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by *Section 10.06(b)(i)* and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a

Lender or an affiliate of a Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Loans, if such assignment is to a Person that is not a Lender or an affiliate of such Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of [redacted] *provided* that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its affiliates or Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the Defaulting Lender or its assignee shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to *Section 10.06(c)*, from and after the effective date specified in each Assignment and Assumption

Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, shall have the rights and obligations of (as applicable) a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Party hereto) but (i) shall continue to be entitled to the benefits of *Article 3*, *Section 9.05*, *Section 10.03* and *Section 10.04* with respect to facts and circumstances occurring prior to the effective date of such assignment, and (ii) shall continue to be obligated in respect of any liabilities or obligations that expressly survive any such assignment; *provided*, that except to the extent otherwise expressly agreed by each affected Party no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any Party hereunder arising from the assigning Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *Section 10.06(d)*.

(c) Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, the Commitments and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior Notice. Except as registered in accordance with this *Section 10.06(c)*, the Borrower shall not be obligated to recognize or treat any assignee of any interest or with respect to the Commitments or any Loans as a Lender or Person otherwise entitled to assert, enforce or otherwise participate in any rights or benefits with respect thereto or hereunder.

(d) Participations. A Lender may sell or agree to sell to one or more other Persons a participation in all or any part of any Loans held by it, or in its Commitment, *provided* that no purchaser of a participation (a "Participant") shall have any rights or benefits under this Agreement or any Note (the Participant's rights against such Lender in respect of such participation to be those set forth the agreements executed by such Lender in favor of the Participant). All amounts payable by the Borrower to any Lender in respect of Loans held by it, and its Commitment, shall be determined as if such Lender had not sold or agreed to sell any participation in such Loans and Commitment, and as if such Lender were funding each of such Loan and Commitment in the same way that it is funding the portion of such Loan and Commitment in which no participation has been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term, or

extend the time or waive any requirement for the reduction or termination of such Lender's related Commitment, (ii) extend the date fixed for the payment of principal or interest on the related Loan or Loans, or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to participate in such interest or fee, (v) alter the rights or obligations of the Borrower to repay the related Loans, or (vi) consent to any modification, supplement or waiver hereof to the extent that the same, under *Section 10.01*, requires the consent of each Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent, in its capacity as the Agent, shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Disclosure. The Borrower agrees that any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees, participants or counterparties to any swap or derivative transaction relating to the transactions contemplated pursuant to this Agreement and potential assignees or participants hereunder or counterparties as aforesaid; *provided* that such assignees, participants or counterparties or potential assignees, participants or counterparties shall agree (i) to preserve the confidentiality of such information pursuant to a confidentiality agreement that provides for the same terms set forth in *Section 10.07*, (ii) not to disclose such information to a third party, and (iii) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

Section 10.07. Confidentiality. The Agent and each Lender agrees to hold any confidential information that any of them may receive from the Borrower or any of its Subsidiaries pursuant to this Agreement or any of the Loan Documents or in connection with any transaction contemplated herein or therein in confidence except for disclosure: (a) to other Lenders; (b) to its affiliates, officers, directors, employees, advisors, attorneys, and other agents deemed reasonably necessary to effectuate the transaction contemplated herein or therein;

provided that such parties shall be advised of the requirement to maintain the confidentiality of such information the Agent or such Lender, as the case may be, shall be responsible for any such party's breach of such confidentiality agreement; (c) to regulatory officials having jurisdiction over the Agent or any Lender, or financial industry regulatory bodies claiming oversight over the Agent or such Lender; (d) as required by applicable law or legal process (*provided* that in the event the Agent or any Lender is so required to disclose any such confidential information, the Agent or any such Lender shall endeavor to notify promptly the Borrower so that the Borrower may seek a protective order or other appropriate remedy); (e) to the extent permitted in *Section 10.06(d)*; (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder and (g) subject to an agreement containing provisions substantially the same as those of this *Section 10.07*, to any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower. For purposes of this Agreement (x) the term "confidential information" means all information respecting NextEra Energy and its Subsidiaries, or any of them, other than (i) information previously filed with any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or public body or which is otherwise available to the public, (ii) information that is delivered by the Borrower to the Agent or any Lender that the Borrower expressly identifies as non-confidential, (iii) information previously published in any public medium from a source other than, directly or indirectly, the Agent or any Lender, and (iv) information that is received by the Agent or any Lender from any third party that the Agent or such Lender reasonably believes, after due inquiry, was not and is not, violating any obligation of confidentiality to the Borrower and (y) "affiliate" means, with respect to any Lender, any Person that is wholly owned by such Lender or any corporation by which such Lender is wholly owned.

Section 10.08. Governing Law; Jurisdiction. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREUNDER (OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). THE PARTIES AGREE THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS SHALL BE BROUGHT ONLY IN THE COURTS OF THE STATE AND COUNTY OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE RELEVANT PARTIES BY MAIL AT THEIR RESPECTIVE ADDRESSES IN ACCORDANCE WITH *SECTION 10.02*. EACH PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

Section 10.09. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 10.10. Counterparts. This Agreement and any amendment hereof may be executed in several counterparts and by each Party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the Party against whom enforcement is sought. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by an emailed a ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.11. Entire Agreement. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the Parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in *Section 10.01*.

Section 10.12. Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

Section 10.13. Third Party Beneficiaries. None of the provisions of this Agreement shall operate or are intended to operate for the benefit of, any Person (other than the Parties hereto and their respective successors and assigns permitted hereby), and no other Person shall have any rights under or with respect hereto (except to the limited extent expressly provided for with respect to any Indemnitee under *Section 10.04*).

Section 10.14. USA Patriot Act Notice. The Agent (for itself and not on behalf of any of the Lenders) and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identities the Borrower, which information includes the name and address of the Borrower and other information that will allow the Agent and such Lender to identify the Borrower in accordance with the USA PATRIOT Act.

Section 10.15. No Fiduciary Duties. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its affiliates, on the one hand, and the Agent, the Lenders and their respective affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, and the Lenders or their respective affiliates.

Section 10.16. Electronic Records. The Borrower hereby acknowledges the receipt of a copy of this Agreement. The Agent and each Lender may, on behalf of the Borrower, create a microfilm or optical disk or other electronic image of this Agreement and may store the electronic image of this Agreement in its electronic form and then destroy the paper original as part of the Agent or any Lender's normal business practices, with the electronic image deemed to be an original.

Section 10.17. WAIVER OF JURY TRIAL. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement and the other Loan Documents to which it is a party by, among other things, the waiver and certifications contained in this *Section 10.17.*

Section 10.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable by it to any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Documents;

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of an EEA Financial Institution.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY, as the Borrower

By: _____
Name: Aldo Portales
Title: Assistant Treasurer

[redacted] as Administrative Agent and Lender

By: [redacted]
Name: [redacted]
Title: [redacted]

STATE OF [redacted])
) ss.
COUNTY OF [redacted])

Personally appeared before me, the undersigned, a Notary Public in and for said County, [redacted], to me known and known to me, who, being by me first duly sworn, declared that he/she is a Director of [redacted], that being duly authorized he/she did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at [redacted] this 29th day of November 2016.

[redacted]
Notary Public

My Commission Expires: [redacted]

Notary Public
[redacted]
My Commission Expires Dec 13, 2017

By: [redacted]
Name: [redacted]
Title: [redacted]

SCHEDULE I
TO REVOLVING CREDIT AGREEMENT

LENDER

[redacted]	$75,000,000
Lending Office and Address for Notices for all Loans: [redacted] Attn: [redacted] Telephone: [redacted] Facsimile: [redacted] Email: [redacted] With copies to: [redacted] Attn: [redacted] Telephone: [redacted] Facsimile: [redacted] Email: [redacted]	

SCHEDULE 4.03
TO REVOLVING CREDIT AGREEMENT

PERMITTED LIENS

1. Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

2. Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

3. Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, which liens do not individually or in the aggregate have a materially adverse effect on the business of the Borrower; and

4. Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which the Borrower or any of its Subsidiaries is a party, and other minor liens or encumbrances none of which in the opinion of the Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of the Borrower, which defects, liens and other encumbrances do not individually or in the aggregate have a materially adverse effect on the business of the Borrower.

SCHEDULE 4.04
TO REVOLVING CREDIT AGREEMENT

SUPPLEMENTAL DISCLOSURES

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.06
TO REVOLVING CREDIT AGREEMENT

LITIGATION

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

[•], 2016

[redacted]
Attn: [redacted]
Telephone: [redacted]
Facsimile: [redacted]
Email: [redacted]

With copies to:

[redacted]
Attn: [redacted]
Telephone: [redacted]
Facsimile: [redacted]
Email: [redacted]

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Borrower"), refers to the Revolving Credit Agreement, dated as of November 30, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted] as Administrative Agent (the "Agent") and Lender, and hereby requests a borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to the borrowing (the "Proposed Borrowing") as required by *Section 2.02(a)* of the Loan Agreement.

(i) The Business Day of the Proposed Borrowing is _____, ____.

(ii) The Proposed Borrowing is a Eurodollar Rate Loan with an initial Interest Period of _____.

(iii) The aggregate amount of the Proposed Borrowing is US$_____.

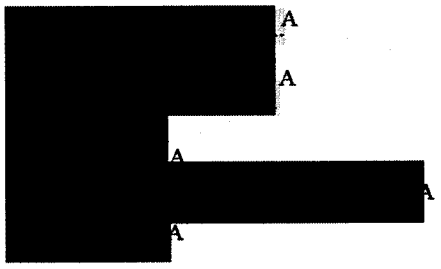
The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Proposed Borrowing, and

(B) Each of the representations and warranties contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement will be true in all material respects as of the time of the making of the Proposed Borrowing with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

The proceeds of the Proposed Borrowing should be wire transferred to the Borrower in accordance with the following wire transfer instructions:

Name of Bank:
Street Address of Bank:
City/State/ZIP of Bank:
ABA Number of Bank:
SWIFT:
Name of Account:
Account Number at Bank:



[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT B TO AGREEMENT

[Form of Note]

NOTE

$75,000,000 Dated: November 30, 2016

FOR VALUE RECEIVED, the undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (hereinafter, together with its successors in title and assigns, called the "**Borrower**"), by this promissory note (hereinafter called "**this Note**"), absolutely and unconditionally promises to pay to the order of [redacted] (hereinafter, together with its successors in title and permitted assigns, called the "**Lender**"), the principal sum of SEVENTY FIVE MILLION DOLLARS AND NO/100 DOLLARS ($75,000,000), or the aggregate unpaid principal amount of the Loan evidenced by this Note made by Lender to Borrower pursuant to the Agreement (as hereinafter defined), whichever is less, on the Maturity Date (as defined in the Agreement), and to pay interest on the principal sum outstanding hereunder from time to time from the Effective Date until the said principal sum or the unpaid portion thereof shall have been paid in full.

The unpaid principal (not at the time overdue) of this Note shall bear interest at the annual rate from time to time in effect under the Agreement referred to below (the "**Applicable Rate**"). Accrued interest on the unpaid principal under this Note shall be payable on the dates, and in the manner, specified in the Agreement.

On the Maturity Date there shall become absolutely due and payable by Borrower hereunder, and the Borrower hereby promises to pay to the Holder (as hereinafter defined) hereof, the balance (if any) of the principal hereof then remaining unpaid, all of the unpaid interest accrued hereon and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby.

Overdue principal of the Loans, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable under this Note, shall bear interest payable on demand in the case of (i) overdue principal of or overdue interest on any Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan, and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment).

Each payment of principal, interest or other sum payable on or in respect of this Note or the indebtedness evidenced hereby shall be made by the Borrower directly to the Agent at the Agent's office, as provided in the Agreement, for the account of the Holder, not later than 2:00 p.m., New York, New York time, on the due date of such payment. All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made without set-off or counterclaim and free and clear of and without any deduction of any kind for any taxes, levies, fees, deductions withholdings, restrictions or conditions of any nature, except as expressly set forth in *Section 3.10* and *Section 8.02* of the Agreement.

Absent manifest error, a certificate or statement signed by an authorized officer of Lender shall be conclusive evidence of the amount of principal due and unpaid under this Note as of the date of such certificate or statement.

This Note is made and delivered by the Borrower to the Lender pursuant to that certain Revolving Credit Agreement, dated as of [•], 2016, by among the Borrower, the lenders party thereto, and [redacted], as Administrative Agent and Lender (such agreement, as originally executed, or, if varied or supplemented or amended and restated from time to time hereafter, as so varied or supplemented or amended and restated, called the "**Agreement**"). This Note evidences the obligations of Borrower (a) to repay the principal amount of the Loans made by Lender to Borrower under the Agreement, (b) to pay interest, as provided in the Agreement on the principal amount hereof remaining unpaid from time to time, and (c) to pay other amounts which may become due and payable hereunder as provided herein and in the Agreement.

No reference herein to the Agreement, to any of the Schedules or Exhibits annexed thereto, or to any of the Loan Documents or to any provisions of any thereof, shall impair the obligations of the Borrower, which are absolute, unconditional and irrevocable, to pay the principal of and the interest on this Note and to pay all (if any) other amounts which may become due and payable on or in respect of this Note or the indebtedness evidenced hereby, strictly in accordance with the terms and the tenor of this Note.

All capitalized terms used herein and defined in the Agreement shall have the same meanings herein as therein. For all purposes of this Note, "**Holder**" means the Lender or any other person who is at the time the lawful holder in possession of this Note.

Pursuant to, and upon the terms contained in the Agreement, the entire unpaid principal of this Note, all of the interest accrued on the unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby may be declared to be or may automatically become immediately due and payable, whereupon the entire unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall (if not already due and payable) forthwith become and be due and payable to the Holder of this Note without presentment, demand, protest, notice of protest or any other formalities of any kind, all of which are hereby expressly and irrevocably waived by the Borrower.

All computations of interest payable as provided in this Note shall be determined in accordance with the terms of the Agreement.

Should all or any part of the indebtedness represented by this Note be collected by action at law, or in bankruptcy, insolvency, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, the Borrower hereby promises to pay to the Holder of this Note, upon demand by the Holder at any time, in addition to principal, interest and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby, all court costs and reasonable attorneys' fees (including, without limitation, such reasonable fees of any in-house counsel) and all other reasonable collection charges and expenses incurred or sustained by the Holder.

The Borrower hereby irrevocably waives notices of acceptance, presentment, notice of non-payment, protest, notice of protest, suit and all other conditions precedent in connection with the delivery, acceptance, collection and/or enforcement of this Note.

THE BORROWER HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS NOTE, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

This Note is intended to take effect as a sealed instrument.

This Note and the obligations of the Borrower hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereunder (other than §5-1401 of the New York General Obligations Law).

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, **FLORIDA POWER & LIGHT COMPANY**, on the day and in the year first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT C TO AGREEMENT

[Form of Interest Rate Notice]

INTEREST RATE NOTICE

[Date]

[redacted]
Attn: [redacted]
Telephone: [redacted]
Facsimile: [redacted]
Email: [redacted]

With copies to:

[redacted]
Attn: [redacted]
Telephone: [redacted]
Facsimile: [redacted]
Email: [redacted]

Ladies and Gentlemen:

Pursuant to *Section 2.06* of that certain Revolving Credit Agreement, dated as of November 30, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted] as Administrative Agent and Lender, the Borrower hereby gives you irrevocable notice of its request to Convert the Loan(s) and/or Interest Periods currently under effect under the Loan Agreement as follows ***[select from the following as applicable]***:

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate into a Base Rate Loan; [and/or]

- on [__date__], to Convert $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Base Rate into a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__]; [and/or]

- on [__date__], to continue $[_____] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate, as a Eurodollar Rate Loan having an Interest Period of [_____] month(s) ending on [__date__].

Any capitalized terms used in this notice which are defined in the Loan Agreement have the meanings specified for those terms in the Loan Agreement.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT D TO AGREEMENT

Form of Borrower's Certificate

* * *

CERTIFICATE OF

FLORIDA POWER & LIGHT COMPANY

November 30, 2016

This Certificate is given pursuant to that certain Revolving Credit Agreement between Florida Power & Light Company (the "**Borrower**") the Lenders party thereto and [redacted] as Administrative Agent (the "**Agent**") and **Lender**, dated as of November 30, 2016 (the "**Loan Agreement**"). Each initially capitalized term which is used and not otherwise defined in this Certificate shall have has the meaning specified for such term in the Loan Agreement. This Certificate is delivered in satisfaction of the conditions precedent set forth in *Section 6.01* of the Loan Agreement.

1. The Borrower hereby provides notice to the Agent that November 30, 2016 is hereby deemed to be the Effective Date.

2. The Borrower hereby certifies to the Agent that as of the Effective Date, except in respect of the matters described in *Schedule 4.04* of the Loan Agreement, there has been no material adverse change in the business or financial condition of any of the Borrower or any of its Subsidiaries taken as a whole from that set forth in the financial statements included in the Borrower's annual report on Form 10-K referred to in *Section 4.04* of the Loan Agreement. This representation and warranty is made only as of the Effective Date and shall not be deemed made or remade on or as of any subsequent date notwithstanding anything contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement.

3. The Borrower hereby further certifies that as of the Effective Date, the representations and warranties of the Borrower contained in the Loan Agreement are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and there exists no Default.

[SIGNATURE APPEARS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT E TO AGREEMENT

[Form of Opinion of Borrower's Counsel]

November 30, 2016

[redacted]
Attn: [redacted]
Telephone: [redacted]
Facsimile: [redacted]
Email: [redacted]

With copies to:

[redacted]
Attn: [redacted]
Telephone [redacted]
Facsimile: [redacted]
Email: [redacted]

Re: Florida Power & Light Company $75,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of November 30, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable

Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction")** and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under. (A) the

Restated Articles of Incorporation of Borrower, as amended, or the Bylaws. as amended. of Borrower, assuming that the aggregate principal amount of the Loans and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal. New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer

or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of November 30, 2016 (the "**Agreement**"), by and between the Borrower, the lenders party thereto from time to time, and SunTrust Bank, as Administrative Agent and Lender.

(b) Note, dated as of November 30, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $75,000,000.

(c) Borrower's Certificate, dated as of November 30, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

EXHIBIT F-1
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lender That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of November ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants
That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of November ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted]A, as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of November ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of November ___, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted], as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

* * *

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "***Assignment***") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "***Assignor***") and [*Insert name of Assignee*] (the "***Assignee***"). Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement identified below (as amended, the "***Loan Agreement***"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex I attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Loan Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit) (the "***Assigned Interest***"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	**Assignor:**	_____
2.	**Assignee:**	_____ [*and is an affiliate of Assignor] [and is a Lender] [and is an affiliate of a Lender]*[1]
3.	**Borrower:**	Florida Power & Light Company
4.	**Administrative Agent:**	[redacted][A] as administrative agent under the **Loan Agreement:** Revolving Credit Agreement, dated as of [•], 2016, among the Borrower the lenders party thereto from time to time, and the Administrative Agent

[1] Select as applicable.

6. Assigned Interest:

Facility Assigned	Amount of Loans Assigned	Percentage Assigned of Loans[2]
Revolving Credit Commitment	$_____	_____%

7. Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Loans thereunder.

[Consented to and][3] Accepted:

[redacted],
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:][4]

ANNEX I

FLORIDA POWER & LIGHT COMPANY
REVOLVING CREDIT AGREEMENT
DATED AS OF [•], 2016 (the "*LOAN AGREEMENT*")

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION AGREEMENT

1. **Representations and Warranties**.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "***Loan Documents***"), (iii) the financial condition of Borrower, any of its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it meets all requirements of an Eligible Assignee under the Loan Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to *Section 5.04* thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Foreign Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. **Payments**. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued on and after the Effective Date.

3. **General Provisions**. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

CONFIDENTIAL

Exhibit l (o)

Revolving Credit Agreement between FPL and a commercial bank dated as of December 20, 2016 (December 2016 Revolving Credit Agreement).

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 1(o), consisting of 54 pages, with the Florida Public Service Commission Clerk

EXECUTION VERSION

REVOLVING CREDIT AGREEMENT

$25,000,000 REVOLVING CREDIT FACILITY

BETWEEN

FLORIDA POWER & LIGHT COMPANY, AS BORROWER

AND

[redacted]
AS LENDER AND ADMINISTRATIVE AGENT

DATED AS OF DECEMBER 20, 2016

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Exhibit F-4	U.S. Tax Compliance Certificate (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)
Exhibit G	Form of Assignment and Assumption Agreement

REVOLVING CREDIT AGREEMENT

This **REVOLVING CREDIT AGREEMENT**, dated as of December 20, 2016, is by and among **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation (the "Borrower"), the lending institutions from time to time listed on *Schedule I* hereto (the "Lender" or "Lenders"), and [redacted], acting in its capacity as Administrative Agent for the Lenders (together with its successors and assigns in such capacity, the "Agent") (the Borrower, the Lenders and the Agent are hereinafter sometimes referred to collectively as the "Parties" and individually as a "Party").

W I T N E S S E T H:

WHEREAS, the Borrower has requested that the Lenders agree to make available to the Borrower a Twenty Five Million United States Dollars (US$25,000,000) Revolving Credit facility; and

WHEREAS, the Lenders are willing to do so, on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1 - DEFINITIONS AND RULES OF INTERPRETATION.

Section 1.01. Definitions. The following terms shall have the meanings set forth in this *Section 1.01* or elsewhere in the provisions of this Agreement referred to below:

"Acceleration Notice" has the meaning specified in *Section 7.02.*

"Affected Lender" has the meaning specified in *Section 2.07(b).*

"Actions" has the meaning specified in *Section 10.04.*

"Agent" has the meaning given such term in the Preamble.

"Agreement" means this Revolving Credit Agreement, including the Schedules and Exhibits hereto.

"Anti-Terrorism Law" means any Requirement of Law related to money laundering or financing terrorism including 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) (the "USA PATRIOT Act"), The Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (also known as the "Bank Secrecy Act"), the Trading With the Enemy Act (50 U.S.C. § 1 et seq.) and Executive Order 13224 (effective September 24, 2001).

"Applicable Lending Office" means, in the case of any Lender, such Lender's Domestic Lending Office or Eurodollar Lending Office, as the case may be.

"Assignment and Assumption Agreement" has the meaning assigned to such term in *Section 10.06(b)*.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 or Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Base Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Base Rate.

"Borrower" has the meaning given such term in the Preamble.

"Borrowing" means the drawing down by the Borrower of a Loan or Loans from the Lenders on any given Borrowing Date.

"Borrowing Date" means the date on which any Loan is made or is to be made.

"Borrowing Notice" means a certificate to be provided pursuant to *Section 2.02(a)*, in substantially the form set forth in *Exhibit A*.

"Business Day" means any day other than (a) Saturday or Sunday, or (b) a day on which banking institutions in New York City, New York or Atlanta, Georgia are required or authorized to close *(provided* that no day shall be deemed to be a Business Day with respect to any Eurodollar Rate Loan unless such day is also a Eurodollar Business Day).

"Change in Law" means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, for the purposes of the increased cost provisions in *Section 3.06* or *Section 3.07*, any changes with respect to capital adequacy or liquidity which result from (i) all requests, rules, guidelines or directives under or issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act (the

"Dodd-Frank Act") and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States of America or foreign regulatory authorities, in each case pursuant to "Basel III" (meaning the comprehensive set of reform measures developed (and designated as "Basel III" in September 2010) by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision and risk management of the banking sector), shall in each case be deemed to be a "Change in Law" as to which the affected Lender is entitled to compensation to the extent such request, rule, guideline or directive is either (1) enacted, adopted or issued after the Effective Date (but regardless of the date the applicable provision of the Dodd-Frank Act or Basel III to which such request, rule, guideline or directive relates was enacted, adopted or issued) or (2) enacted, adopted or issued prior to the Effective Date but either (A) does not require compliance therewith, or (B) which is not fully implemented until after the Effective Date and which entails increased cost related thereto that cannot be reasonably determined as of the Effective Date.

[redacted]

[redacted]

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Commitment" means, when used with reference to any Lender at the time any determination thereof is to be made, the obligation of such Lender to make Loans pursuant to *Section 2.01*, or, where the context so requires, the amount of such obligation which is set forth on *Schedule I* opposite such Lender's name as its Commitment, in each case as the same may be reduced from time to time in accordance with the terms of this Agreement.

"Commitments" means the aggregate Commitments of the several Lenders.

"Commitment Fee" has the meaning given such term in *Section 2.09*.

[redacted]

"Commitment Termination Date" means the earlier of (a) December 20, 2019, and (b) the date of termination in whole of the Commitments pursuant to Section 2.08 or Article 7.

"Communications" has the meaning specified in *Section 10.02(b)*.

"Communications Notice" has the meaning specified in *Section 10.02(c)*.

"Conversion" or "Convert" means a conversion of all or part of any Loan of one Type into a Loan of another Type pursuant to *Section 2.06* hereof (including any such conversion made as a result of the operation of any other provision hereof).

"Conversion Date" means the date on which all or any portion of any Loan is Converted or continued in accordance with *Section 2.06*.

"date of this Agreement" and "date hereof" means December 20, 2016.

"Default" means an Event of Default, or an event that with notice or lapse of time or both would become an Event of Default, or the filing in any court of competent jurisdiction of any petition or application or the commencement of any case or other proceeding referred to in *Section 7.01(g)* so long as the same remains undismissed or unstayed.

"Defaulting Lender" means, subject to *Section 3.11(b)*, any Lender that (a) fails to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, or

any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when such payment is due; (b) notifies the Borrower or the Agent in writing that it does not intend to comply with its funding obligations under this Agreement, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that one or more conditions precedent to funding (each of which condition precedents, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) fails, within three (3) Business Days after written request by the Agent or the Borrower, to confirm in writing to the Agent and to the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon the subsequent receipt of such written confirmation by the Agent and the Borrower); or (d) has (or has a direct or indirect parent company that has) become the subject of any Insolvency Proceeding or Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of the preceding clauses (a) through (d) shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to *Section 3.11(b)*) upon the Agent's delivery of Notice of such determination to the Borrower and each Lender.

"Dollars" or "$" means United States dollars.

"Domestic Lending Office" means, with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, located within the United States that will be making or maintaining any Base Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the date on which all of the conditions precedent set forth in *Section 6.01* have been satisfied or waived, which is December 20, 2016.

"Eligible Assignee" means (i) any Lender or an affiliate of any Lender (in either instance, unless the relevant Lender is a Defaulting Lender at the time any such assignment is proposed), and (ii) any other Person that is approved by the Agent and, unless an Event of Default has occurred and is continuing at the time any such assignment is effected in accordance with the provisions of *Section 10.06(b)*, the Borrower, each of the foregoing approvals not to be unreasonably withheld or delayed; provided however, that neither the Borrower nor any affiliate of the Borrower shall qualify as an Eligible Assignee.

"Employee Benefit Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA maintained or contributed to by the Borrower or any ERISA Affiliate, other than a Multiemployer Plan.

[redacted]

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"ERISA Affiliate" means any Person that is treated as a single employer with the Borrower under Section 414 of the Code.

"ERISA Reportable Event" means a reportable event with respect to a Guaranteed Pension Plan within the meaning of Section 4043 of ERISA as to which the requirement of notice has not been waived.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Eurocurrency Reserve Rate" means, for any Interest Period for any Eurodollar Rate Loan, the average maximum rate at which reserves (including, without limitation, any marginal,

supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits against "Eurocurrency liabilities" (as such term is used in Regulation D) in effect two (2) Eurodollar Business Days before the first day of such Interest Period. Without limiting the effect of the foregoing, the Eurocurrency Reserve Rate shall include any other reserves required to be maintained by such member banks by reason of any Regulatory Change with respect to (i) any category of liabilities that includes deposits by reference to which the Eurodollar Rate is to be determined as provided in the definition of "Eurodollar Rate" in this *Section 1.01* or (ii) any category of extensions of credit or other assets that includes Eurodollar Rate Loans.

"Eurodollar Business Day" means any Business Day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Eurodollar Lending Office" means with respect to any Lender, initially, the office of such Lender designated as such in *Schedule I*; thereafter, such other office of such Lender, if any, that shall be making or maintaining any Eurodollar Rate Loan as designated by such Lender in Notice to the Borrower and the Agent.

[redacted]

"Eurodollar Rate Loan" means all or any portion of any Loan bearing interest calculated by reference to the Eurodollar Rate.

"Event of Default" has the meaning assigned to such term in *Section 7.01*.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which (i) such Lender acquires such interest in such Loan (other than pursuant to an assignment request by the Borrower under *Section 2.10*, or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to *Section 3.10*, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it

changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with *Section 3.10(c)*, and (d) any U.S. federal withholding Taxes imposed under FATCA.

"FASB ASC 715" means Financial Accounting Standards Board Accounting Standards Codification 715, Compensation – Retirement Benefits.

"FASB ASC 810" means Financial Accounting Standards Board Accounting Standards Codification 810, Consolidation.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code, any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such published intergovernmental agreements.

"Federal Funds Rate" means, for any day, a fluctuating interest rate per annum equal for each day during such period to the rate published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York for overnight Federal funds transactions with members of the Federal Reserve System, or, if such rate is not so published for any day that is a Business Day, the quotation for such day on such transactions received by the Agent from a Federal funds broker of recognized standing selected by it; *provided* that if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System.

"First Mortgage" means Borrower's Mortgage and Deed of Trust, dated as of January 1, 1944, as supplemented and amended from time to time.

"Fitch" means Fitch Ratings.

"Foreign Lender" means a Lender that is not a U.S. Person.

"FPSC Financing Order" means the Final Order Granting the Borrower Approval for Authority to Issue and Sell Securities issued by the Florida Public Service Commission on November 21, 2016, as Order No. PSC-16-0518-FOF-EI, and each successive order of the Florida Public Service Commission granting authority to the Borrower to issue and sell securities, as applicable.

[redacted]

Term Loan #7:
December 2016 Revolving Credit Agreement
(Exhibit 1 (o))
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IS CONFIDENTIAL IN ITS ENTIRETY

[redacted]

"generally accepted accounting principles" means generally accepted accounting principles, as recognized by the American Institute of Certified Public Accountants and the Financial Accounting Standards Board, consistently applied and maintained on a consistent basis for the Borrower and its Subsidiaries throughout the period indicated and (subject to *Section 1.03*) consistent with the prior financial practice of the Borrower and its Subsidiaries.

"Governmental Authority" means, as to any Person, any government (or any political subdivision or jurisdiction thereof), court, bureau, agency or other governmental authority having jurisdiction over such Person or any of its business, operations or properties.

"Guaranteed Pension Plan" means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is subject to Title IV of ERISA and that is maintained or contributed to by the Borrower or any ERISA Affiliate or in respect of which the Borrower or any ERISA Affiliate could be reasonably expected to have liability, other than a Multiemployer Plan.

"Immediately Available Funds" means funds with good value on the day and in the city in which payment is received.

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

"Indemnitee" has the meaning specified in *Section 10.04*.

"Indemnity Claim" has the meaning specified in *Section 10.04*.

"Initial Lenders" means those Lenders listed on *Schedule I* as of the Effective Date.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any competent court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, administrative receivership, administration, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, undertaken under any U.S. Federal or state or any foreign law.

"Interest Payment Date" means (a) as to any Base Rate Loan, the last day of each calendar quarter; (b) as to any Eurodollar Rate Loan in respect of which the Interest Period is (i) three (3) months or less, the last day of such Interest Period and (ii) more than three (3) months, the date that is three (3) months from the first day of such Interest Period and, in addition, the last day of such Interest Period; and (c) as to all Loans, the Maturity Date.

"Interest Period" means, with respect to any particular Eurodollar Rate Loan, the period which (i) initially commences on either (A) the borrowing or the initial Conversion Date of such Eurodollar Rate Loan or (B) the date of Conversion of all or any portion of any particular Base Rate Loan into a Eurodollar Rate Loan, as the case may be, and ends one (1), two (2), three (3) or six (6) months thereafter as selected by the Borrower; and (ii) thereafter, each period commencing on the last day of the next preceding Interest Period and ending on the last day of one of the periods set forth above, as selected by the Borrower in an Interest Rate Notice; *provided,* that all of the foregoing provisions relating to Interest Periods are subject to the following:

(a) if any Interest Period would otherwise end on a day that is not a Eurodollar Business Day, then such Interest Period shall end on the next succeeding Eurodollar Business Day unless the next succeeding Eurodollar Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Eurodollar Business Day;

(b) if any Interest Period begins on the last Eurodollar Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of the Interest Period), then the Interest Period shall end on the last Eurodollar Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

"Interest Rate Notice" means a Notice given by the Borrower to the Agent (in substantially the form set forth in *Exhibit C*) specifying the Borrower's election to Convert all or any portion of the Loans, or specifying the Interest Period with respect to all or any portion of any Eurodollar Rate Loans, or to continue the Loans for an additional Interest Period in accordance with *Section 2.06*.

"Lenders" means each of the lending institutions listed on *Schedule I* so long as such Lender has an Outstanding Loan hereunder and any other Person who becomes an assignee of any rights and obligations of a Lender pursuant to *Section 10.06*.

"Liabilities" has the meaning specified in *Section 10.04*.

"LIBOR" has the meaning given such term in the definition of Eurodollar Rate.

"Lien" means any mortgage, pledge, lien, security interest or other charge or encumbrance with respect to any present or future assets of the Person referred to in the context in which the term is used.

"Loan" means the aggregate principal amount advanced by each Lender as a Loan or Loans to the Borrower under this Agreement.

"Loan Documents" means this Agreement, any Note or certificate or other document executed and delivered in connection herewith or therewith.

"Loans" means the aggregate principal amount of the Loans of all Lenders Outstanding at the time referred to in the context in which the term is used.

"Majority Lenders" means Lenders having more than fifty percent (50%) of the aggregate amount of the Commitments, or, if the Commitments shall have terminated, Lenders holder more than fifty percent (50%) of the aggregate unpaid principal amount of the Loans; provided that the Commitment of any Defaulting Lender shall be excluded for the purposes of making a determination of Majority Lenders.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Maturity Date" means the Commitment Termination Date.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) of ERISA to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute or has within any of the preceding five plan years contributed or had an obligation to contribute.

"NextEra Energy" means NextEra Energy, Inc., a Florida corporation.

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

"Nonrecourse Indebtedness" has the meaning specified in *Section 5.17*.

"Note" means the promissory note provided for by *Section 2.03(b)*, including (as applicable) all amendments thereto and restatements thereof and all promissory notes delivered in substitution or exchange therefor (including any amended and restated note issued pursuant to this Agreement).

"Notice" has the meaning specified in *Section 10.02*.

"One Month LIBOR" means the ICE Benchmark Administration Settlement Rate applicable to Dollars for a period of one (1) month (for the avoidance of doubt, One Month LIBOR for any day shall be based on the rate appearing on Reuters LIBOR01 Page (or other commercially available source providing such quotations as designated by the Agent from time to time) at approximately 11:00 a.m London time two (2) Business Days prior to such day);

provided that if One Month LIBOR shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

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

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

"Outstanding" means, with respect to any Loan, the aggregate unpaid principal amount thereof as of any date of determination.

"Participant" has the meaning specified in *Section 10.06(d)*.

"Participant Register" has the meaning specified in *Section 10.06(d)*.

"Parties" and "Party" have the meanings specified in the Preamble.

"PBGC" means the Pension Benefit Guaranty Corporation created by Section 4002 of ERISA and any successor entity or entities having similar responsibilities.

"Person" means any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

"Platform" has the meaning specified in *Section 10.02(b)*.

"Prime Rate" means, for any day, the prime commercial lending rate of the Agent as publicly announced to be in effect from time to time, such rate to be adjusted automatically, without notice, on the effective date of any change in such rate.

"Pro Rata Share" means, in respect of any Lender as of the date of any determination, the proportion which such Lender's Loans Outstanding bear to the total amount of Loans Outstanding.

"Rating Agency" means any of Fitch, Moody's or Standard & Poor's.

"Recipient" means the Agent and any Lender.

"Register" has the meaning specified in *Section 10.06(c)*.

"Regulations A, D, U and X" means, respectively, Regulations A, D, U and X of the Federal Reserve Board (or any successor).

"Regulatory Change" means, with respect to any Lender, any change after the Effective Date in Federal, state or foreign law or regulations (including, without limitation, Regulation D) or the adoption, making or change in after such date of any interpretation, directive or request applying to a class of banks including such Lender of or under any Federal, state or foreign law or regulations (whether or not having the force of law and whether or not the failure to comply therewith would be unlawful) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

"Related Parties" means, with respect to any Person, such Person's affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's affiliates.

"Removal Effective Date" has the meaning specified in *Section 9.07(b)*.

"Requirement of Law" means, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, if any, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or final, non-appealable determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Resignation Effective Date" has the meaning specified in *Section 9.07(a)*.

"Sanctions" means, sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control (OFAC), US Department of State, United Nations Security Council, European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"Standard & Poor's" means S&P Global Ratings.

"Subsidiary" means any corporation, association, trust, or other business entity of which the Borrower (or where the context requires, NextEra Energy) shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority (by number of votes) of the outstanding Voting Stock.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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

[redacted]

"Type" has the meaning specified in *Section 1.02(h)*.

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

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in paragraph (ii) of *Section 3.10(e)*.

[redacted]

"Withholding Agent" means the Borrower and the Agent.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement, including any schedules or exhibits thereto, as any of same may be amended, modified or supplemented from time to time in accordance with its terms and, if applicable, the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) The words "include," "includes" and "including" are not limiting.

(f) Reference to any particular "Article," "Section," "Schedule," "Exhibit," "Recital" or "Preamble" refers to the corresponding Article, Section, Schedule, Exhibit, Recital or Preamble of this Agreement unless otherwise indicated.

(g) The words "herein," "hereof," "hereunder," "hereto" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

(h) Loans hereunder are distinguished by "Type". The Type of a Loan refers to whether the Loan is a Base Rate Loan or a Eurodollar Rate Loan, each of which constitutes a Type.

Section 1.03. Accounting Matters. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles, as in effect from time to time; *provided* that, if the Borrower

notifies the Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in generally accepted accounting principles or in the application thereof on the operation of such provision (or if the Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such Notice is given before or after such change in generally accepted accounting principles or in the application thereof, then (a) such provision shall be interpreted on the basis of generally accepted accounting principles as in effect and applied immediately before such change shall have become effective until such Notice shall have been withdrawn or such provision amended in accordance therewith and (b) the Borrower shall provide to the Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations made before and after giving effect to such change in generally accepted accounting principles.

ARTICLE 2 - LOANS.

Section 2.01. Commitment to Lend. Each of the Lenders severally agrees, on the terms of this Agreement (including, without limitation, *Article 6*), to make, simultaneously with the other Lenders, Loans in Dollars to the Borrower for a period commencing on the Effective Date and terminating on the Commitment Termination Date, in an aggregate amount Outstanding at any one time not to exceed such Lender's Commitment. Within the limits of the Commitment of each Lender, the Borrower may borrow under this Section 2.01, prepay pursuant to *Section 2.02(e)* and re-borrow under this *Section 2.01*.

Section 2.02. Notice and Manner of Borrowing; Optional Prepayment.

(a) The Borrower shall give a Borrowing Notice in substantially the form of *Exhibit A* (or telephonic notice, promptly confirmed in writing) to the Agent prior to 11:00 a.m., New York, New York time (i) on the proposed Borrowing Date in the case of a Base Rate Loan and (ii) at least three (3) Eurodollar Business Days prior to the proposed Borrowing Date in the case of a Eurodollar Rate Loan, specifying (A) the Borrowing Date (which shall be a Business Day), (B) whether the requested Borrowing is of a Base Rate Loan or a Eurodollar Rate Loan, or any combination thereof as permitted under the terms of this *Section 2.02*, and the amount of each and (C) in the case of each Eurodollar Rate Loan, the initial Interest Period applicable thereto.

(b) The Agent shall give written or telephonic notice (confirmed in writing) to each of the Lenders promptly upon receipt of the Borrowing Notice.

(c) Each of the Lenders shall, not later than noon, New York, New York time, on each Borrowing Date, make immediately available funds in Dollars in the amount of such Lender's Loan available to the Agent at the office of the Agent, by wire transfer at its address set forth on *Schedule I*. After the Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Section 7.02, the Agent will make such funds available to the Borrower by crediting the Borrower's designated account in accordance with the wire instructions included in the Borrowing Notice.

(d) Any notice delivered or given by the Borrower to the Agent as provided in this *Section 2.02* shall be irrevocable and binding upon the Borrower upon receipt by the Agent. Each Borrowing shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof. In no event shall the Borrower select Interest Periods and Types of Loans which would have the result that there shall be more than six (6) different Interest Periods for Loans outstanding at the same time (for which purpose Interest Periods for Loans of different Types shall be deemed to be different Interest Periods even if the Interest Periods begin and end on the same dates).

(e) The Borrower shall have the right, at any time and from time to time, to prepay the Loans in whole or in part, without penalty or premium, upon not less than three (3) Business Days' prior Notice (or telephonic notice promptly confirmed in writing) given to the Agent not later than 11:00 A.M. (New York City time), in the case of Eurodollar Rate Loans and same day written Notice (or telephonic notice promptly confirmed in writing) to the Agent not later than 11:00 A.M. (New York City time) in the case of Base Rate Loans; *provided* that (i) each prepayment shall be in the principal amount of [redacted] or any integral multiple of [redacted] in excess thereof, or equal to the remaining principal balance outstanding under such Loan, and (ii) in the event that the Borrower shall prepay any portion of any Eurodollar Rate Loan prior to the last day of the Interest Period relating thereto, the Borrower shall indemnify each of the Lenders in respect of such prepayment in accordance with *Section 3.09*.

(f) Unless the Agent shall have received notice from a Lender prior to the time of any Borrowing that such Lender will not make available to the Agent such Lender's ratable portion of such Borrowing, the Agent may assume that such Lender has made such portion available to the Agent on the date of such Borrowing in accordance with Section 2.02(a) and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Agent, such Lender and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Borrowings of such Type and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement.

(g) The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, but neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender.

Section 2.03. Evidence of Indebtedness and Note.

(a) The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Agent and each Lender shall be conclusive absent manifest error. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with

respect to its obligations hereunder. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error.

(b) If specifically requested by any particular Lender in writing furnished to the Borrower, the Borrower's obligation to pay the principal of, and interest on, the Loans made by such Lender shall be evidenced by a promissory note duly executed and delivered by the Borrower, such Note to be substantially in the form of *Exhibit B* with blanks appropriately completed in conformity herewith (each, a "Note" and, collectively, the "Notes").

(c) The Note issued to any Lender shall (i) be payable to the order of such Lender, (ii) be dated as of the Effective Date, (iii) be in a stated maximum principal amount equal to the Commitment of such Lender, (iv) mature on the Maturity Date, (v) bear interest as provided in this Agreement, and (vi) be entitled to the benefits of this Agreement and the other Loan Documents.

(d) Each Lender will advise the Borrower of the outstanding indebtedness hereunder to such Lender upon written request therefor.

Section 2.04. Mandatory Payment. The Loans will mature on the Maturity Date and the Borrower unconditionally promises to pay to the Agent for account of each Lender the entire unpaid principal amount of such Lender's Loans Outstanding on the Maturity Date plus all accrued and unpaid interest thereon and all other amounts then due hereunder.

Section 2.05. Interest.

(a) Each of the Loans shall bear interest at the following rates:

(i) To the extent that all or any portion of any Loan is a Eurodollar Rate Loan, such Loan or such portion shall bear interest during each applicable Interest Period at a rate per annum equal to the [redacted]

(ii) To the extent that all or any portion of any Loan is a Base Rate Loan, such Loan or such portion shall bear interest at a rate per annum equal to the [redacted]

(b) The Borrower promises to pay interest on each Loan or any portion thereof Outstanding in arrears on (i) each Interest Payment Date applicable to such Loan and (ii) upon the payment or prepayment thereof or the Conversion thereof to a Loan of another Type (but only on the principal amount so paid, prepaid or Converted).

(c) After each Loan is made, the Borrower will have the interest rate options described in *Section 2.06* with respect to all or any part of such Loan.

(d) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for purposes of clauses (i) or (ii) of *Section 2.05(a)*.

(e) Overdue principal, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable hereunder or under any Note shall bear interest payable on demand, in the case of (i) overdue principal of or overdue interest on each Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment)

Section 2.06. Interest Rate Conversion or Continuation Options.

(a) The Borrower may, subject to *Section 2.07, Section 3.04* and *Section 3.05*, elect from time to time to Convert all or any portion of any Loan to a Loan of another Type, *provided* that (i) with respect to any such Conversion of all or any portion of any Eurodollar Rate Loan to a Base Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least one (1) Business Day prior to such Conversion; (ii) in the event of any Conversion of all or any portion of a Eurodollar Rate Loan into a Base Rate Loan prior to the last day of the Interest Period relating to that Eurodollar Rate Loan, the Borrower shall indemnify each Lender in respect of such Conversion in accordance with *Section 3.09*; (iii) with respect to any such Conversion of all or any portion of a Base Rate Loan to a Eurodollar Rate Loan, the Borrower shall give the Agent an Interest Rate Notice (or telephonic notice promptly confirmed in writing) at least three (3) Eurodollar Business Day prior to such election; and (iv) no Loan may be Converted into a Eurodollar Rate Loan when any Default has occurred and is continuing. On the date on which such Conversion is being made, any Lender may take such action, if any, as it deems desirable to transfer the Loan to its Domestic Lending Office or its Eurodollar Lending Office, as the case may be. All or any part of Loans of any Type may be Converted as specified herein; *provided* that partial Conversions shall be in an aggregate principal amount of [redacted] or any integral multiple of [redacted] in excess thereof. The Agent shall notify the Lenders promptly of each such Interest Rate Notice made by the Borrower. Each Interest Rate Notice relating to the Conversion of all or any portion of any Base Rate Loan to a Eurodollar Rate Loan shall be irrevocable by the Borrower.

(b) Eurodollar Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by compliance by the Borrower with the notice provisions contained in *Section 2.06(a)*; *provided* that no Eurodollar Rate Loan may be continued as such when any Default has occurred and is continuing, but shall be automatically Converted to a Base Rate Loan on the last day of the first Interest Period that ends during the continuance of any Default of which the officers of the Agent active upon the Borrower's account have actual knowledge.

(c) Any Conversion to or from Eurodollar Rate Loans shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of all Eurodollar Rate Loans having the same Interest Period shall not be less than [redacted] or any integral multiple of [redacted] in excess thereof.

(d) Except to the extent otherwise expressly provided herein, (i) each Borrowing of Loans from the Lenders hereunder, each Conversion or continuation of all or a portion of any Loan of a particular Type hereunder, and each payment of fees hereunder, shall be

effected pro rata among the Lenders in accordance with the amounts of their respective Pro Rata Share and (ii) each payment of interest on Loans by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Lenders.

[redacted]

Section 2.07. Computation of Interest and Fees.

(a) The Agent shall give prompt Notice to the Borrower of the applicable interest rate determined by the Agent for the purpose of determining the interest rate under *Section 2.05(a)(i)*.

(b) In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, any Lender (in this context, an "Affected Lender") determines that (i) adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans or (ii) the Eurodollar Rate will not adequately reflect the cost to such Affected Lender of making, funding or maintaining its Eurodollar Rate Loans, during any Interest Period, such Affected Lender shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower) to the Borrower and the Agent. In the event that the Agent receives such notices from Affected Lenders who collectively comprise the Majority Lenders, the Agent shall forthwith give Notice of such fact to the Borrower and the Lenders, and as a result thereof, (x) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed a request for a Base Rate Loan, (y) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (z) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent, upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders. Each Affected Lender agrees that it shall forthwith give Notice of such fact to the Borrower and the Agent at such time as the circumstances described in the first sentence of this *Section 2.07(b)* no longer pertain to it.

(c) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing shall be reduced, by payment or prepayment or otherwise, to less than [redacted] such Loans shall automatically Convert into Base Rate Loans.

(d) Upon the occurrence and during the continuance of any Event of Default (i) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.08. Commitment Reduction. The Borrower shall have the right, exercisable at any time and from time to time, upon two (2) Business Days' Notice to the Agent (or telephonic notice promptly confirmed in writing), to terminate in whole or reduce in part the Commitment; *provided* that each partial reduction of the Commitment shall be in an amount of [redacted] or integral multiples of [redacted] in excess thereof; and *provided further* that the Commitment may not be reduced to any amount less than the aggregate principal amount (without duplication) of all Loans and Outstanding at the time of any such reduction.

Section 2.09. Commitment Fee. Borrower agrees to pay to the Agent for the account of each Lender a per annum Commitment Fee (the "Commitment Fee") for the period from and including the Effective Date (or such later date as such Lender incurs a Commitment hereunder) to but not including the earlier of the date such Lender's Commitment is terminated and the Maturity Date, equal to the Applicable Commitment Fee Rate multiplied by the daily average unused amount of such Lender's Commitment for such period. The Commitment Fee shall be payable to the Agent for the account of each Lender (a) quarterly in arrears on the last day of each March, June, September and December, commencing on December 31, 2016, and (b) on the earlier of (i) the date the Commitments are terminated in full and (ii) the Maturity Date.

Section 2.10 Replacement of Lenders. If (i) any Lender requests compensation under *Section 3.06* or *Section 3.07*, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to *Section 3.10*, (iii) any Lender is not able to make or maintain its Loans as a result of any event or circumstance contemplated in *Section 3.05*, (iv) any Lender is a Defaulting Lender, or (v) any Lender fails to consent to an election, consent, amendment, waiver or other modification to this Agreement or any other Loan Document that requires consent of a greater percentage of the Lenders than the Majority Lenders, and such election, consent, amendment, waiver or other modification is otherwise consented to by the Majority Lenders, then the Borrower may, at its sole expense and effort, upon Notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, *Section 10.06*), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if such Lender accepts such assignment); *provided* that:

(a) any such assignment resulting from a claim against the Borrower for additional compensation pursuant to *Section 3.06* or *Section 3.07* or a requirement that the Borrower pay an additional amount pursuant to *Section 3.10* has the effect of reducing the amount that the Borrower otherwise would have been obligated to pay under those sections;

(b) no such assignment shall conflict with applicable law;

(c) the Borrower shall have paid to the Agent the assignment fee specified in *Section 10.06(b)*; and

(d) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the Outstanding amount of its Loans, any accrued and unpaid interest thereon, any accrued and unpaid fees and other accrued and unpaid amounts payable to it hereunder and under the other Loan Documents (including any amounts under *Section 3.09*) from the assignee (to the extent of such Outstanding principal and accrued interest and fees) or the Borrower (in the case of any other accrued and unpaid amounts).

ARTICLE 3 - CERTAIN GENERAL PROVISIONS.

Section 3.01. *[Reserved]*

Section 3.02. Funds for Payments.

(a) All payments of principal, interest, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, without counterclaim or setoff except as provided in *Article 8*, at the offices of the Agent, at its address set forth in *Schedule I*, for the respective accounts of the Lenders, in Immediately Available Funds, not later than 2:00 p.m., New York, New York time, on the due date therefor. Any payment received by the Agent after 2:00 p.m., New York, New York time, shall be deemed to have been received on the next succeeding Business Day. The Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to *Sections 3.06, 3.07, 3.09, 3.10, 10.03* and *10.04* to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

(b) Unless the Agent shall have received Notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Agent may assume that the Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Agent or each Lender, as the case may be, the Borrower shall repay to the Agent forthwith on demand such amount distributed to such Lender, together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender, repays such amount to the Agent, at the Federal Funds Rate.

Section 3.03. Computations. All computations of interest based on the Prime Rate shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be, and all

computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of fees shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Except as otherwise provided in the definition of the term "Interest Period" with respect to any Eurodollar Rate Loan, whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and interest on any principal so extended shall accrue during such extension.

Section 3.04. Inability to Determine Eurodollar Rate. In the event, prior to the commencement of any Interest Period relating to any Eurodollar Rate Loans, the Agent shall determine or be notified by the Majority Lenders that adequate and reasonable methods do not exist for ascertaining the Eurodollar Rate that would otherwise determine the rate of interest to be applicable to any Eurodollar Rate Loans, as the case may be, or that the Eurodollar Rate will not adequately reflect the cost to the Majority Lenders of making, funding or maintaining their Eurodollar Rate Loans, during any Interest Period, the Agent shall forthwith give Notice of such determination (which shall be conclusive and binding on the Borrower and the Lenders) to the Borrower and the Lenders. In such event (a) any Interest Rate Notice with respect to Eurodollar Rate Loans shall be automatically withdrawn and any Interest Rate Notice shall be deemed to be a request for a Base Rate Loan, (b) each Eurodollar Rate Loan will automatically, on the last day of the then current Interest Period thereof, become a Base Rate Loan, and (c) the obligations of the Lenders to make Eurodollar Rate Loans shall be suspended until the Agent or the Majority Lenders determine that the circumstances giving rise to such suspension no longer exist, whereupon the Agent or, as the case may be, the Agent upon the instruction of the Majority Lenders, shall so notify the Borrower and the Lenders.

Section 3.05. Illegality. Notwithstanding any other provisions herein, if any present or future law, regulation, treaty or directive or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain any Loan as a Eurodollar Rate Loan, such Lender shall promptly give Notice of such circumstances to the Borrower and the other Lenders and thereupon (a) the commitment of such Lender to make any Loan as a Eurodollar Rate Loan or Convert any portion of the Loans of another Type to a Eurodollar Rate Loan shall automatically be suspended, and (b) such Lender's portion of the Loans then outstanding as Eurodollar Rate Loans, if any, shall be Converted automatically to Base Rate Loans on the last day of each Interest Period applicable to each such Eurodollar Rate Loan or within such earlier period as may be required by law. Notwithstanding anything contained in this *Section 3.05* to the contrary, in the event that any Lender is unable to make or maintain any Loan as a Eurodollar Rate Loan as set forth in this *Section 3.05*, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Eurodollar Lending Office so as to avoid such inability.

Section 3.06. Additional Costs. If any Change in Law:

(a) imposes, increases or renders applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of

law) against assets held by, or deposits in or for the account of, or loans by, or commitments of an office of any Lender, or

(b) imposes on any Lender or the Agent any other conditions or requirements with respect to this Agreement, the other Loan Documents, any Loan or the Commitment of such Lender hereunder,

(c) and the foregoing has the result of:

(i) increasing the cost or reducing the return to any Lender of making, funding, issuing, renewing, extending or maintaining any Loan as a Eurodollar Rate Loan or maintaining its Commitment, or

(ii) reducing the amount of principal, interest or other amount payable to such Lender hereunder on account of any Loan being a Eurodollar Rate Loan, or

(iii) requiring such Lender to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Lender from the Borrower hereunder,

then, and in each such case, the Borrower will, upon demand made by such Lender at any time and from time to time and as often as the occasion therefor may arise, pay to such Lender such additional amounts as will be sufficient to compensate such Lender for such additional cost, reduction, payment or foregone interest or other sum. Notwithstanding anything contained in this *Section 3.06* to the contrary, upon the occurrence of any event set forth in this *Section 3.06* with respect to any Lender, such affected Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate an alternative Applicable Lending Office so as to avoid the effect of such event set forth in this *Section 3.06*.

Section 3.07. Capital Adequacy. If any Change in Law affects the amount of capital or liquidity required or expected to be maintained by any Lender or any corporation controlling such Lender due to the existence of its Commitment or Loans, and such Lender determines that the result of the foregoing is to increase the cost or reduce the return to such Lender of making or maintaining its Commitment or Loans, then such Lender may notify the Borrower of such fact. To the extent that the costs of such increased capital or liquidity requirements are not reflected in the Base Rate and/or the Eurodollar Rate, the Borrower and such Lender shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrower receives such Notice, an adjustment payable hereunder that will adequately compensate such Lender in light of these circumstances, and in connection therewith, such Lender will provide to the Borrower reasonably detailed information regarding the increase of such Lender's costs. If the Borrower and such Lender are unable to agree to such adjustment within thirty (30) days of the date on which the Borrower receives such Notice, then commencing on the date of such Notice (but not earlier than the effective date of any such increased capital or liquidity requirement), the interest payable hereunder shall increase by an amount that will, in such Lender's reasonable determination, provide adequate compensation. Each Lender agrees that amounts claimed pursuant to this *Section 3.07* shall be made in good faith and on an equitable basis.

Section 3.08. Recovery of Additional Compensation.

(a) Certificate. If any Lender claims any additional amounts pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, it shall provide to the Agent and the Borrower a certificate setting forth such additional amounts payable pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as the case may be, and a reasonable explanation of such amounts which are due (*provided* that, without limiting the requirement that reasonable detail be furnished, nothing herein shall require such Lender to disclose any confidential information relating to the organization of its affairs). Such certificate shall be conclusive, absent manifest error, that such amounts are due and owing.

(b) Delay in Requests. Delay on the part of any Lender to demand compensation pursuant to *Section 3.06*, *Section 3.07* or *Section 3.09*, as applicable, shall not constitute a waiver of such Lender's right to demand such compensation; [redacted]

Section 3.09. Indemnity. The Borrower agrees to indemnify each Lender and to hold each Lender harmless from and against any loss, cost or expense (including any such loss or expense arising from interest or fees payable by such Lender to lenders of funds obtained by it in order to maintain any Loan as a Eurodollar Rate Loan) that such Lender may sustain or incur as a consequence of (a) default by the Borrower in payment of the principal amount of or any interest on any Eurodollar Rate Loan as and when due and payable, (b) default by the Borrower in making a prepayment after the Borrower has given a Notice of prepayment pursuant to *Section 2.02(e)*, (c) default by the Borrower in making a Borrowing after the Borrower has given a Borrowing Notice pursuant to *Section 2.02* or continuing any Loan, after the Borrower has given (or is deemed to have given) pursuant to *Section 2.06* an Interest Rate Notice, or (d) the making of any payment of principal of a Eurodollar Rate Loan on a day that is not the last day of the applicable Interest Period with respect thereto, including interest or fees payable by such Lender to lenders or funds obtained by it in order to maintain any Loan.

Section 3.10. Taxes.

(a) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by such Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable

under this *Section 3.10*) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification

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

(ii) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of *Section 10.06* relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to such Lender from any other source against any amount due to the Agent under this *Section 3.10(c)(ii)*.

(d) Evidence of Payments. Within thirty (30) days after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this *Section 3.10*, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower

or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in *Section 3.10(e)(ii)(1), (ii)(2)* and *(ii)(4)* below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(1) any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(2) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the Recipient on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

(A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States of America is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed originals of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit F-1* to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-2* or *Exhibit F-3*, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if such Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of *Exhibit F-4* on behalf of each such direct and indirect partner;

(3) any Foreign Lender, shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(4) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (4), "FATCA" shall include any amendments to FATCA made after the Effective Date.

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

(f) Treatment of Certain Refunds. If any Party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this *Section 3.10* (including by the payment of additional amounts pursuant to this *Section 3.10*), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this *Section 3.10* with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this *Section 3.10(f)* (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this *Section 3.10(f)*, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this *Section 3.10(f)* the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This *Section 3.10(f)* shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 3.11. Defaulting Lenders; Cure.

(a) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article 7* or otherwise), or received by the Agent from a Defaulting Lender by exercise of right of set-off, shall be applied at such time or times as may be determined by the Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; *third*, if so agreed by the Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in *Section 6.01*, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this *Section 3.11(a)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto (and the amounts thus applied or held shall discharge any corresponding obligations of the Borrower relating thereto).

(b) Defaulting Lender Cure. If the Borrower and the Agent agree in writing that a Lender is no longer a Defaulting Lender, the Agent will so notify the Parties, whereupon as of the effective date specified in such Notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral or other acceptable credit support), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders, whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided, further,* that except to the extent otherwise expressly agreed by the affected Parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any Party arising from that Lender's having been a Defaulting Lender.

(c) Effect on Other Obligations. No Commitment of any Lender shall be increased or otherwise affected, and except as otherwise expressly provided in this *Section 3.11*,

performance by the Borrower of its obligations hereunder shall not be excused or otherwise modified as a result of the operation of this *Section 3.11*. The rights and remedies against a Defaulting Lender under this *Section 3.11* are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lenders and the Agent as follows:

Section 4.01. Corporate Authority.

(a) Incorporation; Good Standing. The Borrower (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, (ii) has all requisite corporate power to own its property and conduct its business as now conducted, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction where such qualification is necessary except where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole.

(b) Authorization. The execution, delivery and performance of this Agreement, the other Loan Documents to which the Borrower is or is to become a party and the transactions contemplated hereby and thereby (i) are within the corporate authority of the Borrower, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any breach or contravention of any provision of any law, statute, rule or regulation to which the Borrower is subject or any material judgment, order, writ, injunction, license or permit applicable to the Borrower, except where any such conflict, breach, or contravention would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, a material adverse effect on the ability of the Borrower to perform its obligations under the Loan Documents or a material adverse effect on the validity or enforceability of the Loan Documents, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order, and (iv) do not conflict with any provision of the Restated Articles of Incorporation of the Borrower, as amended, or Bylaws, as amended, of, or any material agreement or other material instrument binding upon, the Borrower, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order. This Agreement and each other Loan Document to which the Borrower is a party have been duly executed and delivered by the Borrower.

(c) Enforceability. The execution and delivery by the Borrower of this Agreement and the other Loan Documents will result in valid and legally binding obligations of the Borrower, enforceable against it in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency,

reorganization, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general principles of equity.

Section 4.02. Governmental Approvals. The execution and delivery by the Borrower of this Agreement and the other Loan Documents, and the performance by it of its obligations thereunder, do not require the approval or consent of, or filing with, any Governmental Authority, except those which have been obtained on or prior to the date hereof, it being understood that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of the Borrower at any one time outstanding will not exceed the applicable limits authorized by the FPSC Financing Order.

Section 4.03. Title to Properties. The Borrower or one or more of its consolidated subsidiaries owns all of the assets reflected as the Borrower's assets in the consolidated balance sheet of the Borrower as at December 31, 2015 referred to in *Section 4.04* or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business or as otherwise permitted pursuant to the provisions of this Agreement since that date and except for such assets owned from time to time by any entity whose assets are consolidated on the balance sheet of the Borrower and its Subsidiaries solely as a result of the operation of FASB ASC 810), subject to no Liens, except for such matters set forth in *Schedule 4.03* or otherwise permitted pursuant to the provisions of this Agreement and Liens upon the assets of any Subsidiary of Borrower.

Section 4.04. Financial Statements. The Borrower's annual report on Form 10-K for the period ended December 31, 2015, includes the consolidated balance sheet of the Borrower and its subsidiaries as at such date and related consolidated income statements of Borrower and its subsidiaries, for the fiscal period then ended, which have been certified by the Borrower's independent public accountants. The financial statements of the Borrower included as a part of such annual report have been prepared in accordance with generally accepted accounting principles and present fairly the consolidated financial position and results of operations of the Borrower and its subsidiaries, taken as a whole, at the respective dates and for the respective periods to which they apply. As of the Effective Date, there has been no material adverse change in the business or financial condition of the Borrower and its subsidiaries, taken as a whole, since December 31, 2015, except as set forth *in Schedule 4.04.*

Section 4.05. Franchises, Patents, Copyrights, Etc. The Borrower possesses all material franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted and, except where in any such case any such conflict would not have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, without known conflict with any rights of others.

Section 4.06. Litigation. Except as described in *Schedule 4.06,* as of the Effective Date, there is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to have a material adverse effect on the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole,

or to materially impair the right of the Borrower to carry on its business substantially as now conducted by it. There is no litigation or other legal proceedings pending, or, to the knowledge of the Borrower, threatened against the Borrower or any of its Subsidiaries that if determined adversely to the Borrower or any of its Subsidiaries could reasonably be expected to question the validity of this Agreement or any of the other Loan Documents or any actions taken or to be taken pursuant hereto or thereto.

Section 4.07. Compliance With Other Instruments, Laws, Etc. The Borrower is not in violation of any provision of its charter documents, bylaws, or any agreement or instrument to which it is subject or by which it or any of its properties is bound or any material decree, order, judgment, statute, license, rule or regulation, in any of the foregoing cases in a manner that would materially and adversely affect the financial condition, properties or business of the Borrower and its Subsidiaries, taken as a whole.

Section 4.08. Tax Status. The Borrower has (a) prepared and, giving effect to all proper extensions, timely filed all federal and state income tax returns and, to the best knowledge of the Borrower, all other material tax returns, reports and declarations required by any applicable jurisdiction to which the Borrower is legally subject, which, giving effect to all proper extensions, were required to be filed prior to the Effective Date, (b) paid all taxes and other governmental assessments and charges shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and by appropriate proceedings, and (c) to the extent deemed necessary or appropriate by the Borrower, set aside on its books provisions reasonably adequate for the payment of all known taxes for periods subsequent to the periods to which such returns, reports or declarations apply.

Section 4.09. No Default. No Default has occurred and is continuing.

Section 4.10. Investment Company Act. The Borrower is not an "investment company", or an "affiliated company" or a "principal underwriter" of an "investment company", as such terms are defined in the Investment Company Act of 1940.

Section 4.11. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions.

(b) Terminability of Plans. Under each Employee Benefit Plan sponsored by the Borrower or its Subsidiaries which is an employee welfare benefit plan within the meaning of §3(1) or §3(2)(B) of ERISA, no benefits are due unless the event giving rise to the benefit entitlement occurs prior to plan termination (except as required by Title I, Part 6 of ERISA). The Borrower and its Subsidiaries may terminate their respective participation in each such plan at any time (other than a plan that provides benefits pursuant to a collective bargaining agreement) in the discretion of the Borrower or its Subsidiaries without liability to any Person.

(c) Guaranteed Pension Plans. As of the Effective Date, each contribution required to be made to a Guaranteed Pension Plan by either the Borrower or an ERISA

Affiliate, whether required to satisfy the minimum funding requirements described in §302 or §303 of ERISA, the notice or lien provisions of §303(k) of ERISA, or otherwise, has been timely made. As of the Effective Date, no waiver from the minimum funding standards or extension of amortization periods has been received with respect to any Guaranteed Pension Plan. As of the Effective Date, no liability to the PBGC (other than required insurance premiums, all of which have been paid) has been incurred by the Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and there has not been any ERISA Reportable Event which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of §4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans by more than $500,000.

(d) Multiemployer Plans. Neither the Borrower nor any ERISA Affiliate has incurred any material unpaid liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under §4201 of ERISA or as a result of a sale of assets described in §4204 of ERISA. Neither the Borrower nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization, insolvent or "endangered" or "critical" status under and within the meaning of §4241, §4245 or §305, respectively, of ERISA or that any Multiemployer Plan intends to terminate or has been terminated under §4041A of ERISA.

Section 4.12. Use of Proceeds. The proceeds of the Loans shall be used for the general corporate purposes of the Borrower.

Section 4.13. Compliance with Margin Stock Regulations. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "'margin stock" (within the meaning of Regulation U or Regulation X of the Federal Reserve Board), and no part of the proceeds of the Loans will be used to purchase or carry any "margin stock," to extend credit to others for the purpose of purchasing or carrying any "margin stock" or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of Regulation U or Regulation X. In addition, not more than twenty-five percent (25%) of the value (as determined by any reasonable method) of the assets of the Borrower consists of margin stock.

Section 4.14. USA PATRIOT ACT, OFAC and Other Regulations.

(a) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate (i) has violated any Anti-Terrorism Laws or (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, employees, brokers or agents of the Borrower, such Subsidiary or Affiliate is a Person that is, or is owned or controlled by Persons that are: (i) the subject of any Sanctions, or (ii) located, organized or resident in a country, region or territory that is, or whose government is, the subject of Sanctions, which on the Effective Date are Crimea, Cuba, Iran, North Korea, Sudan and Syria.

(c) Neither the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any of the Affiliates or respective officers, directors, brokers or agents of the Borrower, such Subsidiary or Affiliate acting or benefiting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Person, or in any country or territory, that is the subject of any Sanctions, (ii) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(d) The Borrower has and, to the knowledge of the Borrower, its Subsidiaries have, conducted their business in compliance with applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws and money laundering laws and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

ARTICLE 5 - COVENANTS OF BORROWER

The Borrower covenants and agrees that, so long as any portion of the Loans, any Note as may be issued hereunder or any Commitment is outstanding:

Section 5.01. Punctual Payment. The Borrower will duly and punctually pay or cause to be paid (a) the principal and interest on the Loans, and (b) the fees and all other amounts provided for in this Agreement and the other Loan Documents.

Section 5.02. Maintenance of Office. The Borrower will maintain its chief executive office at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, or at such other place in the United States of America as the Borrower shall designate by Notice to the Agent, in accordance with *Section 10.02.*

Section 5.03. Records and Accounts. The Borrower will (a) keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with generally accepted accounting principles and (b) to the extent deemed necessary or appropriate by the Borrower, maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, contingencies, and other reserves.

Section 5.04. Financial Statements, Certificates and Information. The Borrower will deliver to each Lender and the Agent, which, for the purposes of this *Section 5.04*, may be made available electronically by the Borrower as provided in the final sentence of this *Section 5.04*:

(a) as soon as practicable, but in any event not later than one hundred twenty (120) days after the end of each fiscal year of the Borrower, the consolidated balance sheet of the Borrower and its subsidiaries as at the end of such year, and the related consolidated statements of income and consolidated statements of cash flows for such year, each setting forth in comparative form the figures for the previous fiscal year or year-end, as applicable, and all such consolidated statements to be prepared in accordance with generally accepted accounting principles, and certified by Deloitte & Touche LLP or by other independent public accountants reasonably satisfactory to the Agent. The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's annual report on Form 10-K for the period for which such financial statements are to be delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer shall have obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(b) as soon as practicable, but in any event not later than sixty (60) days after the end of each of the first three (3) fiscal quarters of the Borrower copies of the unaudited consolidated balance sheet of the Borrower and its subsidiaries as at the end of such quarter, and the related consolidated statements of income and consolidated statements of cash flows for the portion of the fiscal year to which they apply, all prepared in accordance with generally accepted accounting principles, together with a certification by the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower that the information contained in such financial statements fairly presents the financial position of the Borrower and its Subsidiaries as of the end of such quarter (subject to year-end adjustments). The Agent and each of the Lenders hereby agree that the foregoing requirement shall be satisfied by delivery (or deemed delivery in accordance with the final paragraph of this *Section 5.04*) to each of the Lenders of the Borrower's quarterly report on Form 10-Q for the period for which such financial statements are being delivered, together with a written statement from the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower to the effect that such officer has read a copy of this Agreement, and that, in making the examination necessary to said certification, he or she has obtained no knowledge of any Default, or, if such officer has obtained knowledge of any then existing Default, he or she shall disclose in such statement any such Default; *provided* that such officer shall not be liable to the Agent or the Lenders for failure to obtain knowledge of any Default;

(c) contemporaneously with the filing or mailing thereof, copies of all material of a financial nature filed by the Borrower with the Securities and Exchange Commission;

(d) promptly after the commencement thereof, Notice of all actions and proceedings before any court, governmental agency or arbitrator of the type described in *Section 4.06* to which the Borrower is a party or its properties are subject; and

(e) from time to time such other financial data and information as the Agent or any Lender may reasonably request.

Reports or financial information required to be delivered pursuant to this *Section 5.04* shall, to the extent any such financial statements, reports, proxy statements or other materials are included in materials otherwise filed with the Securities and Exchange Commission, be deemed to be delivered hereunder on the date of such filing. Any such report or financial information may also be delivered to the Agent electronically as provided in *Section 10.02(b)*.

Section 5.05. Default Notification. The Borrower will promptly provide Notice to the Agent regarding the occurrence of any Default of which the principal financial or accounting officer, Treasurer or Assistant Treasurer of the Borrower has actual knowledge or notice.

Section 5.06. Corporate Existence: Maintenance of Properties. The Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence (except as otherwise expressly permitted by the first sentence of *Section 5.13*), and will do or cause to be done all things commercially reasonable to preserve and keep in full force and effect its franchises; and the Borrower will, (a) cause all of its properties used and useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment, and (b) cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrower may be necessary, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided* that nothing in this *Section 5.06* shall prevent the Borrower or any of its Subsidiaries from discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the sole judgment of the Borrower or its Subsidiary, as the case may be, desirable in the conduct of its or their business and does not in the aggregate materially adversely affect the business, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole; *provided further* that nothing in this *Section 5.06* shall affect or impair in any manner the ability of the Borrower or any of its Subsidiaries to sell or dispose of all or any portion of its property and assets (including, without limitation, its shares in any Subsidiary or all or any portion of the property or assets of any Subsidiary); and *provided finally* that, in the event of any loss or damage to its property or assets, the Borrower and its Subsidiaries shall be obligated to repair, replace or restore any such property or assets only if the Borrower or such Subsidiaries have determined that such repair, replacement or restoration is necessary or appropriate and any such repair, replacement and/or restoration may be effectuated by the Borrower or a Subsidiary in such time period and in the manner it deems appropriate.

Section 5.07. Taxes. The Borrower will duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all material taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges that in the aggregate are not material to the business or assets of the Borrower) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials, or supplies that if unpaid might by law become a Lien or charge upon any of its property; *provided* that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and, to the extent that the Borrower deems necessary, the Borrower shall

have set aside on its books adequate reserves with respect thereto; and *provided further* that the Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any Lien that may have attached as security therefor.

Section 5.08. Visits by Lenders. The Borrower shall permit the Lenders, through Agent or any of the Lenders' other designated representatives, to visit the properties of the Borrower and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, its officers, upon reasonable Notice and all at such reasonable times and intervals as the Agent or any Lender may reasonably request.

Section 5.09. Compliance with Laws, Contracts, Licenses, and Permits. The Borrower will comply with (a) the laws and regulations applicable to the Borrower (including, without limitation, ERISA) wherever its business is conducted, (b) the provisions of its charter documents and by-laws, (c) all agreements and instruments by which it or any of its properties may be bound, and (d) all decrees, orders, and judgments applicable to the Borrower, except where in any such case the failure to comply with any of the foregoing would not materially adversely affect the business, property or financial condition of the Borrower and its Subsidiaries, taken as a whole. If at any time while any portion of the Loans or any other amount hereunder or any Commitment is outstanding, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any Governmental Authority shall become necessary or required in order that the Borrower may fulfill any of its obligations hereunder or under any other Loan Document, the Borrower will promptly take or cause to be taken all reasonable steps within the power of the Borrower to obtain such authorization, consent, approval, permit or license and furnish the Agent with evidence thereof.

Section 5.10. Use of Proceeds. The Borrower will use the proceeds of the Loans solely for the purposes described in *Section 4.12*.

Section 5.11. Rating Agencies. The Borrower will at all times during the term of this Agreement employ at least two (2) Rating Agencies for the purpose of rating the Borrower's non-credit enhanced long-term senior unsecured debt or, to the extent such rating is not available, the Borrower's long-term senior secured debt, one of which must be either Moody's or Standard & Poor's.

Section 5.12. Maintenance of Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates: *provided, however,* that the Borrower may self-insure (which may include the establishment of reserves, allocation of resources, establishment of credit facilities and other similar arrangements) to the same extent as other companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower operates and to the extent consistent with prudent business practice.

Section 5.13. Prohibition of Fundamental Changes. The Borrower will not consummate any transaction of merger or consolidation or amalgamation, or liquidation or dissolution;

[redacted]

[redacted]

The Borrower will not convey, sell, lease, transfer or otherwise dispose of, in one transaction or a series of transactions, all or substantially all of its business or assets, whether now owned or hereafter acquired, to any other Person unless [redacted]

Section 5.14. Indebtedness. The Borrower will insure that all obligations of the Borrower under this Agreement and the other Loan Documents [redacted] in respect of priority of payment by the Borrower and priority of lien, charge or other security in respect of assets of the Borrower [redacted]

Section 5.15. Liens. The Borrower will not create any Lien upon or with respect to any of its properties, or assign any right to receive income, in each case to secure or provide for the payment of any debt of any Person, other than:

(i) purchase money liens or purchase money security interests upon or in any property acquired by the Borrower in the ordinary course of business to secure the purchase price or construction cost of such property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such property or construction of improvements on such property;

(ii) Liens existing on property acquired by the Borrower at the time of its acquisition, *provided* that such Liens were not created in contemplation of such acquisition and do not extend to any assets other than the property so acquired;

(iii) Liens securing Nonrecourse Indebtedness created for the purpose of financing the acquisition, improvement or construction of the property subject to such Liens;

(iv) the replacement, extension or renewal of any Lien permitted by clauses (i) through (iii) of this *Section 5.15* upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in the direct or indirect obligor) of the indebtedness secured thereby;

(v) Liens upon or with respect to margin stock;

(vi) (a) deposits or pledges to secure payment of workers' compensation, unemployment insurance, old age pensions or other social security; (b) deposits or pledges to secure performance of bids, tenders, contracts (other than contracts for the payment of money) or leases, public or statutory obligations, surety or appeal bonds or other deposits or pledges for purposes of like general nature in the ordinary course of business; (c) Liens for property taxes not delinquent and Liens for taxes which in good faith are being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; (d) mechanics', carriers', workmen's, repairmen's or other like Liens arising in the ordinary course of business securing obligations which are not overdue for a period of sixty (60) days or more or which are in good faith being contested or litigated and, to the extent that the Borrower deems necessary, the Borrower shall have set aside on its books adequate reserves with respect thereto; and (e) other matters described in *Schedule 4.03*; and

(vii) the Lien of the Borrower's First Mortgage, any other Liens, charges or encumbrances permitted thereunder from time to time, and any other Lien or Liens upon all or any portion of the property or assets which are subject to the Lien of the First Mortgage;

(viii) any Liens securing any pollution control revenue bonds, solid waste disposal revenue bonds, industrial development revenue bonds or other taxable or tax-exempt bonds or similar obligations issued by or on behalf of the Borrower from time to time, and any Liens given to secure any refinancing or refunding of any such obligations; and

(ix) any other Liens or security interests (other than Liens or security interests described in clauses (i) through (viii) of this *Section 5.15*), if the aggregate principal amount of the indebtedness secured by all such Liens and security interests (without duplication) does not exceed in the aggregate [redacted] at any one time outstanding; [redacted]

Section 5.16. Employee Benefit Plans. The Borrower will not:

(a) engage in any non-exempt "prohibited transaction" within the meaning of §406 of ERISA or §4975 of the Code which could result in a material liability for the Borrower; or

(b) permit any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to fail to meet the "minimum funding standards" described in §302 and §303 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan sponsored by the Borrower or its ERISA Affiliates to an extent which, or terminate any Guaranteed Pension Plan

sponsored by the Borrower or its ERISA Affiliates in a manner which, could result in the imposition of a lien or encumbrance on the assets of the Borrower or any of its Subsidiaries pursuant to §303(k) or §4068 of ERISA; or

(d) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of §4001(a)(16) of ERISA) of Guaranteed Pension Plans sponsored by the Borrower or its ERISA Affiliates exceeding the value of the aggregate assets of such plans by more than the amount set forth in *Section 4.11(c)*. For purposes of this covenant, poor investment performance by any trustee or investment management of a Guaranteed Pension Plan shall not be considered as a breach of this covenant.

Section 5.17. [redacted]

Section 5.18. Compliance with Anti-Corruption Laws and Anti-Terrorism Regulations. The Borrower shall not:

(a) Violate any applicable anti-corruption laws or any Anti-Terrorism Laws or engage in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering.

(b) Use, directly or indirectly, the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (x) in violation of applicable anti-corruption laws, the USA PATRIOT Act, anti-terrorism laws or money laundering laws, (y) to fund any activities or business of or with any Person, or in any country or territory, that, is, or whose government is, the subject of Sanctions at the time of such funding, or (z) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loans, whether as underwriter, advisor, investor, or otherwise).

(c) Deal in, or otherwise engage in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempt to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE 6 - CONDITIONS PRECEDENT.

Section 6.01. Conditions Precedent to Effectiveness. The effectiveness of this Agreement and each Initial Lender's Commitment to make Loans pursuant to *Section 2.01* is subject to the following conditions precedent, each of which shall have been met or performed in the reasonable opinion of the Agent:

(a) Execution of this Agreement. This Agreement shall have been duly executed and delivered by the Parties.

(b) Corporate Action. All corporate action necessary for the valid execution, delivery and performance by the Borrower of this Agreement and any other Loan Document to which it is a Party, shall have been duly and effectively taken, and evidence thereof satisfactory to the Lenders shall have been provided by the Borrower to the Agent.

(c) Incumbency Certificate. The Borrower shall have provided its incumbency certificate to the Agent dated as of the Effective Date, signed by its duly authorized officer, and giving the name and bearing a specimen signature of each individual who shall be authorized: (1) to sign, in the name and on behalf of the Borrower each of the Loan Documents to which it is a party, (2) to make requests for Borrowings or Conversion requests and (3) to give notices and to take other action on its behalf under the Loan Documents.

(d) Borrower's Certificate. The Agent shall have received from the Borrower's executed certificate, dated as of the Effective Date, substantially in the form of *Exhibit D*.

(e) Opinion of Counsel. The Agent shall have received a favorable opinion addressed to the Lenders and the Agent, dated as of the Effective Date, substantially in the form of *Exhibit E* attached hereto, from Squire Patton Boggs (US) LLP, counsel to the Borrower.

(f) No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof that in the reasonable opinion of any Lender would make it illegal for such Lender to make any Loan.

(g) Governmental Regulation. Each Lender shall have received such statements in substance and form reasonably satisfactory to such Lender as such Lender shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve Board, including, without limitation, applicable "know your customer" requirements.

(h) Note. A Note (if same is requested by any Initial Lender) shall have been duly executed and delivered by the Borrower.

(i) Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement, the other Loan Documents and all other documents incident thereto shall be satisfactory in substance and in form to the Lenders and to counsel for the Agent, and the Lenders and such counsel shall have received all information and

such counterpart originals or certified or other copies of such documents as the Agent may reasonably request.

(j) Payment of Fees and Expenses. The Borrower shall have paid all accrued fees and expenses of the Agent (including the accrued fees and expenses of counsel to the Agent).

Section 6.02. Each Loan. The obligation of the Lender to make a Loan pursuant to *Section 2.01* herein is subject to the following conditions precedent, each of which shall have been met or performed by the Borrowing Date with respect to each such Loan:

(a) Borrowing Notice. The Borrower shall have delivered the Borrowing Notice to the Agent as provided for in *Section 2.02(a)*.

(b) No Default. No Default shall have occurred and be continuing or will occur upon the making of such Loan on such Borrowing Date, and each of the representations and warranties contained in this Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true in all material respects as of the time of the making of such Loan, with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

ARTICLE 7 - EVENTS OF DEFAULT, ACCELERATION, ETC.

Section 7.01. Events of Default. The following events shall constitute "Events of Default" for purposes of this Agreement:

(a) the Borrower shall fail to pay any principal of ay Loan when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(b) the Borrower shall fail to pay any interest on any Loan, any fees or other sums due hereunder or under any of the other Loan Documents, for a period of [redacted] following the date when the same shall become due and payable, whether at the stated date of maturity or any accelerated date of maturity or at any other date fixed for payment; or

(c) (i) the Borrower shall fail to perform any term, covenant or agreement contained in *Section 5.05, Section 5.06* (but only as to corporate existence), *Section 5.10, Section 5.12, Section 5.13* (upon the consummation of any transaction prohibited by said *Section 5.13*), *Section 5.15, Section 5.17* or *Section 5.18(b)* or (ii) the Borrower shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified elsewhere in this *Section 7.01*) for [redacted] after Notice of such failure has been given to the Borrower by the Agent or any Lender; or

(d) any representation or warranty of the Borrower in this Agreement or any of the other Loan Documents or in any other document or instrument delivered pursuant to or in

connection with this Agreement shall prove to have been false in any material respect upon the date when made or deemed to have been made by the terms of this Agreement; or

(e) the Borrower shall default in the payment when due of any principal of or any interest on any Funded Debt aggregating $50,000,000 or more, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound, evidencing or securing Funded Debt, in an aggregate amount of $50,000,000 or more, for such period of time as would permit (assuming the giving of appropriate notice or the lapse of time if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof, unless such failure shall have been cured by the Borrower or effectively waived by such holder or holders; or

(f) the Borrower shall (1) voluntarily terminate operations or apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of the Borrower, or of all or a substantial part of the assets of the Borrower, (2) admit in writing its inability, or be generally unable, to pay its debts as the debts become due, (3) make a general assignment for the benefit of its creditors, (4) commence a voluntary case under the United States Bankruptcy Code (as now or hereafter in effect), (5) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, (6) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (7) take any corporate action for the purpose of effecting any of the foregoing; or

(g) without its application, approval or consent, a proceeding shall be commenced, in any court of competent jurisdiction, seeking in respect of the Borrower: the liquidation, reorganization, dissolution, winding-up, or composition or readjustment of debt, the appointment of a trustee, receiver, liquidator or the like of the Borrower, or of all or any substantial part of the assets of the Borrower, or other like relief in respect of the Borrower, under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts unless such proceeding is contested in good faith by the Borrower; and, if the proceeding is being contested in good faith by the Borrower, the same shall continue undismissed, or unstayed and in effect, for any period of [redacted] or an order for relief against the Borrower shall be entered in any involuntary case under the Bankruptcy Code; or

(h) there shall remain in force, undischarged, unsatisfied and unstayed, for more than thirty (30) days, whether or not consecutive, any final judgment against the Borrower that, with other then undischarged, unsatisfied and unstayed, outstanding final judgments against the Borrower exceeds in the aggregate [redacted] or

(i) if any of the Loan Documents shall be canceled, terminated, revoked or rescinded by the Borrower otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of all Lenders, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of the Borrower, any of its stockholders, or any court or any other Governmental Authority of competent jurisdiction shall make a determination that, or

issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(j) (i) with respect to any Guaranteed Pension Plan, (A) an ERISA Reportable Event shall have occurred; (B) an application for a minimum funding waiver shall have been filed; (C) a notice of intent to terminate such plan pursuant to Section 4041(a)(2) of ERISA shall have been issued; (D) a lien under Section 303(k) of ERISA shall be imposed; (E) the PBGC shall have instituted proceedings to terminate such plan; (F) the PBGC shall have applied to have a trustee appointed to administer such plan pursuant to Section 4042 of ERISA; or (G) any event or condition that constitutes grounds for the termination of, or the appointment of a trustee to administer, such plan pursuant to Section 4042 of ERISA shall have occurred or shall exist, *provided* that with respect to the event or condition described in Section 4042(a)(4) of ERISA, the PBGC shall have notified the Borrower or any ERISA Affiliate that it has made a determination that such plan should be terminated on such basis; or (ii) with respect to any Multiemployer Plan, the Borrower or any ERISA Affiliate shall incur liability as a result of a partial or complete withdrawal from such plan or the reorganization, insolvency or termination of such plan; and, in the case of each of (i) or (ii), the Majority Lenders shall have determined in their reasonable discretion that such events or conditions, individually or in the aggregate, reasonably could be expected likely to result in liability of the Borrower in an aggregate amount exceeding [redacted][A] or

[redacted]

Section 7.02. Lenders' Remedies. Upon the occurrence of any Event of Default, for so long as same is continuing, the Agent shall, at the request of, or may, with the consent of, the Majority Lenders, by Notice to Borrower (an "Acceleration Notice"):

(i) immediately terminate the Commitments of each Lender; and/or

(ii) declare all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder to be, and they, shall thereupon forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

provided that in the event of any Event of Default specified in *Section 7.01(f)* or *Section 7.01(g)*, the Commitments of each Lender hereunder shall automatically terminate and all amounts owing with respect to this Agreement and all Notes, if any, as have been issued hereunder, shall become immediately due and payable automatically and without any requirement of an Acceleration Notice from Agent or any Lender.

ARTICLE 8 - SHARING.

Section 8.01. Sharing Among Lenders. If any Lender shall obtain from the Borrower any payment of any principal of or interest on any Loan owing to it or payment of any other

amount under this Agreement or any other Loan Document through the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Agent as provided herein and other than amounts owing to such Lender pursuant to *Sections 3.06, 3.07, 3.09, 3.10, 10.03* or *10.04*), and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due hereunder or thereunder by the Borrower to such Lender than the percentage received by any other Lender, it shall promptly purchase from such other Lenders a participation in (or, if and to the extent specified by such Lender, a direct interest in) the Loans or such other amounts, respectively, owing to such other Lenders (or in interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses that may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders; *provided* that, for the purpose of calculating any Lender's Pro Rata Share of any payment hereunder, payments to each such Lender shall include any amounts set off by the Borrower against such Lender pursuant to *Section 8.02*.

Section 8.02. Borrower's Offset Rights. To the extent permitted by law, the Borrower may offset against any payments due to any Lender under this Agreement or the Notes the amounts of any loss suffered by the Borrower as a result of the failure of such Lender to return any monies of the Borrower on deposit with such Lender due to the insolvency of such Lender. Any such offset may be made only against payments due to the insolvent Lender, when and as the same become due, and no offsets may be made against any amounts due and payable to any other Lender. The Borrower may not exercise any right of setoff with respect to all or any portion of deposits which are insured by the Federal Deposit Insurance Corporation.

ARTICLE 9 - AGENT.

Section 9.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints [redacted], to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this *Article 9* are solely for the benefit of the Agent and the Lenders, and except as otherwise provided herein, the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 9.02. Rights as a Lender. The Person serving as the Agent hereunder shall have the same rights and powers when acting in its capacity as a Lender as any other Lender, and may exercise such rights and powers as though it were not the Agent, and the term "Lender" and "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor

or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

Section 9.03. Exculpatory Provisions.

(a) The duties and obligations of the Agent are only as expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;hany discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Proceedings or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Insolvency Proceedings; and

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

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Section 7.02* and *Section 10.01*), or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Default unless and until Notice describing such Default is given to the Agent by the Borrower or a Lender.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in *Article 6* or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

Section 9.04. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon (*provided* that the foregoing is not intended to be construed or to operate in derogation of the Notice requirements in *Section 10.02*). In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 9.05. Indemnification. The Lenders agree to indemnify the Agent to the extent not reimbursed under *Section 10.03* and *Section 10.04*, but without limiting the obligations of the Borrower under said Sections, and ratably in accordance with its respective Pro Rata Share, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever that may be imposed on, incurred by or asserted (including by any Lender) against the Agent, arising out of or by reason of any investigation in or in any way relating to or arising out of this Agreement or any other Loan Document or any other documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby (including, without limitation, the costs and expenses that the Borrower is obligated to pay under *Section 10.03* and *Section 10.04* but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof or thereof or of any such other documents, *provided* that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

Section 9.06. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The exculpatory provisions of this *Article 9* shall apply to the Agent's activities as the Agent, and also shall apply to the activities any such sub-agent permitted herein. The Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that such sub-agent acted with gross negligence or willful misconduct.

Section 9.07. Resignation or Removal of Agent.

(a) The Agent may at any time give Notice of its resignation to the Lenders and the Borrower. Upon receipt of any such Notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an affiliate thereof with an office in the United States. If no such

successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days after the retiring Agent gives Notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "Resignation Effective Date"), then the retiring Agent may (but shall not be obligated to), on behalf of the Lenders, in consultation with the Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such Notice on the Resignation Effective Date.

(b) If the Person serving as the Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Majority Lenders may, to the extent permitted by applicable law, by Notice to the Borrower and such Person remove such Person as the Agent and, in consultation with Borrower, and, so long as no Default is continuing, subject to the consent of the Borrower, appoint a successor, which successor Agent shall be a Lender and maintain an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Majority Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such Notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable): (1) the retiring or removed Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that, in the event any collateral security is then being held by the Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Agent shall continue to hold such collateral security until such time as a successor Agent is appointed); and (2) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time, if any, as the Majority Lenders appoint a successor Agent as provided for in this *Section 9.07*. Upon the acceptance by a successor of such appointment for it to act as successor Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Agent (other than any rights to indemnity payments owed to the retiring or removed Agent), and the retiring or removed Agent shall, except as provided above, be discharged from all of its duties and obligations hereunder or under the other Loan Documents (*provided* that the foregoing shall not relieve the retiring or removed Agent from any liability for its gross negligence or willful misconduct hereunder). The fees payable by the Borrower to a successor Agent shall be the same as those payable to the predecessor Agent unless otherwise agreed between the Borrower and such successor Agent. After the retiring or removed Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this *Article 9* and *Section 10.03* and *Section 10.04* shall continue in effect for the benefit of such retiring or removed Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as the Agent hereunder.

Section 9.08. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate,

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

ARTICLE 10 - MISCELLANEOUS

Section 10.01. Consents, Amendments, Waivers, Etc. Except as otherwise provided in this Agreement, any consent or approval required or permitted by this Agreement to be given by one or more or all of the Lenders may be given, and any term of this Agreement or of any other instrument related hereto or mentioned herein may be amended, and the performance or observance by the Borrower of any terms of this Agreement or such other instrument or the continuance of any Default may be waived (either generally or in a particular instance and either retroactively or prospectively) with, but only with, the written consent of the Borrower and the written consent of the Majority Lenders. Notwithstanding the foregoing, (a) the rate of interest on and the term of the Loans, the Maturity Date, the principal amount of the Loans owing to each Lender, the dates on which interest is required to be paid hereunder, the amount and dates of payment of the fees or principal owing each Lender hereunder may not be changed, the amount of any Lender's Commitment hereunder may not be increased and the tenor of such Lender's obligations hereunder may not be extended, in any such case without the written consent of Borrower and the written consent of each Lender affected thereby; (b) *Article 9*, this *Section 10.01*, the definition of Majority Lenders, the definition of Pro Rata Share and any provision of the Loan Documents that requires action by all of the Lenders may not be amended without the written consent of all of the Lenders and (c) *Article 9* may not be amended without the written consent of the Agent. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or delay or omission on the part of the Agent or any Lender in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrower shall entitle the Borrower to other or further notice or demand in similar or other circumstances.

Section 10.02. Notices. (a) Except as otherwise expressly provided in this Agreement, all notices, demands, consents, waivers, elections, approvals, requests and similar communications required or permitted to be provided in connection with this Agreement (any of the foregoing being referred to as a "Notice") shall be set forth in writing and shall be given by U.S. registered or certified mail (return receipt requested) or by recognized nationwide courier service (with signature required to evidence receipt), and shall be deemed received by the addressee Party when delivered during normal business hours to such Party's address as shown below (or such other address as that Party may specify from time to time in written Notice given pursuant hereto not less than thirty (30) days prior to the date that the new address is intended to become effective); *provided* that (x) any Notice delivered in accordance with *Article 2* may be delivered by facsimile or other specified electronic delivery system acceptable to the Agent and the Borrower, and (y)any Notice delivered to the appropriate address for the receiving Party at any time other than during normal business hours will be deemed to be given and received by the receiving Party on the next Business Day thereafter:

(i) if to the Borrower, at 700 Universe Boulevard, Juno Beach, Florida 33408-8801, Attention: Treasurer (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. (561) 694-6204, Facsimile No. (561) 694-3707), or at such other address for Notice as the Borrower shall last have furnished in writing to the Person giving the Notice;

(ii) if to the Agent, at [redacted] Attention: [redacted] (and for purposes of Notices which can be provided, or confirmed, telephonically or by facsimile as specified in *Article 2*, Telephone No. [redacted], Facsimile No. [redacted] Email: [redacted] or such other address for Notice as the Agent shall last have furnished in writing to the Person giving the Notice;

(iii) if to any Lender, at such Person's address set forth on Schedule I, or such other address for Notice as such Person shall have last furnished in writing to the Person giving the Notice.

(b) So long as [redacted] or any of its affiliates is the Agent, materials required to be delivered pursuant to *Section 5.04(a), (b), (c)* and *(d)* and *Section 5.05* shall be delivered to the Agent in an electronic medium in a format acceptable to the Agent and the Lenders by email at: [redacted] (or such other address as the Agent may notify the Borrower from time to time). The Borrower agrees that the Agent may make such materials, as well as any other written information, documents, instruments and other material relating to the Borrower, any of its Subsidiaries or any other materials or matters relating to this Agreement, any Notes as may be issued hereunder or any of the transactions contemplated hereby (collectively, the "Communications") available to the Lenders by posting such notices on DebtDomain or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Agent nor any of its affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Agent or any of its affiliates in connection with the Platform. The Agent shall not be liable (except to the extent that such liability arises out of the gross negligence, bad faith or willful misconduct of the Agent or its Related Parties) for any damages arising from the use by unintended recipients of any information or other materials distributed by the Agent, pursuant to this *Section 10.02(b)* or *Section 10.02(c)* through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(c) Each Lender agrees that Notice to it (as provided in the next sentence) (a "Communication Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such

Lender for purposes of this Agreement; *provided* that if requested by any Lender, the Agent shall deliver a copy of the Communications to such Lender by email or facsimile. Each Lender agrees (i) to notify the Agent in writing of such Lender's email address to which a Communication Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from time to time thereafter to ensure that the Agent has on record an effective email address for such Lender) and (ii) that any Communication Notice may be sent to such email address.

Section 10.03. Expenses. The Borrower agrees to pay promptly following receipt of written invoices describing in reasonable detail (a) the reasonable fees, expenses and disbursements of the Agent's external counsel incurred in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, the negotiation of this Agreement and the closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (b) the reasonable fees, expenses and disbursements of the Agent in connection with the administration or interpretation of the Loan Documents and other instruments mentioned herein, and [redacted]

Section 10.04. Indemnification. The Borrower agrees to indemnify and hold harmless the Agent, the Lenders and their respective officers, affiliates, directors, employees, agents and advisors (each, an "Indemnitee") from and against any and all claims, actions and suits by a third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Actions"), whether groundless or otherwise, and from and against any and all liabilities, losses, damages and expenses payable by any Indemnitee to any third party (which third party may, for these purposes, include the Agent or a Lender) (collectively, "Liabilities") of every nature and character incurred by or awarded against any such Indemnitee (including the reasonable fees and expenses of counsel), in each case arising out of this Agreement or any of the other Loan Documents or the transactions contemplated hereby including, without limitation, (a) any actual or proposed use by the Borrower of the proceeds of the Loans, or (b) the Borrower entering into or performing this Agreement or any of the other Loan Documents; *provided* that the liabilities, losses, damages and expenses indemnified pursuant to this *Section 10.04* shall not include any liabilities, losses, damages and expenses in respect of any taxes, levies, imposts, deductions,

charges or withholdings, indemnification for which is provided on the basis, and to the extent, specified in *Section 3.09*; and *provided further*, that such indemnity shall not be available as to any Indemnitee, to the extent that such liabilities, losses, damages and expenses arise out of the gross negligence, bad faith or willful misconduct of such Indemnitee or any of its Related Parties. In the event that an Indemnitee shall become subject to any Action or Liability with respect to any matter for which indemnification may apply pursuant to this *Section 10.04* (an "Indemnity Claim"), such Indemnitee shall give Notice of such Indemnity Claim to the Borrower by telephone at (561) 694-6204 and also in accordance with the written Notice requirements in *Section 10.02*. Such Indemnitee may retain counsel and conduct the defense of such Indemnity Claim, as it may in its sole discretion deem proper, at the sole cost and expense of the Borrower. So long as no Default shall have occurred and be continuing hereunder, no Indemnitee shall compromise or settle any claim without the prior written consent of the Borrower, which consent shall not unreasonably be withheld or delayed (*provided* that the Borrower shall only be responsible for the reasonable fees and expenses of one counsel for all Indemnitees taken as a whole unless any actual or potential conflict of interest between such Indemnitees makes it inappropriate for one counsel to represent all such Indemnitees, in which event the Borrower shall be responsible for the reasonable fees and expenses of one additional counsel for each group of affected Indemnitees similarly situated taken as a whole). [redacted] In the case of an investigation, litigation or other proceeding to which the indemnity in this *Section 10.04* applies, such indemnity shall be effective whether or not the affected Indemnitee is a party thereto and whether or not the transactions contemplated hereby are consummated. Each Party also agrees not to assert any claim against any other Party or any of its respective affiliates, or any of its respective directors, officers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, any Notes as may be issued hereunder, any other Loan Document, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans (*provided* that the foregoing shall not preclude any Indemnitee from seeking to recover the preceding types of damages from the Borrower to the extent the same are specifically payable by such Indemnitee to any third party).

Section 10.05. Survival of Covenants. All covenants, agreements representations and warranties made herein, in the Notes, in any of the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrower pursuant hereto shall be deemed to have been relied upon by the Agent and the Lenders, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making by the Lenders of the Loans, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement, the Notes, or any of the other Loan Documents remains outstanding. All statements contained in any certificate or other paper delivered to the Agent or any Lender at any time by or on behalf of the Borrower pursuant hereto or in connection with the transactions contemplated hereby shall constitute representations and warranties by the Borrower hereunder. [redacted]

Section 10.06. Assignment and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties 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 Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of *Section 10.06(b)* or *Section 10.06(f)*, (ii) by way of participation in accordance with the provisions of *Section 10.06(d)*, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of *Section 10.06(e)* (and any other attempted assignment or transfer by any Party shall be null and void). Other than as specified in *Section 9.05* and *Section 10.04*, nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the Parties, their respective successors and assigns permitted hereby, and Participants to the extent provided in *Section 10.06(d)*) any legal or equitable right, remedy or claim under or by reason of this Agreement.

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

(i) Minimum Amounts. The amount of the Commitment and the principal outstanding balance of the Loans of the assigning Lender subject to such assignment (determined as of the date the Assignment and Assumption, made pursuant to an Assignment and Assumption Agreement in the form of *Exhibit G* hereto (the "Assignment and Assumption Agreement")), with respect to such assignment is delivered to the Agent or, if "Trade Date" is specified in the Assignment and Assumption Agreement, as of the Trade Date) shall not be less than [redacted] unless each of the Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents.

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

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by *Section 10.06(b)(i)* and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender or an affiliate of a Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender; and

(B) the consent of the Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Loans, if such assignment is to a Person that is not a Lender or an affiliate of such Lender which is majority-owned and controlled by such Lender or any corporation controlling such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of [redacted] *provided* that the Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's affiliates or Subsidiaries or (B) to any Defaulting Lender or any of its affiliates or Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the Defaulting Lender or its assignee shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations, or other compensating actions, including funding, with the consent of the Borrower and the Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Agent pursuant to *Section 10.06(c)*, from and after the effective date specified in each Assignment and Assumption Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, shall have the rights and obligations of (as applicable) a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and

Assumption Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a Party hereto) but (i) shall continue to be entitled to the benefits of *Article 3*, *Section 9.05*, *Section 10.03* and *Section 10.04* with respect to facts and circumstances occurring prior to the effective date of such assignment, and (ii) shall continue to be obligated in respect of any liabilities or obligations that expressly survive any such assignment; *provided*, that except to the extent otherwise expressly agreed by each affected Party no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any Party hereunder arising from the assigning Lender having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *Section 10.06(d)*.

(c) Register. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in the United States a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, the Commitments and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior Notice. Except as registered in accordance with this *Section 10.06(c)*, the Borrower shall not be obligated to recognize or treat any assignee of any interest or with respect to the Commitments or any Loans as a Lender or Person otherwise entitled to assert, enforce or otherwise participate in any rights or benefits with respect thereto or hereunder.

(d) Participations. A Lender may sell or agree to sell to one or more other Persons a participation in all or any part of any Loans held by it, or in its Commitment, *provided* that no purchaser of a participation (a "Participant") shall have any rights or benefits under this Agreement or any Note (the Participant's rights against such Lender in respect of such participation to be those set forth the agreements executed by such Lender in favor of the Participant). All amounts payable by the Borrower to any Lender in respect of Loans held by it, and its Commitment, shall be determined as if such Lender had not sold or agreed to sell any participation in such Loans and Commitment, and as if such Lender were funding each of such Loan and Commitment in the same way that it is funding the portion of such Loan and Commitment in which no participation has been sold. In no event shall a Lender that sells a participation agree with the Participant to take or refrain from taking any action hereunder or under any other Loan Document except that such Lender may agree with the Participant that it will not, without the consent of the Participant, agree to (i) increase or extend the term, or extend the time or waive any requirement for the reduction or termination of such Lender's related Commitment, (ii) extend the date fixed for the payment of principal or interest on the related Loan or Loans, or any portion of any fee hereunder payable to the Participant, (iii) reduce the amount of any such payment of principal, (iv) reduce the rate at which interest is

payable thereon, or any fee hereunder payable to the Participant, to a level below the rate at which the Participant is entitled to participate in such interest or fee, (v) alter the rights or obligations of the Borrower to repay the related Loans, or (vi) consent to any modification, supplement or waiver hereof to the extent that the same, under *Section 10.01*, requires the consent of each Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent, in its capacity as the Agent, shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Disclosure. The Borrower agrees that any Lender may disclose information obtained by such Lender pursuant to this Agreement to assignees, participants or counterparties to any swap or derivative transaction relating to the transactions contemplated pursuant to this Agreement and potential assignees or participants hereunder or counterparties as aforesaid; *provided* that such assignees, participants or counterparties or potential assignees, participants or counterparties shall agree (i) to preserve the confidentiality of such information pursuant to a confidentiality agreement that provides for the same terms set forth in *Section 10.07*, (ii) not to disclose such information to a third party, and (iii) not to make use of such information for purposes of transactions unrelated to such contemplated assignment or participation.

Section 10.07. Confidentiality. The Agent and each Lender agrees to hold any confidential information that any of them may receive from the Borrower or any of its Subsidiaries pursuant to this Agreement or any of the Loan Documents or in connection with any transaction contemplated herein or therein in confidence except for disclosure: (a) to other Lenders; (b) to its affiliates, officers, directors, employees, advisors, attorneys, and other agents deemed reasonably necessary to effectuate the transaction contemplated herein or therein; *provided* that such parties shall be advised of the requirement to maintain the confidentiality of such information the Agent or such Lender, as the case may be, shall be responsible for any such party's breach of such confidentiality agreement; (c) to regulatory officials having jurisdiction over the Agent or any Lender, or financial industry regulatory bodies claiming oversight over the

Agent or such Lender; (d) as required by applicable law or legal process (*provided* that in the event the Agent or any Lender is so required to disclose any such confidential information, the Agent or any such Lender shall endeavor to notify promptly the Borrower so that the Borrower may seek a protective order or other appropriate remedy); (e) to the extent permitted in *Section 10.06(d)*; (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder and (g) subject to an agreement containing provisions substantially the same as those of this *Section 10.07*, to any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the Borrower. For purposes of this Agreement (x) the term "confidential information" means all information respecting NextEra Energy and its Subsidiaries, or any of them, other than (i) information previously filed with any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or public body or which is otherwise available to the public, (ii) information that is delivered by the Borrower to the Agent or any Lender that the Borrower expressly identifies as non-confidential, (iii) information previously published in any public medium from a source other than, directly or indirectly, the Agent or any Lender, and (iv) information that is received by the Agent or any Lender from any third party that the Agent or such Lender reasonably believes, after due inquiry, was not and is not, violating any obligation of confidentiality to the Borrower and (y) "affiliate" means, with respect to any Lender, any Person that is wholly owned by such Lender or any corporation by which such Lender is wholly owned.

Section 10.08. Governing Law; Jurisdiction. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED THEREIN, ARE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREUNDER (OTHER THAN §5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW). THE PARTIES AGREE THAT ANY SUIT FOR THE ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS SHALL BE BROUGHT ONLY IN THE COURTS OF THE STATE AND COUNTY OF NEW YORK OR ANY FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK, AND CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND THE SERVICE OF PROCESS IN ANY SUCH SUIT BEING MADE UPON THE RELEVANT PARTIES BY MAIL AT THEIR RESPECTIVE ADDRESSES IN ACCORDANCE WITH *SECTION 10.02*. EACH PARTY HEREBY WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH SUIT OR ANY SUCH COURT OR THAT SUCH SUIT IS BROUGHT IN AN INCONVENIENT FORUM.

Section 10.09. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 10.10. Counterparts. This Agreement and any amendment hereof may be executed in several counterparts and by each Party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for

more than one such counterpart signed by the Party against whom enforcement is sought. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by an emailed a ".pdf" file shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.11. Entire Agreement. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the Parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in *Section 10.01*.

Section 10.12. Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

Section 10.13. Third Party Beneficiaries. None of the provisions of this Agreement shall operate or are intended to operate for the benefit of, any Person (other than the Parties hereto and their respective successors and assigns permitted hereby), and no other Person shall have any rights under or with respect hereto (except to the limited extent expressly provided for with respect to any Indemnitee under *Section 10.04*).

Section 10.14. USA Patriot Act Notice. The Agent (for itself and not on behalf of any of the Lenders) and each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identities the Borrower, which information includes the name and address of the Borrower and other information that will allow the Agent and such Lender to identify the Borrower in accordance with the USA PATRIOT Act.

Section 10.15. No Fiduciary Duties. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its affiliates, on the one hand, and the Agent, the Lenders and their respective affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, and the Lenders or their respective affiliates.

Section 10.16. Electronic Records. The Borrower hereby acknowledges the receipt of a copy of this Agreement. The Agent and each Lender may, on behalf of the Borrower, create a microfilm or optical disk or other electronic image of this Agreement and may store the electronic image of this Agreement in its electronic form and then destroy the paper original as part of the Agent or any Lender's normal business practices, with the electronic image deemed to be an original.

Section 10.17. WAIVER OF JURY TRIAL. THE BORROWER, THE AGENT AND EACH LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN

DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The Borrower (a) certifies that no representative, agent or attorney of the Agent or any Lender has represented, expressly or otherwise, that the Agent or any Lender would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that the Agent and each Lender has been induced to enter into this Agreement and the other Loan Documents to which it is a party by, among other things, the waiver and certifications contained in this *Section 10.17*.

Section 10.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable by it to any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

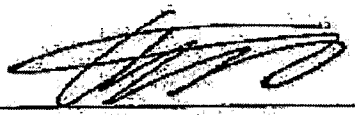
(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Documents;

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of an EEA Financial Institution.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY, as the Borrower

By: 

Name: Aldo Portales
Title: Assistant Treasurer

[redacted], as Administrative Agent and Lender

By: [redacted]
Name:
Title: [redacted]

STATE OF [redacted])
) ss.
COUNTY OF [redacted])

Personally appeared before me, the undersigned, a Notary Public in and for said County, [redacted], to me known and known to me, who, being by me first duly sworn, declared that he/she is a [redacted] of [redacted], that being duly authorized he/she did execute the foregoing instrument before me for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereto set my hand and official seal at 12:30pm, this 20 day of December.

[redacted]
Notary Public

My Commission Expires: 9/17/2021

[redacted]
Notary Public
[redacted]
My Commission Expires Sept. 17, 2021

By: _____
Name: _____
Title: _____

SCHEDULE I
TO REVOLVING CREDIT AGREEMENT

LENDER

[redacted][A] Lending Office and Address for Notices for all Loans: [redacted] Attn: [redacted] With copies to: [redacted] Attn: [redacted]	$25,000,000

SCHEDULE 4.03
TO REVOLVING CREDIT AGREEMENT

PERMITTED LIENS

1. Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

2. Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

3. Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, which liens do not individually or in the aggregate have a materially adverse effect on the business of the Borrower; and

4. Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which the Borrower or any of its Subsidiaries is a party, and other minor liens or encumbrances none of which in the opinion of the Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of the Borrower, which defects, liens and other encumbrances do not individually or in the aggregate have a materially adverse effect on the business of the Borrower.

SCHEDULE 4.04
TO REVOLVING CREDIT AGREEMENT

SUPPLEMENTAL DISCLOSURES

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

SCHEDULE 4.06
TO REVOLVING CREDIT AGREEMENT

LITIGATION

Matters disclosed in Florida Power & Light Company's Annual Report on Form 10-K, for the fiscal year ended December 31, 2015, as supplemented by each additional filing made by Florida Power & Light Company (including with respect to information furnished) subsequent to such Annual Report pursuant to the applicable provisions of the Securities Exchange Act of 1934, as amended, through and including the Effective Date.

EXHIBIT A TO AGREEMENT

[Form of Borrowing Notice]

BORROWING NOTICE

[•], 2016

[redacted]

With copies to:

[redacted]

Ladies and Gentlemen:

The undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Borrower"), refers to the Revolving Credit Agreement, dated as of December 20, 2016(as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted], as Administrative Agent (the "Agent") and Lender, and hereby requests a borrowing of a Loan under the Agreement, and in that connection sets forth below the information relating to the borrowing (the "Proposed Borrowing") as required by *Section 2.02(a)* of the Loan Agreement.

(i) The Business Day of the Proposed Borrowing is _____, ____.

(ii) The Proposed Borrowing is a Eurodollar Rate Loan with an initial Interest Period of _____.

(iii) The aggregate amount of the Proposed Borrowing is US$_____.

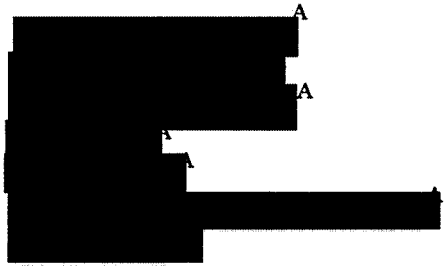
The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) No Default shall have occurred and be continuing or will occur upon the making of the Proposed Borrowing, and

(B) Each of the representations and warranties contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement will be true in all material respects as of the time of the making of the Proposed Borrowing with the same effect as if made at and as of that time (except to the extent that such representations and warranties relate expressly to an earlier date).

The proceeds of the Proposed Borrowing should be wire transferred to the Borrower in accordance with the following wire transfer instructions:

Name of Bank:
Street Address of Bank:
City/State/ZIP of Bank:
ABA Number of Bank:
SWIFT:
Name of Account:
Account Number at Bank:



[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

[FPL / [redacted] A – Revolving Credit – Borrowing Notice – Signature Page]

EXHIBIT B TO AGREEMENT

[Form of Note]

NOTE

$25,000,000 Dated: December 20, 2016

FOR VALUE RECEIVED, the undersigned, FLORIDA POWER & LIGHT COMPANY, a Florida corporation (hereinafter, together with its successors in title and assigns, called the "**Borrower**"), by this promissory note (hereinafter called "**this Note**"), absolutely and unconditionally promises to pay to the order of [redacted] (hereinafter, together with its successors in title and permitted assigns, called the "**Lender**"), the principal sum of TWENTY FIVE MILLION DOLLARS AND NO/100 DOLLARS ($25,000,000), or the aggregate unpaid principal amount of the Loan evidenced by this Note made by Lender to Borrower pursuant to the Agreement (as hereinafter defined), whichever is less, on the Maturity Date (as defined in the Agreement), and to pay interest on the principal sum outstanding hereunder from time to time from the Effective Date until the said principal sum or the unpaid portion thereof shall have been paid in full.

The unpaid principal (not at the time overdue) of this Note shall bear interest at the annual rate from time to time in effect under the Agreement referred to below (the "**Applicable Rate**"). Accrued interest on the unpaid principal under this Note shall be payable on the dates, and in the manner, specified in the Agreement.

On the Maturity Date there shall become absolutely due and payable by Borrower hereunder, and the Borrower hereby promises to pay to the Holder (as hereinafter defined) hereof, the balance (if any) of the principal hereof then remaining unpaid, all of the unpaid interest accrued hereon and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby.

Overdue principal of the Loans, and to the extent permitted by applicable law, overdue interest on the Loans and all other overdue amounts payable under this Note, shall bear interest payable on demand in the case of (i) overdue principal of or overdue interest on any Loan, at a rate per annum equal to two percent (2%) above the rate then applicable to such Loan, and (ii) any other overdue amounts, at a rate per annum equal to two percent (2%) above the Base Rate, in each case until such amount shall be paid in full (after, as well as before, judgment).

Each payment of principal, interest or other sum payable on or in respect of this Note or the indebtedness evidenced hereby shall be made by the Borrower directly to the Agent at the Agent's office, as provided in the Agreement, for the account of the Holder, not later than 2:00 p.m., New York, New York time, on the due date of such payment. All payments on or in respect of this Note or the indebtedness evidenced hereby shall be made without set-off or counterclaim and free and clear of and without any deduction of any kind for any taxes, levies, fees, deductions withholdings, restrictions or conditions of any nature, except as expressly set forth in *Section 3.10* and *Section 8.02* of the Agreement.

Absent manifest error, a certificate or statement signed by an authorized officer of Lender shall be conclusive evidence of the amount of principal due and unpaid under this Note as of the date of such certificate or statement.

This Note is made and delivered by the Borrower to the Lender pursuant to that certain Revolving Credit Agreement, dated as of December 20, 2016, by among the Borrower, the lenders party thereto, and [redacted] as Administrative Agent and Lender (such agreement, as originally executed, or, if varied or supplemented or amended and restated from time to time hereafter, as so varied or supplemented or amended and restated, called the "**Agreement**"). This Note evidences the obligations of Borrower (a) to repay the principal amount of the Loans made by Lender to Borrower under the Agreement, (b) to pay interest, as provided in the Agreement on the principal amount hereof remaining unpaid from time to time, and (c) to pay other amounts which may become due and payable hereunder as provided herein and in the Agreement.

No reference herein to the Agreement, to any of the Schedules or Exhibits annexed thereto, or to any of the Loan Documents or to any provisions of any thereof, shall impair the obligations of the Borrower, which are absolute, unconditional and irrevocable, to pay the principal of and the interest on this Note and to pay all (if any) other amounts which may become due and payable on or in respect of this Note or the indebtedness evidenced hereby, strictly in accordance with the terms and the tenor of this Note.

All capitalized terms used herein and defined in the Agreement shall have the same meanings herein as therein. For all purposes of this Note, "**Holder**" means the Lender or any other person who is at the time the lawful holder in possession of this Note.

Pursuant to, and upon the terms contained in the Agreement, the entire unpaid principal of this Note, all of the interest accrued on the unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby may be declared to be or may automatically become immediately due and payable, whereupon the entire unpaid principal of this Note and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby shall (if not already due and payable) forthwith become and be due and payable to the Holder of this Note without presentment, demand, protest, notice of protest or any other formalities of any kind, all of which are hereby expressly and irrevocably waived by the Borrower.

All computations of interest payable as provided in this Note shall be determined in accordance with the terms of the Agreement.

Should all or any part of the indebtedness represented by this Note be collected by action at law, or in bankruptcy, insolvency, receivership or other court proceedings, or should this Note be placed in the hands of attorneys for collection after default, the Borrower hereby promises to pay to the Holder of this Note, upon demand by the Holder at any time, in addition to principal, interest and all (if any) other amounts payable on or in respect of this Note or the indebtedness evidenced hereby, all court costs and reasonable attorneys' fees (including, without limitation, such reasonable fees of any in-house counsel) and all other reasonable collection charges and expenses incurred or sustained by the Holder.

The Borrower hereby irrevocably waives notices of acceptance, presentment, notice of non-payment, protest, notice of protest, suit and all other conditions precedent in connection with the delivery, acceptance, collection and/or enforcement of this Note.

THE BORROWER HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS NOTE, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

This Note is intended to take effect as a sealed instrument.

This Note and the obligations of the Borrower hereunder shall be governed by and interpreted and determined in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereunder (other than §5-1401 of the New York General Obligations Law).

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned, **FLORIDA POWER & LIGHT COMPANY**, on the day and in the year first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT C TO AGREEMENT

[Form of Interest Rate Notice]

INTEREST RATE NOTICE

[Date]

[redacted]

With copies to:

[redacted]

Ladies and Gentlemen:

Pursuant to *Section 2.06* of that certain Revolving Credit Agreement, dated as of December 20, 2016 (as amended or modified from time to time, the "Loan Agreement", the terms defined therein being used herein as therein defined), among the undersigned, the Lenders party thereto and [redacted] as Administrative Agent and Lender, the Borrower hereby gives you irrevocable notice of its request to Convert the Loan(s) and/or Interest Periods currently under effect under the Loan Agreement as follows ***[select from the following as applicable]***:

- on [date], to Convert $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate into a Base Rate Loan; [and/or]

- on [date], to Convert $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Base Rate into a Eurodollar Rate Loan having an Interest Period of [ ] month(s) ending on [date]; [and/or]

- on [date], to continue $[ ] of the aggregate outstanding principal amount of the Loan(s) bearing interest at the Eurodollar Rate, as a Eurodollar Rate Loan having an Interest Period of [ ] month(s) ending on [date].

Any capitalized terms used in this notice which are defined in the Loan Agreement have the meanings specified for those terms in the Loan Agreement.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT D TO AGREEMENT

Form of Borrower's Certificate

* * *

CERTIFICATE OF

FLORIDA POWER & LIGHT COMPANY

December 20, 2016

This Certificate is given pursuant to that certain Revolving Credit Agreement between Florida Power & Light Company (the "**Borrower**") the Lenders party thereto and [redacted]A, as Administrative Agent (the "**Agent**") and **Lender**, dated as of December 20, 2016 (the "**Loan Agreement**"). Each initially capitalized term which is used and not otherwise defined in this Certificate shall have has the meaning specified for such term in the Loan Agreement. This Certificate is delivered in satisfaction of the conditions precedent set forth in *Section 6.01* of the Loan Agreement.

1. The Borrower hereby provides notice to the Agent that December 20, 2016 is hereby deemed to be the Effective Date.

2. The Borrower hereby certifies to the Agent that as of the Effective Date, except in respect of the matters described in *Schedule 4.04* of the Loan Agreement, there has been no material adverse change in the business or financial condition of any of the Borrower or any of its Subsidiaries taken as a whole from that set forth in the financial statements included in the Borrower's annual report on Form 10-K referred to in *Section 4.04* of the Loan Agreement. This representation and warranty is made only as of the Effective Date and shall not be deemed made or remade on or as of any subsequent date notwithstanding anything contained in the Loan Agreement, the other Loan Documents or in any document or instrument delivered pursuant to or in connection with the Loan Agreement.

3. The Borrower hereby further certifies that as of the Effective Date, the representations and warranties of the Borrower contained in the Loan Agreement are true and correct in all material respects (except to the extent that such representations and warranties expressly relate to an earlier date) and there exists no Default.

[SIGNATURE APPEARS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has duly executed this Borrower's Certificate effective as of the date first set forth above.

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:

EXHIBIT E TO AGREEMENT

[Form of Opinion of Borrower's Counsel]

December 20, 2016

[redacted]
Attn: [redacted]

With copies to:

[redacted]
Attn: [redacted]

Re: Florida Power & Light Company $25,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations

under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under. (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws. as amended. of Borrower, assuming that the aggregate principal amount of the Loans and all of the

unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal. New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good

faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of December 20, 2016 (the "**Agreement**"), by and between the Borrower, the lenders party thereto from time to time, and Branch Banking and Trust Company, as Administrative Agent and Lender.

(b) Note, dated as of December 20, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $25,000,000.

(c) Borrower's Certificate, dated as of December 20, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

EXHIBIT F-1
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lender That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted] as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-2
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants
That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted]A as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-3
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted]A as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT F-4
U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Loan Agreement**"), between Florida Power & Light Company (as the "**Borrower**"), the Lenders party thereto and [redacted] as Administrative Agent and Lender (the "**Agent**").

Pursuant to the provisions of *Section 3.10* of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the Borrower, and (2) the undersigned shall have at all times furnished the Agent and the Borrower with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

[NAME OF LENDER]

By: _____
Name:
Title:

Date: _____, 20[ ]

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

* * *

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "***Assignment***") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "***Assignor***") and [*Insert name of Assignee*] (the "***Assignee***"). Capitalized terms used but not defined herein shall have the meanings given to them in the Loan Agreement identified below (as amended, the "***Loan Agreement***"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex I attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Loan Agreement, as of the Effective Date inserted by the Agent as contemplated below, the interest in and to all of the Assignor's rights and obligations under the Loan Agreement and any other documents or instruments delivered pursuant thereto that represents the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including, to the extent included in any such facilities, letters of credit) (the "***Assigned Interest***"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	**Assignor:**	_____
2.	**Assignee:**	_____ [*and is an affiliate of Assignor] [and is a Lender] [and is an affiliate of a Lender]*[1]
3.	**Borrower:**	Florida Power & Light Company
4.	**Administrative Agent:**	[redacted][A] as administrative agent under the **Loan Agreement:** Revolving Credit Agreement, dated as of December 20, 2016, among the Borrower the lenders party thereto from time to time, and the Administrative Agent

[1] Select as applicable.

6. Assigned Interest:

Facility Assigned	Amount of Loans Assigned	Percentage Assigned of Loans[2]
Revolving Credit Commitment	$_____	_____%

7. Effective Date: _____ ___, 20___ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

By: _____
Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Loans thereunder.

[Consented to and][3] Accepted:

[redacted]
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

FLORIDA POWER & LIGHT COMPANY

By: _____
Name:
Title:][4]

ANNEX I

FLORIDA POWER & LIGHT COMPANY
REVOLVING CREDIT AGREEMENT
DATED AS OF DECEMBER 20, 2016 (the "*LOAN AGREEMENT*")

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION AGREEMENT

1. **Representations and Warranties**.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the "***Loan Documents***"), (iii) the financial condition of Borrower, any of its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Loan Agreement, (ii) it meets all requirements of an Eligible Assignee under the Loan Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Loan Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Loan Agreement, together with copies of the most recent financial statements delivered pursuant to *Section 5.04* thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision, and (v) if it is a Foreign Lender, attached to the Assignment is any documentation required to be delivered by it pursuant to the terms of the Loan Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. **Payments**. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued on and after the Effective Date.

3. **General Provisions**. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK), WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

Exhibit 2 (a)

Signed opinions of FPL's legal counsel with respect to the legality of the loan agreement executed by FPL in connection with the Lee County Series 2016 Bonds.

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December 2, 2016

To: Lee County Industrial Development Authority
Fort Myers, Florida

Morgan Stanley & Co. LLC
New York, New York

(the "Underwriter" named in
the Underwriting Agreement dated
December 1, 2016 (the "Agreement") relating
to the Bonds referred to below)

Re: $30,000,000 Lee County Industrial Development Authority, Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A

We have acted as counsel to our client, Florida Power & Light Company (the "Company"), in connection with the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of the Issuer's Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Bonds"), issued under the Trust Indenture, dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Agreement.

We have participated in the preparation of or reviewed (1) the Indenture, (2) the Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), by and between the Company and the Issuer; (3) the Letter of Representation, dated December 1, 2016 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (4) the Official Statement, dated November 21, 2016, including Appendix A and all documents incorporated by reference therein (the "Official Statement"), (5) the Remarketing Agreement, dated December 2, 2016 (the "Remarketing Agreement"), by and between the Company and Morgan Stanley & Co. LLC; (6) the Continuing Disclosure Undertaking, dated December 2, 2016 (the "Continuing Disclosure Undertaking"), by and between the Company and the Trustee; and (7) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in the

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preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2016.

Upon the basis of the foregoing and at the request of the Company, we advise you that:

1. The Company is a validly organized and existing corporation and is in active status under the laws of the State of Florida, and is doing business in that State, and has valid franchises, licenses and permits adequate for the conduct of its business.

2. The Company is a corporation duly authorized by its Restated Articles of Incorporation, as amended (the "Charter"), to conduct the business which it is now conducting as set forth in the Official Statement; the Company is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission; and the Company is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

3. Except as stated or referred to in the Official Statement, as amended or supplemented to date (including amendments or supplements to date resulting from the filing of documents incorporated therein by reference), to our knowledge after due inquiry, there are no material pending legal proceedings to which the Company is a party or of which property of the Company is the subject which if determined adversely would have a material adverse effect on the Company and its subsidiaries taken as a whole and, to the best of our knowledge, no such proceeding is known by us to be contemplated by governmental authorities. We know of no litigation or proceedings, pending or threatened, challenging the validity of the Loan Agreement or the Letter of Representation or seeking to enjoin the performance of the Company's obligations thereunder.

4. The Loan Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general equity principles and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 7.3 therein.

5. The Letter of Representation has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought and the effect of applicable public

policy on the enforceability of provisions relating to indemnification contained in Section 6 therein.

6. The Remarketing Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 4 therein.

7. The Continuing Disclosure Undertaking has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought.

8. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Amended and Restated Bylaws of the Company, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

9. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body is legally required for the performance of the Company's obligations under the Loan Agreement.

10. The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Nabors, Giblin & Nickerson P.A. as Bond Counsel, as to the legal status of the Issuer and we have made no independent factual investigation with respect to such exclusion.

Additionally, we refer you to the Official Statement. As counsel to the Company and as Special Tax Counsel, we reviewed the Official Statement and participated in discussions with your representatives and certain officers and employees of the Company, certain of its other legal counsel, its independent registered public accounting firm, Bond Counsel and your counsel regarding such documents and information and related matters. The purpose of our professional engagement was not to establish or confirm factual matters set forth in the Official Statement and we have not undertaken any obligation to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Official Statement involve matters of a non-legal nature.

Subject to the foregoing, we confirm to you, on the basis of the information gained by those of our lawyers involved in the review and discussions referred to above, in the course of performing the services referred to above, that each of the documents incorporated by reference in the Official Statement (except as to the financial statements, schedules and other financial, statistical and accounting data, including any such data presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, as to which we make no comment), at the time such document was filed with the Securities and Exchange Commission, appeared on its face to be appropriately responsive in all material respects to the applicable requirements of the Securities Exchange Act of 1934, as amended and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

Furthermore, subject to the foregoing, nothing came to the attention of those lawyers that caused them to believe that the Official Statement, as of its date, and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that (a) we are not passing upon and do not assume any responsibility for the accuracy or completeness of, or otherwise verified, the statements contained in the Official Statement (except as and to the extent set forth in this paragraph), (b) we do not express any belief with respect to the financial statements, schedules, notes, other financial, statistical and accounting information derived therefrom, including any such information presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, in each case contained in the Official Statement or incorporated by reference, as the case may be, at the respective times as of which the advisements set forth in this paragraph are provided and (c) we do not express any belief with respect to statements made in the Official Statement under the captions "The Issuer" or "Disclosure Required by Florida Blue Sky Regulations" or in Appendix C-1 Form of Approving Opinion of Bond Counsel. Additionally, the information contained in the Official Statement under the heading "TAX MATTERS," and on the cover relating to our opinion as Special Tax Counsel fairly and accurately describes the information purported to be set forth.

This letter is being furnished only to you for your use solely in connection with the transaction described herein and may not be relied upon by anyone else or for any other purpose without our prior written consent. No confirmations other than those expressly' stated herein shall be implied or inferred as a result of anything contained in or omitted from this letter. The confirmations expressed in this letter are stated only as of the time of its delivery and we disclaim any obligation to revise or supplement this letter thereafter.

Very truly yours,

Squire Patton Boggs (US) LLP

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December 2, 2016

To: Lee County Industrial Development Authority
Fort Myers, Florida

Suntrust Robinson Humphrey, Inc.
Atlanta, GA

(the "Underwriter" named in
the Underwriting Agreement dated
December 1, 2016 (the "Agreement") relating
to the Bonds referred to below)

Re: $30,000,000 Lee County Industrial Development Authority, Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B

We have acted as counsel to our client, Florida Power & Light Company (the "Company"), in connection with the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of the Issuer's Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Bonds"), issued under the Trust Indenture, dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Agreement.

We have participated in the preparation of or reviewed (1) the Indenture, (2) the Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), by and between the Company and the Issuer; (3) the Letter of Representation, dated December 1, 2016 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (4) the Official Statement, dated November 21, 2016, including Appendix A and all documents incorporated by reference therein (the "Official Statement"), (5) the Remarketing Agreement, dated December 2, 2016 (the "Remarketing Agreement"), by and between the Company and SunTrust Robinson Humphrey, Inc.; (6) the Continuing Disclosure Undertaking, dated December 2, 2016 (the "Continuing Disclosure Undertaking"), by and between the Company and the Trustee; and (7) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in

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010-8374-0887/2/AMERICAS

the preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2016.

Upon the basis of the foregoing and at the request of the Company, we advise you that:

1. The Company is a validly organized and existing corporation and is in active status under the laws of the State of Florida, and is doing business in that State, and has valid franchises, licenses and permits adequate for the conduct of its business.

2. The Company is a corporation duly authorized by its Restated Articles of Incorporation, as amended (the "Charter"), to conduct the business which it is now conducting as set forth in the Official Statement; the Company is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission; and the Company is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

3. Except as stated or referred to in the Official Statement, as amended or supplemented to date (including amendments or supplements to date resulting from the filing of documents incorporated therein by reference), to our knowledge after due inquiry, there are no material pending legal proceedings to which the Company is a party or of which property of the Company is the subject which if determined adversely would have a material adverse effect on the Company and its subsidiaries taken as a whole and, to the best of our knowledge, no such proceeding is known by us to be contemplated by governmental authorities. We know of no litigation or proceedings, pending or threatened, challenging the validity of the Loan Agreement or the Letter of Representation or seeking to enjoin the performance of the Company's obligations thereunder.

4. The Loan Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general equity principles and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 7.3 therein.

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policy on the enforceability of provisions relating to indemnification contained in Section 6 therein.

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8. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Amended and Restated Bylaws of the Company, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

9. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body is legally required for the performance of the Company's obligations under the Loan Agreement.

10. The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Nabors, Giblin & Nickerson P.A. as Bond Counsel, as to the legal status of the Issuer and we have made no independent factual investigation with respect to such exclusion.

Additionally, we refer you to the Official Statement. As counsel to the Company and as Special Tax Counsel, we reviewed the Official Statement and participated in discussions with your representatives and certain officers and employees of the Company, certain of its other legal counsel, its independent registered public accounting firm, Bond Counsel and your counsel regarding such documents and information and related matters. The purpose of our professional engagement was not to establish or confirm factual matters set forth in the Official Statement and we have not undertaken any obligation to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Official Statement involve matters of a non-legal nature.

Subject to the foregoing, we confirm to you, on the basis of the information gained by those of our lawyers involved in the review and discussions referred to above, in the course of performing the services referred to above, that each of the documents incorporated by reference in the Official Statement (except as to the financial statements, schedules and other financial, statistical and accounting data, including any such data presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, as to which we make no comment), at the time such document was filed with the Securities and Exchange Commission, appeared on its face to be appropriately responsive in all material respects to the applicable requirements of the Securities Exchange Act of 1934, as amended and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

Furthermore, subject to the foregoing, nothing came to the attention of those lawyers that caused them to believe that the Official Statement, as of its date, and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that (a) we are not passing upon and do not assume any responsibility for the accuracy or completeness of, or otherwise verified, the statements contained in the Official Statement (except as and to the extent set forth in this paragraph), (b) we do not express any belief with respect to the financial statements, schedules, notes, other financial, statistical and accounting information derived therefrom, including any such information presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, in each case contained in the Official Statement or incorporated by reference, as the case may be, at the respective times as of which the advisements set forth in this paragraph are provided and (c) we do not express any belief with respect to statements made in the Official Statement under the captions "The Issuer" or "Disclosure Required by Florida Blue Sky Regulations" or in Appendix C-1 Form of Approving Opinion of Bond Counsel. Additionally, the information contained in the Official Statement under the heading "TAX MATTERS," and on the cover relating to our opinion as Special Tax Counsel fairly and accurately describes the information purported to be set forth.

This letter is being furnished only to you for your use solely in connection with the transaction described herein and may not be relied upon by anyone else or for any other purpose without our prior written consent. No confirmations other than those expressly' stated herein shall be implied or inferred as a result of anything contained in or omitted from this letter. The confirmations expressed in this letter are stated only as of the time of its delivery and we disclaim any obligation to revise or supplement this letter thereafter.

Very truly yours,

Squire Patton Boggs (US) LLP

CONFIDENTIAL

Exhibit 2 (b)

Signed opinion of FPL's legal counsel with respect to the legality of the Bank 1 2016 Term Loan Agreement.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(b), consisting of 7 pages, with the Florida Public Service Commission Clerk

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March 31, 2016

[redacted]

Telecopier No.: [redacted]

Re: Florida Power & Light Company $400,000,000 Term Loan Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as Lender. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or

regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 3

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 4

Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 5

or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 6

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I
TO
OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), by and among Borrower, the lenders party thereto from time to time, and [redacted] as Administrative Agent and Lender.

(b) Borrower's Certificate, dated as of March 31, 2016.

SCHEDULE II
TO
OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit 2 (c)

Signed opinion of FPL's legal counsel with respect to the legality of the September 2016 Conversion to Revolver.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(c), consisting of 6 pages, with the Florida Public Service Commission Clerk

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September 27, 2016

[redacted]

Re: Amendment No. 1 to Term Loan Agreement, dated as of September 27, 2016 (the "**Amendment**"), by and among Florida Power & Light Company (the "**Borrower**") and [redacted] (the "**Lender**") and as Administrative Agent (the "**Agent**")

Ladies and Gentlemen:

This opinion is furnished to you pursuant to ***Section 4.4*** of the Amendment, which amends that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), among the Borrower, the Lender, the other lenders party thereto, and the Agent. This opinion is furnished to you at the request of the Borrower. Capitalized terms defined in the Agreement, as amended by the Amendment, and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to the Borrower in connection with the documents described in ***Schedule I*** attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through

45 Offices in 21 Countries
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legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that

would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time

outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

[redacted]A

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(1) Term Loan Agreement, dated as of March 31, 2016, by and among the Borrower, the Lender, the other lenders party thereto, and the Agent, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of September 27, 2016.

(2) Certificate of Borrower, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

(1) **Secretary's Certificates**

A. Certificate of the Secretary of the Borrower, dated as of March 31, 2016, with respect to (i) Articles of Incorporation of the Borrower, as amended, (ii) the Bylaws of the Borrower, (iii) the active status of the Borrower in the State of Florida and (iv) the resolutions of the Board of Directors of the Borrower approving the transactions contemplated pursuant to the Agreement.

B. Certificate of the Secretary of the Borrower, dated as of the date hereof, with respect to (i) Articles of Incorporation of the Borrower, as amended, (ii) the Bylaws of the Borrower, (iii) the active status of the Borrower in the State of Florida and (iv) the resolutions of the Board of Directors of the Borrower approving the transactions contemplated pursuant to the Amendment.

(2) **Incumbency Certificates**

A. Certificate of the Secretary of the Borrower, dated as of March 31, 2016, with respect to the incumbency and specimen signatures of the officers of the Borrower executing the Agreement on behalf of the Borrower.

B. Certificate of the Secretary of the Borrower, dated as of the date hereof, with respect to the incumbency and specimen signatures of the officers of the Borrower executing the Amendment on behalf of the Borrower.

(3) The FPSC Financing Order

CONFIDENTIAL

Exhibit 2 (d)

Signed opinion of FPL's legal counsel with respect to the legality of the Bank 2 2016 Term Loan Agreement.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(d), consisting of 7 pages, with the Florida Public Service Commission Clerk

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March 31, 2016

[redacted]
as Administrative Agent and Lender

Re: Florida Power & Light Company $100,000,000 Term Loan Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as Lender. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule I* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction; *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 2

law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the

Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the "**Transaction**") and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower,

assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 5

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

[redacted]
as Administrative Agent and Lender
March 31, 2016
Page 6

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I
TO
OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Term Loan Agreement, dated as of March 31, 2016 (the "Agreement"), by and among Borrower, the lenders party thereto from time to time, and [redacted], as Administrative Agent and Lender.

(b) Borrower's Certificate, dated as of March 31, 2016.

SCHEDULE II
TO
OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit 2 (e)

Signed opinion of FPL's legal counsel with respect to the legality of the August 2016 Conversion to Revolver 1.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(e), consisting of 6 pages, with the Florida Public Service Commission Clerk

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August 26, 2016

[redacted]

Re: Amendment No. 1 to Term Loan Agreement, dated as of August 26, 2016 (the "**Amendment**"), by and among Florida Power & Light Company (the "**Borrower**") and [redacted] as Lender (the "Lender") and as Administrative Agent (the "**Agent**")

Ladies and Gentlemen:

This opinion is furnished to you pursuant to ***Section 4.4*** of the Amendment, which amends that certain Term Loan Agreement, dated as of March 31, 2016 (the "**Agreement**"), among the Borrower, the Lender, the other lenders party thereto, and the Agent. This opinion is furnished to you at the request of the Borrower. Capitalized terms defined in the Agreement, as amended by the Amendment, and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to the Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations

45 Offices in 21 Countries
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Please visit squirepattonboggs.com for more information.

Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in the Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

[redacted]A

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loan and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended, (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loan and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

[redacted]A

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(1) Term Loan Agreement, dated as of March 31, 2016, by and among the Borrower, the Lender, the other lenders party thereto, and the Agent, as amended by Amendment No. 1 to Term Loan Agreement (Conversion to Revolver), dated as of August 26, 2016.

(2) Certificate of Borrower, dated as of March 31, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, dated as of the date hereof, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, dated as of the date hereof, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) Certificate of the Secretary of Borrower, dated as of March 31, 2016, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(iv) Certificate of the Secretary of Borrower, dated as of March 31, 2016, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit 2 (f)

Signed opinion of FPL's legal counsel with respect to the legality of the September 2016 Revolving Credit Agreement.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(f), consisting of 7 pages, with the Florida Public Service Commission Clerk

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September 27, 2016

[redacted]

With copies to:

[redacted]

Re: Florida Power & Light Company $150,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of September 27, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted], as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or special political subdivisions (whether created or enabled through

legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the **"Transaction"**) and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under. (A) the Restated

Articles of Incorporation of Borrower, as amended, or the Bylaws. as amended. of Borrower, assuming that the aggregate principal amount of the Loans and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal. New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture. agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

[redacted]

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of September 27, 2016 (the "**Agreement**"), by and between the Borrower, the lenders party thereto from time to time, and [redacted], as Administrative Agent and Lender.

(b) Note, dated as of September 27, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $150,000,000.

(c) Borrower's Certificate, dated as of September 27, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit 2 (g)

Signed opinion of FPL's legal counsel with respect to the legality of the November 2016 Revolving Credit Agreement.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(g), consisting of 7 pages, with the Florida Public Service Commission Clerk

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November 30, 2016

[redacted]

With copies to:

[redacted]

Re: Florida Power & Light Company $75,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of November 30, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted] as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule I* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties, towns, municipalities or

[redacted]
November 30, 2016
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special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

[redacted]
November 30, 2016
Page 3

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the "**Transaction**") and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under, (A) the Restated Articles of

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[redacted]
November 30, 2016
Page 4

Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loans and all of the unsecured indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

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November 30, 2016
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A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

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[redacted]
November 30, 2016
Page 6

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

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SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of November 30, 2016 (the "**Agreement**"), by and between the Borrower, the lenders party thereto from time to time, and [redacted] as Administrative Agent and Lender.

(b) Note, dated as of November 30, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $75,000,000.

(c) Borrower's Certificate, dated as of November 30, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

CONFIDENTIAL

Exhibit 2 (h)

Signed opinion of FPL's legal counsel with respect to the legality of the December 2016 Revolving Credit Agreement.

Pursuant to Rule 25-22.006, F.A.C., FPL is contemporaneously filing Confidential Exhibit 2(h), consisting of 7 pages, with the Florida Public Service Commission Clerk

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December 20, 2016

[redacted]

With copies to:

[redacted]

Re: Florida Power & Light Company $25,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

This opinion is furnished to you pursuant to *Section 6.01(e)* of that certain Revolving Credit Agreement, dated as of December 20, 2016 (the "**Agreement**"), between Florida Power & Light Company, a Florida corporation ("**Borrower**"), the Lenders party thereto from time to time, and [redacted], as Administrative Agent (the "**Agent**") and as **Lender**. This opinion is furnished to you at the request of Borrower. Capitalized terms defined in the Agreement and not otherwise defined herein have the meanings set forth therein.

We have acted as special counsel to Borrower, in connection with the documents described in *Schedule 1* attached hereto and made a part hereof (the "**Operative Documents**").

We have made such examinations of the federal law of the United States and of the laws of the State of Florida and the State of New York as we have deemed relevant for purposes of this opinion, and solely for the purposes of the opinions in paragraph 6, the Public Utility Holding Company Act of 2005 and the Federal Power Act (the Public Utility Holding Company Act of 2005 and the Federal Power Act and the rules and regulations issued thereunder being referred to herein as the "**Applicable Energy Laws**"), and have not made any independent review of the law of any other state or other jurisdiction: *provided however* we have made no investigation as to, and we express no opinion with respect to, any federal securities laws or the blue sky laws of any state, any state or federal tax laws, or any matters relating to the Applicable Energy Laws (except for the purposes of the opinions in paragraph 6), the Public Utility Regulatory Policies Act of 1978, the Energy Policy Act of 2005, or the rules and regulations under any of the foregoing. Additionally, the opinions contained herein shall not be construed as expressing any opinion regarding local statutes, ordinances, administrative decisions, or regarding the rules and regulations of counties,

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[redacted]
December 20, 2016
Page 2

towns, municipalities or special political subdivisions (whether created or enabled through legislative action at the state or regional level), or regarding judicial decisions to the extent they deal with any of the foregoing (collectively, "**Excluded Laws**"). Subject to the foregoing provisions of this paragraph, the opinions expressed herein are limited solely to the federal law of the United States and the law of the State of Florida and the State of New York insofar as they bear on the matters covered hereby.

We have reviewed only the Operative Documents and the other documents and instruments described in *Schedule II* attached hereto and made a part hereof (together with the Operative Documents, the "**Documents**") and have made no other investigation or inquiry. We have also relied, without additional investigation, upon the facts set forth in Documents, including the representations made by Borrower in the Documents.

In our examination of the foregoing and in rendering the following opinions, in addition to the assumptions contained elsewhere in this letter, we have, with your consent, assumed without investigation (and we express no opinion regarding the following):

(i) the genuineness of all signatures (other than signatures of Borrower on the Operative Documents) and the legal capacity of all individuals who executed Documents individually or on behalf of any of the parties thereto, the accuracy and completeness of each Document submitted for our review, the authenticity of all Documents submitted to us as originals, the conformity to original Documents of all Documents submitted to us as certified or photocopies and the authenticity of the originals of such copies;

(ii) that each of the parties to the Operative Documents (other than Borrower) is a duly organized or created, validly existing entity in good standing under the laws of the jurisdiction of its organization or creation;

(iii) the due execution and delivery of the Operative Documents by all parties thereto (other than Borrower);

(iv) that all parties to the Operative Documents (other than Borrower) have the power and authority to execute and deliver the Operative Documents, as applicable, and to perform their respective obligations under the Operative Documents, as applicable;

(v) that each of the Operative Documents is the legal, valid and binding obligation of each party thereto (other than Borrower), enforceable in each case against each such party in accordance with the respective terms of the applicable Operative Documents;

(vi) that the conduct of the parties to the Operative Documents has complied with all applicable requirements of good faith, fair dealing and conscionability;

(vii) that there are no agreements or understandings between the parties, written or oral, and there is no usage of trade or course of prior dealing between the parties that

[redacted]
December 20, 2016
Page 3

would, in either case, define, supplement or qualify the terms of any of the Operative Documents (except as specifically set forth in the Operative Documents); and

(viii) that none of the addressees of this letter know that the opinions set forth herein are incorrect and there has not been any mutual mistake of fact or misunderstanding, fraud, duress or undue influence relating to the matters which are the subject of our opinions.

As used in the opinions expressed herein, the phrase "to our knowledge refers only to the actual current knowledge of those attorneys in our firm who have given substantive attention to Borrower in connection with the transaction contemplated pursuant to the Agreement (the "**Transaction**") and does not (i) include constructive notice of matters or information, or (ii) imply that we have undertaken any independent investigation (a) with any other person inside our firm or any persons outside our firm, or (b) as to the accuracy or completeness of any factual representation or other information made or furnished in connection with the Transaction. Furthermore, such reference means only that we do not know of any fact or circumstance contradicting the statement that follows the reference, and does not imply that we know the statement to be correct or have any basis (other than the Documents) for that statement.

Based solely upon our examination and consideration of the Documents, and in reliance thereon, and in reliance upon the factual representations contained in the Documents, and our consideration of such matters of law and fact as we have considered necessary or appropriate for the expression of the opinions contained herein, and subject to the limitations, qualifications and assumptions expressed herein, we are of the opinion that:

1. Borrower is validly existing as a corporation under the laws of the State of Florida and its status is active. Borrower has the requisite corporate power and authority to execute, deliver and perform the Operative Documents to which it is a party.

2. The execution, delivery and performance of the Operative Documents entered into by Borrower have been duly authorized by all necessary corporate action of Borrower and the Operative Documents to which Borrower is a party have been duly executed and delivered by Borrower.

3. Each of the Operative Documents to which Borrower is a party constitutes a valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

4. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not conflict with or constitute a breach or violation of any of the terms or provisions of, or constitute a default under, (A) the Restated Articles of Incorporation of Borrower, as amended, or the Bylaws, as amended, of Borrower, assuming that the aggregate principal amount of the Loans and all of the unsecured

[redacted]
December 20, 2016
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indebtedness of Borrower at any one time outstanding would not exceed the limits set forth in Borrower's Restated Articles of Incorporation, as amended. (B) any existing federal, New York or Florida statute, or any rule or regulation thereunder (in each case other than (i) any Excluded Laws, as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below) of any federal, New York or Florida governmental agency or body having jurisdiction over Borrower, except where the same would not have a material adverse effect on the business, properties or financial condition of Borrower, a material adverse effect on the ability of Borrower to perform its obligations under the Operative Documents or a material adverse effect on the validity or enforceability of the Operative Documents, assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (C) require any consent, approval, authorization or other order of any federal, New York or Florida court, regulatory body, administrative agency or other federal, New York or Florida governmental body having jurisdiction over Borrower (in each case other than under (i) any Excluded Laws as to which no opinion is expressed and (ii) any Applicable Energy Laws, which are addressed in paragraph 6 below), except those which have been obtained on or prior to the date hereof and assuming that the aggregate principal amount of the Loans and all other applicable indebtedness, equity securities and all other liabilities and obligations as guarantor, endorser or surety of Borrower at any one time outstanding would not exceed the limits set forth in the FPSC Financing Order, (D) to our knowledge, conflict with or constitute a breach of any of the terms or provisions of, or a default under, any material agreement or material instrument to which Borrower is a party or by which Borrower or its properties are bound (other than the Restated Articles of Incorporation, as amended of Borrower, or the Bylaws of Borrower, as amended, which are covered pursuant to clause (A) above), or (E) to our knowledge, result in the creation or imposition of any Lien upon any of the material properties or assets of Borrower pursuant to the terms of any mortgage, indenture, agreement or instrument to which Borrower is a party or by which it is bound, except as contemplated in any of the Operative Documents.

5. Borrower is not an "investment company", as such term is defined in the Investment Company Act of 1940.

6. The execution and delivery of the Operative Documents to which Borrower is a party and the consummation by Borrower of the transactions contemplated in the Operative Documents to which Borrower is a party will not (A) constitute a breach or violation by Borrower of any Applicable Energy Law, or (B) require any consent, approval, authorization or other order of any U.S. federal regulatory body, administrative agency or other U.S. federal governmental body having jurisdiction over Borrower pursuant to an Applicable Energy Law.

The opinions set forth above are subject to the following qualifications:

A. The enforceability of the Operative Documents may be limited or affected by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer or other laws affecting creditors' rights generally, considerations of public policy and by general

[redacted]
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principles of equity including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law. Without limiting the generality of the foregoing, we express no opinion concerning:

(1) any purported waiver of legal rights of Borrower under any of the Operative Documents, or any purported consent thereunder, relating to the rights of Borrower (including, without limitation, marshaling of assets, reinstatement and rights of redemption, if any), or duties owing to it, existing as a matter of law (including, without limitation, any waiver of any provision of the Uniform Commercial Code in effect in the State of New York and/or the State of Florida) except to the extent Borrower may so waive and has effectively so waived (whether in any of the Operative Documents or otherwise); or

(2) any provisions in any of the Operative Documents (a) restricting access to legal or equitable redress or otherwise, requiring submission to the jurisdiction of the courts of a particular state where enforcement thereof is deemed to be unreasonable in light of the circumstances or waiving any rights to object to venue or inconvenient forum, (b) providing that any other party's course of dealing, delay or failure to exercise any right, remedy or option under any of the Operative Documents shall not operate as a waiver, (c) purporting to establish evidentiary standards for suits or proceedings to enforce any of the Operative Documents, (d) allowing any party to declare indebtedness to be due and payable, in any such case without notice, (e) providing for the reimbursement by the non-prevailing party of the prevailing party's legal fees and expenses, (f) with respect to the enforceability of the indemnification provisions in any of the Operative Documents that may be limited by applicable laws or public policy, (g) providing that forum selection clauses are binding on the court or courts in the forum selected, (h) limiting judicial discretion regarding the determination of damages and entitlement to attorneys' fees and other costs, (i) which deny a party who has materially failed to render or offer performance required by any of the Operative Documents the opportunity to cure that failure unless permitting a cure would unreasonably hinder the non-defaulting party from making substitute arrangements for performance or unless it was important in the circumstances to the non-defaulting party that performance occur by the date stated in the agreement, or (j) which purport to waive any right to trial by jury.

B. The foregoing opinions are subject to applicable laws with respect to statutory limitations of the time periods for bringing actions.

[redacted]
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C. We express no opinion as to the subject matter jurisdiction of any United States federal court to adjudicate any claim relating to any Operative Documents where jurisdiction based on diversity of citizenship under 28 U.S.C. §1332 does not exist.

This opinion is limited to the matters stated herein and no opinions may be implied or inferred beyond the matters expressly stated herein. We have assumed no obligation to advise you or any other Person who may be permitted to rely on the opinions expressed herein as hereinafter set forth beyond the opinions specifically expressed herein.

The opinions expressed herein are as of this date, and we assume no obligation to update or supplement our opinions to reflect any facts or circumstances which may come to our attention or any changes in law which may occur.

This opinion is provided to the addressee for its benefit and the benefit of any Person that becomes a Lender in accordance with the provisions of the Agreement and is provided only in connection with the Transaction and may not be relied upon in any respect by any other Person or for any other purpose. Without our prior written consent, this opinion letter may not be quoted in whole or in part or otherwise referred to in any document or report and may not be furnished to any Person (other than a Person that becomes a Lender in accordance with the provisions of the Agreement).

Very truly yours,

Squire Patton Boggs (US) LLP

SQUIRE PATTON BOGGS (US) LLP

SCHEDULE I

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Operative Documents

(a) Revolving Credit Agreement, dated as of December 20, 2016 (the "**Agreement**"), by and between the Borrower, the lenders party thereto from time to time, and [redacted], as Administrative Agent and Lender.

(b) Note, dated as of December 20, 2016, made by Borrower and payable to the order of [redacted] in a principal amount of $25,000,000.

(c) Borrower's Certificate, dated as of December 20, 2016.

SCHEDULE II

TO

OPINION OF SQUIRE PATTON BOGGS (US) LLP

List of Supporting Documents

The Constituent Documents of Florida Power & Light Company:

(i) Certificate of the Secretary of Borrower, with respect to (i) the Restated Articles of Incorporation of Borrower, as amended, (ii) the Bylaws, as amended, of Borrower, (iii) the resolutions of the Board of Directors of Borrower approving the transactions contemplated pursuant to the Operative Documents, and (iv) the active status of Borrower in the State of Florida.

(ii) Certificate of the Secretary of Borrower, with respect to the incumbency and specimen signatures of the officers of Borrower executing the Operative Documents on behalf of Borrower.

(iii) The FPSC Financing Order.

Exhibit 3 (a)

Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **March 31, 2016**

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**NEXTERA ENERGY, INC.**	59-2449419
2-27612	**FLORIDA POWER & LIGHT COMPANY**	59-0247775

700 Universe Boulevard
Juno Beach, Florida 33408
(561) 694-4000

State or other jurisdiction of incorporation or organization: Florida

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

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months.

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants are a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934.

NextEra Energy, Inc.	Large Accelerated Filer ☑	Accelerated Filer ☐	Non-Accelerated Filer ☐	Smaller Reporting Company ☐
Florida Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-Accelerated Filer ☑	Smaller Reporting Company ☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ☐ No ☑

Number of shares of NextEra Energy, Inc. common stock, $0.01 par value, outstanding as of March 31, 2016: 461,445,951

Number of shares of Florida Power & Light Company common stock, without par value, outstanding as of March 31, 2016, all of which were held, beneficially and of record, by NextEra Energy, Inc.: 1,000

This combined Form 10-Q represents separate filings by NextEra Energy, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to NextEra Energy, Inc.'s other operations.

Florida Power & Light Company meets the conditions set forth in General Instruction H.(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

DEFINITIONS

Acronyms and defined terms used in the text include the following:

Term	Meaning
AFUDC	allowance for funds used during construction
AFUDC - equity	equity component of AFUDC
AOCI	accumulated other comprehensive income
capacity clause	capacity cost recovery clause, as established by the FPSC
Duane Arnold	Duane Arnold Energy Center
EPA	U.S. Environmental Protection Agency
FASB	Financial Accounting Standards Board
FERC	U.S. Federal Energy Regulatory Commission
Florida Southeast Connection	Florida Southeast Connection, LLC, a wholly owned NEER subsidiary
FPL	Florida Power & Light Company
FPL FiberNet	fiber-optic telecommunications business
FPSC	Florida Public Service Commission
fuel clause	fuel and purchased power cost recovery clause, as established by the FPSC
GAAP	generally accepted accounting principles in the U.S.
ITC	investment tax credit
kWh	kilowatt-hour(s)
Management's Discussion	Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
MMBtu	One million British thermal units
MW	megawatt(s)
MWh	megawatt-hour(s)
NEE	NextEra Energy, Inc.
NEECH	NextEra Energy Capital Holdings, Inc.
NEER	NextEra Energy Resources, LLC
NEET	NextEra Energy Transmission, LLC
NEP	NextEra Energy Partners, LP
NEP OpCo	NextEra Energy Operating Partners, LP
Note __	Note __ to condensed consolidated financial statements
NRC	U.S. Nuclear Regulatory Commission
O&M expenses	other operations and maintenance expenses in the condensed consolidated statements of income
OCI	other comprehensive income
OTC	over-the-counter
OTTI	other than temporary impairment
PTC	production tax credit
PV	photovoltaic
Recovery Act	American Recovery and Reinvestment Act of 2009, as amended
regulatory ROE	return on common equity as determined for regulatory purposes
Sabal Trail	Sabal Trail Transmission, LLC, an entity in which a wholly owned NEER subsidiary has a 42.5% ownership interest
Seabrook	Seabrook Station
SEC	U.S. Securities and Exchange Commission
U.S.	United States of America

NEE, FPL, NEECH and NEER each has subsidiaries and affiliates with names that may include NextEra Energy, FPL, NextEra Energy Resources, NextEra, FPL Group, FPL Group Capital, FPL Energy, FPLE and similar references. For convenience and simplicity, in this report the terms NEE, FPL, NEECH and NEER are sometimes used as abbreviated references to specific subsidiaries, affiliates or groups of subsidiaries or affiliates. The precise meaning depends on the context.

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FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, strategies, future events or performance (often, but not always, through the use of words or phrases such as may result, are expected to, will continue, is anticipated, aim, believe, will, could, should, would, estimated, may, plan, potential, future, projection, goals, target, outlook, predict and intend or words of similar meaning) are not statements of historical facts and may be forward looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could have a significant impact on NEE's and/or FPL's operations and financial results, and could cause NEE's and/or FPL's actual results to differ materially from those contained or implied in forward-looking statements made by or on behalf of NEE and/or FPL in this combined Form 10-Q, in presentations, on their respective websites, in response to questions or otherwise.

Regulatory, Legislative and Legal Risks

- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected by the extensive regulation of their business.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if they are unable to recover in a timely manner any significant amount of costs, a return on certain assets or a reasonable return on invested capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise.
- Regulatory decisions that are important to NEE and FPL may be materially adversely affected by political, regulatory and economic factors.
- FPL's use of derivative instruments could be subject to prudence challenges and, if found imprudent, could result in disallowances of cost recovery for such use by the FPSC.
- Any reductions to, or the elimination of, governmental incentives or policies that support utility scale renewable energy, including, but not limited to, tax incentives, renewable portfolio standards, feed-in tariffs or the EPA's final rule under Section 111(d) of the Clean Air Act, or the imposition of additional taxes or other assessments on renewable energy, could result in, among other items, the lack of a satisfactory market for the development of new renewable energy projects, NEER abandoning the development of renewable energy projects, a loss of NEER's investments in renewable energy projects and reduced project returns, any of which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected as a result of new or revised laws, regulations, interpretations or other regulatory initiatives.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if the rules implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act broaden the scope of its provisions regarding the regulation of OTC financial derivatives and make certain provisions applicable to NEE and FPL.
- NEE and FPL are subject to numerous environmental laws, regulations and other standards that may result in capital expenditures, increased operating costs and various liabilities, and may require NEE and FPL to limit or eliminate certain operations.
- NEE's and FPL's business could be negatively affected by federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions.
- Extensive federal regulation of the operations of NEE and FPL exposes NEE and FPL to significant and increasing compliance costs and may also expose them to substantial monetary penalties and other sanctions for compliance failures.
- Changes in tax laws, as well as judgments and estimates used in the determination of tax-related asset and liability amounts, could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected due to adverse results of litigation.

Operational Risks

- NEE's and FPL's business, financial condition, results of operations and prospects could suffer if NEE and FPL do not proceed with projects under development or are unable to complete the construction of, or capital improvements to, electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget.
- NEE and FPL may face risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements that may impede their development and operating activities.

- The operation and maintenance of NEE's and FPL's electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities are subject to many operational risks, the consequences of which could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be negatively affected by a lack of growth or slower growth in the number of customers or in customer usage.
- NEE's and FPL's business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather.
- Threats of terrorism and catastrophic events that could result from terrorism, cyber attacks, or individuals and/or groups attempting to disrupt NEE's and FPL's business, or the businesses of third parties, may materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- The ability of NEE and FPL to obtain insurance and the terms of any available insurance coverage could be materially adversely affected by international, national, state or local events and company-specific events, as well as the financial condition of insurers. NEE's and FPL's insurance coverage does not provide protection against all significant losses.
- NEE invests in gas and oil producing and transmission assets through NEER's gas infrastructure business. The gas infrastructure business is exposed to fluctuating market prices of natural gas, natural gas liquids, oil and other energy commodities. A prolonged period of low gas and oil prices could impact NEER's gas infrastructure business and cause NEER to delay or cancel certain gas infrastructure projects and for certain existing projects to be impaired, which could materially adversely affect NEE's results of operations.
- If supply costs necessary to provide NEER's full energy and capacity requirement services are not favorable, operating costs could increase and materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Due to the potential for significant volatility in market prices for fuel, electricity and renewable and other energy commodities, NEER's inability or failure to manage properly or hedge effectively the commodity risks within its portfolios could materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Sales of power on the spot market or on a short-term contractual basis may cause NEE's results of operations to be volatile.
- Reductions in the liquidity of energy markets may restrict the ability of NEE to manage its operational risks, which, in turn, could negatively affect NEE's results of operations.
- NEE's and FPL's hedging and trading procedures and associated risk management tools may not protect against significant losses.
- If price movements significantly or persistently deviate from historical behavior, NEE's and FPL's risk management tools associated with their hedging and trading procedures may not protect against significant losses.
- If power transmission or natural gas, nuclear fuel or other commodity transportation facilities are unavailable or disrupted, FPL's and NEER's ability to sell and deliver power or natural gas may be limited.
- NEE and FPL are subject to credit and performance risk from customers, hedging counterparties and vendors.
- NEE and FPL could recognize financial losses or a reduction in operating cash flows if a counterparty fails to perform or make payments in accordance with the terms of derivative contracts or if NEE or FPL is required to post margin cash collateral under derivative contracts.
- NEE and FPL are highly dependent on sensitive and complex information technology systems, and any failure or breach of those systems could have a material adverse effect on their business, financial condition, results of operations and prospects.
- NEE's and FPL's retail businesses are subject to the risk that sensitive customer data may be compromised, which could result in a material adverse impact to their reputation and/or the results of operations of the retail business.
- NEE and FPL could recognize financial losses as a result of volatility in the market values of derivative instruments and limited liquidity in OTC markets.
- NEE and FPL may be materially adversely affected by negative publicity.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected if FPL is unable to maintain, negotiate or renegotiate franchise agreements on acceptable terms with municipalities and counties in Florida.
- Increasing costs associated with health care plans may materially adversely affect NEE's and FPL's results of operations.
- NEE's and FPL's business, financial condition, results of operations and prospects could be negatively affected by the lack of a qualified workforce or the loss or retirement of key employees.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected by work strikes or stoppages and increasing personnel costs.

- NEE's ability to successfully identify, complete and integrate acquisitions is subject to significant risks, including, but not limited to, the effect of increased competition for acquisitions resulting from the consolidation of the power industry.
- NEP's acquisitions may not be completed and, even if completed, NEE may not realize the anticipated benefits of any acquisitions, which could materially adversely affect NEE's business, financial condition, results of operations and prospects.

Nuclear Generation Risks

- The construction, operation and maintenance of NEE's and FPL's nuclear generation facilities involve environmental, health and financial risks that could result in fines or the closure of the facilities and in increased costs and capital expenditures.
- In the event of an incident at any nuclear generation facility in the U.S. or at certain nuclear generation facilities in Europe, NEE and FPL could be assessed significant retrospective assessments and/or retrospective insurance premiums as a result of their participation in a secondary financial protection system and nuclear insurance mutual companies.
- NRC orders or new regulations related to increased security measures and any future safety requirements promulgated by the NRC could require NEE and FPL to incur substantial operating and capital expenditures at their nuclear generation facilities.
- The inability to operate any of NEER's or FPL's nuclear generation units through the end of their respective operating licenses could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- Various hazards posed to nuclear generation facilities, along with increased public attention to and awareness of such hazards, could result in increased nuclear licensing or compliance costs which are difficult or impossible to predict and could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's nuclear units are periodically removed from service to accommodate normal refueling and maintenance outages, and for other purposes. If planned outages last longer than anticipated or if there are unplanned outages, NEE's and FPL's results of operations and financial condition could be materially adversely affected.

Liquidity, Capital Requirements and Common Stock Risks

- Disruptions, uncertainty or volatility in the credit and capital markets may negatively affect NEE's and FPL's ability to fund their liquidity and capital needs and to meet their growth objectives, and can also materially adversely affect the results of operations and financial condition of NEE and FPL.
- NEE's, NEECH's and FPL's inability to maintain their current credit ratings may materially adversely affect NEE's and FPL's liquidity and results of operations, limit the ability of NEE and FPL to grow their business, and increase interest costs.
- NEE's and FPL's liquidity may be impaired if their credit providers are unable to fund their credit commitments to the companies or to maintain their current credit ratings.
- Poor market performance and other economic factors could affect NEE's defined benefit pension plan's funded status, which may materially adversely affect NEE's and FPL's business, financial condition, liquidity and results of operations and prospects.
- Poor market performance and other economic factors could adversely affect the asset values of NEE's and FPL's nuclear decommissioning funds, which may materially adversely affect NEE's and FPL's liquidity and results of operations.
- Certain of NEE's investments are subject to changes in market value and other risks, which may materially adversely affect NEE's liquidity, financial results and results of operations.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if its subsidiaries are unable to pay upstream dividends or repay funds to NEE.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if NEE is required to perform under guarantees of obligations of its subsidiaries.
- NEP may not be able to access sources of capital on commercially reasonable terms, which would have a material adverse effect on its ability to consummate future acquisitions and on the value of NEE's limited partner interest in NEP OpCo.
- Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of NEE's common stock.

These factors should be read together with the risk factors included in Part I, Item 1A. Risk Factors in NEE's and FPL's Annual Report on Form 10-K for the year ended December 31, 2015 (2015 Form 10-K), and investors should refer to that section of the 2015 Form 10-K. Any forward-looking statement speaks only as of the date on which such statement is made, and NEE and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances, including, but not limited to, unanticipated events, after the date on which such statement is made, unless otherwise required by law. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on

the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement.

Website Access to SEC Filings. NEE and FPL make their SEC filings, including the annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, available free of charge on NEE's internet website, www.nexteraenergy.com, as soon as reasonably practicable after those documents are electronically filed with or furnished to the SEC. The information and materials available on NEE's website (or any of its subsidiaries' websites) are not incorporated by reference into this combined Form 10-Q. The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC at www.sec.gov.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2016	2015
OPERATING REVENUES	$ 3,835	$ 4,104
OPERATING EXPENSES		
Fuel, purchased power and interchange	928	1,363
Other operations and maintenance	799	735
Merger-related	4	4
Depreciation and amortization	537	547
Taxes other than income taxes and other	333	326
Total operating expenses	2,601	2,975
OPERATING INCOME	1,234	1,129
OTHER INCOME (DEDUCTIONS)		
Interest expense	(509)	(321)
Benefits associated with differential membership interests - net	84	57
Equity in earnings of equity method investees	32	9
Allowance for equity funds used during construction	25	11
Interest income	18	21
Gains on disposal of assets - net	15	22
Other - net	(3)	8
Total other deductions - net	(338)	(193)
INCOME BEFORE INCOME TAXES	896	936
INCOME TAXES	259	286
NET INCOME	637	650
LESS NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	1	—
NET INCOME ATTRIBUTABLE TO NEE	$ 636	$ 650
Earnings per share attributable to NEE		
Basic	$ 1.38	$ 1.47
Assuming dilution	$ 1.37	$ 1.45
Dividends per share of common stock	$ 0.87	$ 0.77
Weighted-average number of common shares outstanding:		
Basic	460.5	442.3
Assuming dilution	462.9	448.8

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(millions)
(unaudited)

	Three Months Ended March 31,	
	2016	2015
NET INCOME	**$ 637**	$ 650
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		
Net unrealized gains (losses) on cash flow hedges:		
Effective portion of net unrealized losses (net of $26 tax benefit)	**—**	(52)
Reclassification from accumulated other comprehensive loss to net income (net of $13 and $4 tax expense, respectively)	**23**	18
Net unrealized gains (losses) on available for sale securities:		
Net unrealized gains on securities still held (net of $7 and $9 tax expense, respectively)	**8**	12
Reclassification from accumulated other comprehensive income to net income (net of $1 and $7 tax benefit, respectively)	**(1)**	(10)
Defined benefit pension and other benefits plans (net of $4 and $10 tax benefit, respectively)	**(7)**	(16)
Net unrealized gains on foreign currency translation (net of less than $1 and $8 tax expense, respectively)	**20**	14
Other comprehensive loss related to equity method investee (net of $2 and $1 tax benefit, respectively)	**(3)**	(2)
Total other comprehensive income (loss), net of tax	**40**	(36)
COMPREHENSIVE INCOME	**677**	614
LESS COMPREHENSIVE LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**(13)**	(3)
COMPREHENSIVE INCOME ATTRIBUTABLE TO NEE	**$ 690**	$ 617

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except par value)
(unaudited)

	March 31, 2016	December 31, 2015
PROPERTY, PLANT AND EQUIPMENT		
Electric plant in service and other property	$ 73,648	$ 72,606
Nuclear fuel	2,153	2,067
Construction work in progress	6,519	5,657
Accumulated depreciation and amortization	(19,426)	(18,944)
Total property, plant and equipment - net ($11,458 and $7,966 related to VIEs, respectively)	62,894	61,386
CURRENT ASSETS		
Cash and cash equivalents	628	571
Customer receivables, net of allowances of $9 and $13, respectively	1,574	1,784
Other receivables	693	481
Materials, supplies and fossil fuel inventory	1,287	1,259
Regulatory assets:		
Deferred clause and franchise expenses	33	75
Derivatives	253	218
Other	203	210
Derivatives	815	712
Assets held for sale	1,092	1,009
Other	518	476
Total current assets	7,096	6,795
OTHER ASSETS		
Special use funds	5,166	5,138
Other investments ($486 related to a VIE at March 31, 2016)	1,892	1,786
Prepaid benefit costs	1,179	1,155
Regulatory assets:		
Purchased power agreement termination	704	726
Securitized storm-recovery costs ($118 and $128 related to a VIE, respectively)	191	208
Other	839	844
Derivatives	1,391	1,202
Other	3,285	3,239
Total other assets	14,647	14,298
TOTAL ASSETS	$ 84,637	$ 82,479
CAPITALIZATION		
Common stock ($0.01 par value, authorized shares - 800; outstanding shares - 461 and 461, respectively)	$ 5	$ 5
Additional paid-in capital	8,645	8,596
Retained earnings	14,375	14,140
Accumulated other comprehensive loss	(113)	(167)
Total common shareholders' equity	22,912	22,574
Noncontrolling interests	718	538
Total equity	23,630	23,112
Long-term debt ($5,185 and $684 related to VIEs, respectively)	27,791	26,681
Total capitalization	51,421	49,793
CURRENT LIABILITIES		
Commercial paper	1,560	374
Notes payable	912	412
Current maturities of long-term debt	2,145	2,220
Accounts payable	1,139	2,529
Customer deposits	472	473
Accrued interest and taxes	543	449
Derivatives	974	882
Accrued construction-related expenditures	930	921
Liabilities associated with assets held for sale	969	992
Other	943	855
Total current liabilities	10,587	10,107

OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	**2,509**	2,469
Deferred income taxes	**9,982**	9,827
Regulatory liabilities:		
Accrued asset removal costs	**1,778**	1,930
Asset retirement obligation regulatory expense difference	**2,167**	2,182
Other	**515**	494
Derivatives	**699**	530
Deferral related to differential membership interests - VIEs	**3,059**	3,142
Other	**1,920**	2,005
Total other liabilities and deferred credits	**22,629**	22,579
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 84,637**	$ 82,479

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Three Months Ended March 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 637**	$ 650
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**537**	547
Nuclear fuel and other amortization	**114**	90
Unrealized gains on marked to market derivative contracts - net	**(48)**	(99)
Foreign currency transaction loss	**40**	—
Deferred income taxes	**214**	262
Cost recovery clauses and franchise fees	**124**	66
Benefits associated with differential membership interests - net	**(84)**	(57)
Allowance for equity funds used during construction	**(25)**	(11)
Other - net	**8**	7
Changes in operating assets and liabilities:		
Customer and other receivables	**188**	118
Materials, supplies and fossil fuel inventory	**(27)**	43
Other current assets	**8**	(23)
Other assets	**(85)**	(2)
Accounts payable and customer deposits	**(40)**	(157)
Margin cash collateral	**(3)**	(187)
Income taxes	**38**	12
Interest and other taxes	**93**	105
Other current liabilities	**(145)**	(152)
Other liabilities	**1**	(31)
Net cash provided by operating activities	**1,545**	1,181
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	**(1,133)**	(721)
Independent power and other investments of NEER	**(2,614)**	(740)
Nuclear fuel purchases	**(89)**	(91)
Other capital expenditures and other investments	**(43)**	(14)
Proceeds from sale or maturity of securities in special use funds and other investments	**823**	771
Purchases of securities in special use funds and other investments	**(838)**	(828)
Proceeds from the sale of a noncontrolling interest in subsidiaries	**292**	—
Other - net	**(79)**	59
Net cash used in investing activities	**(3,681)**	(1,564)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	**1,250**	194
Retirements of long-term debt	**(367)**	(170)
Proceeds from notes payable	**500**	625
Net change in commercial paper	**1,186**	(22)
Issuances of common stock - net	**17**	16
Dividends on common stock	**(401)**	(341)
Other - net	**8**	(27)
Net cash provided by financing activities	**2,193**	275
Net increase (decrease) in cash and cash equivalents	**57**	(108)
Cash and cash equivalents at beginning of period	**571**	577
Cash and cash equivalents at end of period	**$ 628**	$ 469
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	**$ 1,252**	$ 632
Decrease (increase) in property, plant and equipment as a result of a settlement	**$ (68)**	$ 25

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(millions)
(unaudited)

	Common Stock		Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
	Shares	Aggregate Par Value							
Balances, December 31, 2015	461	$ 5	$ 8,597	$ (1)	$ (167)	$ 14,140	$ 22,574	$ 538	$ 23,112
Net income	—	—	—	—	—	636	636	1	
Issuances of common stock, net of issuance cost of less than $1	—	—	8	—	—	—	8	—	
Exercise of stock options and other incentive plan activity	—	—	3	—	—	—	3	—	
Dividends on common stock	—	—	—	—	—	(401)	(401)	—	
Earned compensation under ESOP	—	—	10	1	—	—	11	—	
Other comprehensive income(loss)	—	—	—	—	54	—	54	(14)	
Sale of NEER assets to NEP	—	—	27	—	—	—	27	198	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(9)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	4	
Balances, March 31, 2016	461	$ 5	$ 8,645	$ —	$ (113)	$ 14,375	$ 22,912	$ 718	$ 23,630

	Common Stock		Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
	Shares	Aggregate Par Value							
Balances, December 31, 2014	443	$ 4	$ 7,193	$ (14)	$ (40)	$ 12,773	$ 19,916	$ 252	$ 20,168
Net income	—	—	—	—	—	650	650	—	
Issuances of common stock, net of issuance cost of less than $1	—	—	13	1	—	—	14	—	
Exercise of stock options and other incentive plan activity	1	—	2	—	—	—	2	—	
Dividends on common stock	—	—	—	—	—	(341)	(341)	—	
Earned compensation under ESOP	—	—	10	1	—	—	11	—	
Other comprehensive loss	—	—	—	—	(33)	—	(33)	(3)	
Sale of NEER assets to NEP	—	—	16	—	—	—	16	(11)	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(4)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	(5)	
Balances, March 31, 2015	444	$ 4	$ 7,234	$ (12)	$ (73)	$ 13,082	$ 20,235	$ 229	$ 20,464

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended March 31,	
	2016	2015
OPERATING REVENUES	**$ 2,303**	$ 2,541
OPERATING EXPENSES		
Fuel, purchased power and interchange	**700**	1,005
Other operations and maintenance	**390**	353
Depreciation and amortization	**219**	242
Taxes other than income taxes and other	**280**	274
Total operating expenses	**1,589**	1,874
OPERATING INCOME	**714**	667
OTHER INCOME (DEDUCTIONS)		
Interest expense	**(112)**	(115)
Allowance for equity funds used during construction	**24**	10
Other - net	**1**	1
Total other deductions - net	**(87)**	(104)
INCOME BEFORE INCOME TAXES	**627**	563
INCOME TAXES	**234**	204
NET INCOME[a]	**$ 393**	$ 359

(a) FPL's comprehensive income is the same as reported net income.

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except share amount)
(unaudited)

	March 31, 2016	December 31, 2015
ELECTRIC UTILITY PLANT		
Plant in service and other property	$ 41,574	$ 41,227
Nuclear fuel	1,368	1,306
Construction work in progress	3,221	2,850
Accumulated depreciation and amortization	(12,027)	(11,862)
Total electric utility plant - net	34,136	33,521
CURRENT ASSETS		
Cash and cash equivalents	31	23
Customer receivables, net of allowances of $1 and $3, respectively	697	849
Other receivables	176	123
Materials, supplies and fossil fuel inventory	844	826
Regulatory assets:		
Deferred clause and franchise expenses	33	75
Derivatives	253	218
Other	201	209
Other	141	184
Total current assets	2,376	2,507
OTHER ASSETS		
Special use funds	3,518	3,504
Prepaid benefit costs	1,258	1,243
Regulatory assets:		
Purchased power agreement termination	704	726
Securitized storm-recovery costs ($118 and $128 related to a VIE, respectively)	191	208
Other	583	579
Other	346	235
Total other assets	6,600	6,495
TOTAL ASSETS	$ 43,112	$ 42,523
CAPITALIZATION		
Common stock (no par value, 1,000 shares authorized, issued and outstanding)	$ 1,373	$ 1,373
Additional paid-in capital	7,733	7,733
Retained earnings	5,940	6,447
Total common shareholder's equity	15,046	15,553
Long-term debt ($176 and $210 related to a VIE, respectively)	9,924	9,956
Total capitalization	24,970	25,509
CURRENT LIABILITIES		
Commercial paper	550	56
Notes payable	600	100
Current maturities of long-term debt	66	64
Accounts payable	554	664
Customer deposits	468	469
Accrued interest and taxes	343	279
Derivatives	256	222
Accrued construction-related expenditures	226	240
Other	343	355
Total current liabilities	3,406	2,449
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,844	1,822
Deferred income taxes	8,047	7,730
Regulatory liabilities:		
Accrued asset removal costs	1,768	1,921
Asset retirement obligation regulatory expense difference	2,167	2,182

Other	**507**	492
Other	**403**	418
Total other liabilities and deferred credits	**14,736**	14,565
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 43,112**	$ 42,523

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Three Months Ended March 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 393**	$ 359
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**219**	242
Nuclear fuel and other amortization	**58**	54
Deferred income taxes	**304**	72
Cost recovery clauses and franchise fees	**124**	66
Allowance for equity funds used during construction	**(24)**	(10)
Other - net	**6**	20
Changes in operating assets and liabilities:		
Customer and other receivables	**136**	39
Materials, supplies and fossil fuel inventory	**(18)**	7
Other current assets	**14**	(39)
Other assets	**(14)**	(17)
Accounts payable and customer deposits	**(15)**	(30)
Income taxes	**(85)**	157
Interest and other taxes	**109**	112
Other current liabilities	**(86)**	(67)
Other liabilities	**(8)**	(13)
Net cash provided by operating activities	**1,113**	952
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(1,133)**	(721)
Nuclear fuel purchases	**(62)**	(44)
Proceeds from sale or maturity of securities in special use funds	**530**	589
Purchases of securities in special use funds	**(544)**	(606)
Other - net	**20**	24
Net cash used in investing activities	**(1,189)**	(758)
CASH FLOWS FROM FINANCING ACTIVITIES		
Retirements of long-term debt	**(33)**	(31)
Proceeds from notes payable	**500**	—
Net change in commercial paper	**494**	(722)
Capital contribution from NEE	**—**	550
Dividends to NEE	**(900)**	—
Other - net	**23**	23
Net cash provided by (used in) financing activities	**84**	(180)
Net increase in cash and cash equivalents	**8**	14
Cash and cash equivalents at beginning of period	**23**	14
Cash and cash equivalents at end of period	**$ 31**	$ 28
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	**$ 363**	$ 282

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

The accompanying condensed consolidated financial statements should be read in conjunction with the 2015 Form 10-K. In the opinion of NEE and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's condensed consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period generally will not give a true indication of results for the year.

1. Employee Retirement Benefits

NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries. NEE also has a supplemental executive retirement plan, which includes a non-qualified supplemental defined benefit pension component that provides benefits to a select group of management and highly compensated employees, and sponsors a contributory postretirement plan for other benefits for retirees of NEE and its subsidiaries meeting certain eligibility requirements.

The components of net periodic (income) cost for the plans are as follows:

	Pension Benefits		Postretirement Benefits	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2016	2015	**2016**	2015
	(millions)			
Service cost	$ **16**	$ 18	$ **1**	$ 1
Interest cost	**26**	24	**3**	3
Expected return on plan assets	**(65)**	(63)	**—**	—
Amortization of prior service benefit	**—**	—	**(1)**	—
Net periodic (income) cost at NEE	$ **(23)**	$ (21)	$ **3**	$ 4
Net periodic (income) cost at FPL	$ **(15)**	$ (14)	$ **2**	$ 3

2. Derivative Instruments

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity, as well as interest rate and foreign currency exchange rate risk associated primarily with outstanding and forecasted debt issuances and borrowings, and to optimize the value of NEER's power generation and gas infrastructure assets.

With respect to commodities related to NEE's competitive energy business, NEER employs risk management procedures to conduct its activities related to optimizing the value of its power generation and gas infrastructure assets, providing full energy and capacity requirements services primarily to distribution utilities, and engaging in power and gas marketing and trading activities to take advantage of expected future favorable price movements and changes in the expected volatility of prices in the energy markets. These risk management activities involve the use of derivative instruments executed within prescribed limits to manage the risk associated with fluctuating commodity prices. Transactions in derivative instruments are executed on recognized exchanges or via the OTC markets, depending on the most favorable credit terms and market execution factors. For NEER's power generation and gas infrastructure assets, derivative instruments are used to hedge the commodity price risk associated with the fuel requirements of the assets, where applicable, as well as to hedge all or a portion of the expected output of these assets. These hedges are designed to reduce the effect of adverse changes in the wholesale forward commodity markets associated with NEER's power generation and gas infrastructure assets. With regard to full energy and capacity requirements services, NEER is required to vary the quantity of energy and related services based on the load demands of the customers served. For this type of transaction, derivative instruments are used to hedge the anticipated electricity quantities required to serve these customers and reduce the effect of unfavorable changes in the forward energy markets. Additionally, NEER takes positions in the energy markets based on differences between actual forward market levels and management's view of fundamental market conditions, including supply/demand imbalances, changes in traditional flows of energy, changes in short- and long-term weather patterns and anticipated regulatory and legislative outcomes. NEER uses derivative instruments to realize value from these market dislocations, subject to strict risk management limits around market, operational and credit exposure.

Derivative instruments, when required to be marked to market, are recorded on NEE's and FPL's condensed consolidated balance sheets as either an asset or liability measured at fair value. At FPL, substantially all changes in the derivatives' fair value are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. For NEE's non-rate regulated operations, predominantly NEER, essentially all changes in the derivatives' fair value for power purchases and sales, fuel sales and trading activities are recognized on a net basis in operating revenues; fuel purchases used in the production of electricity are recognized in fuel, purchased power and interchange expense; and the equity method investees' related activity is recognized in equity in earnings of equity method investees in NEE's condensed consolidated statements

of income. Settlement gains and losses are included within the line items in the condensed consolidated statements of income to which they relate. Transactions for which physical delivery is deemed not to have occurred are presented on a net basis in the condensed consolidated statements of income. For commodity derivatives, NEE believes that, where offsetting positions exist at the same location for the same time, the transactions are considered to have been netted and therefore physical delivery has been deemed not to have occurred for financial reporting purposes. Settlements related to derivative instruments are primarily recognized in net cash provided by operating activities in NEE's and FPL's condensed consolidated statements of cash flows.

In January 2016, NEE discontinued hedge accounting for its cash flow and fair value hedges related to interest rate and foreign currency derivative instruments and, therefore, all changes in the derivatives' fair value, as well as the transaction gain or loss on foreign denominated debt, are recognized in interest expense in NEE's condensed consolidated statements of income. In addition, for three months ended March 31, 2016, NEE reclassified approximately $14 million ($9 million after tax) from AOCI to interest expense because it became probable that the related forecasted transaction being hedged would not occur. At March 31, 2016, NEE's AOCI included amounts related to the discontinued interest rate cash flow hedges with expiration dates through October 2036 and foreign currency cash flow hedges with expiration dates through September 2030. Approximately $36 million of net losses included in AOCI at March 31, 2016 is expected to be reclassified into earnings within the next 12 months as the principal and/or interest payments are made. Such amounts assume no change in scheduled principal payments.

Fair Value of Derivative Instruments - The tables below present NEE's and FPL's gross derivative positions at March 31, 2016 and December 31, 2015, as required by disclosure rules. However, the majority of the underlying contracts are subject to master netting agreements and generally would not be contractually settled on a gross basis. Therefore, the tables below also present the derivative positions on a net basis, which reflect the offsetting of positions of certain transactions within the portfolio, the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral (see Note 3 - Recurring Fair Value Measurements for netting information), as well as the location of the net derivative position on the condensed consolidated balance sheets.

	March 31, 2016			
	Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Net Basis	
	Assets	Liabilities	Assets	Liabilities
	(millions)			
NEE:				
Commodity contracts	$ 6,772	$ 5,281	$ 2,201	$ 1,114
Interest rate contracts	60	490	47	486
Foreign currency swaps	—	98	—	89
Total fair values	$ 6,832	$ 5,869	$ 2,248	$ 1,689
FPL:				
Commodity contracts	$ 11	$ 261	$ 7	$ 257
Net fair value by NEE balance sheet line item:				
Current derivative assets[a]			$ 815	
Assets held for sale			42	
Noncurrent derivative assets[b]			1,391	
Current derivative liabilities[c]				$ 974
Liabilities associated with assets held for sale				16
Noncurrent derivative liabilities[d]				699
Total derivatives			$ 2,248	$ 1,689
Net fair value by FPL balance sheet line item:				
Current other assets			$ 3	
Noncurrent other assets			4	
Current derivative liabilities				$ 256
Noncurrent other liabilities				1
Total derivatives			$ 7	$ 257

(a) Reflects the netting of approximately $261 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $165 million in margin cash collateral received from counterparties.
(c) Reflects the netting of approximately $8 million in margin cash collateral paid to counterparties.
(d) Reflects the netting of approximately $14 million in margin cash collateral paid to counterparties.

	December 31, 2015					
	Fair Values of Derivatives Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Total Derivatives Combined - Net Basis	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	(millions)					
NEE:						
Commodity contracts	$ —	$ —	$ 5,906	$ 4,580	$ 1,937	$ 982
Interest rate contracts	33	155	2	160	34	319
Foreign currency swaps	—	132	—	—	—	127
Total fair values	$ 33	$ 287	$ 5,908	$ 4,740	$ 1,971	$ 1,428
FPL:						
Commodity contracts	$ —	$ —	$ 7	$ 225	$ 4	$ 222
Net fair value by NEE balance sheet line item:						
Current derivative assets[a]					$ 712	
Assets held for sale					57	
Noncurrent derivative assets[b]					1,202	
Current derivative liabilities[c]						$ 882
Liabilities associated with assets held for sale						16
Noncurrent derivative liabilities[d]						530
Total derivatives					$ 1,971	$ 1,428
Net fair value by FPL balance sheet line item:						
Current other assets					$ 3	
Noncurrent other assets					1	
Current derivative liabilities						$ 222
Total derivatives					$ 4	$ 222

(a) Reflects the netting of approximately $279 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $151 million in margin cash collateral received from counterparties.
(c) Reflects the netting of approximately $46 million in margin cash collateral paid to counterparties.
(d) Reflects the netting of approximately $13 million in margin cash collateral paid to counterparties.

At March 31, 2016 and December 31, 2015, NEE had approximately $26 million and $27 million (none at FPL), respectively, in margin cash collateral received from counterparties that was not offset against derivative assets in the above presentation. These amounts are included in current other liabilities on NEE's condensed consolidated balance sheets. Additionally, at March 31, 2016 and December 31, 2015, NEE had approximately $150 million and $116 million (none at FPL), respectively, in margin cash collateral paid to counterparties that was not offset against derivative assets or liabilities in the above presentation. These amounts are included in current other assets on NEE's condensed consolidated balance sheets.

Income Statement Impact of Derivative Instruments - Gains (losses) related to NEE's cash flow hedges are recorded in NEE's condensed consolidated financial statements (none at FPL) as follows:

	Three Months Ended March 31, 2015		
	Interest Rate Contracts	Foreign Currency Swaps	Total
	(millions)		
Losses recognized in OCI	$ (70)	$ (8)	$ (78)
Losses reclassified from AOCI to net income	$ (20) [a]	$ (2) [b]	$ (22)

(a) Included in interest expense.
(b) Losses of approximately $3 million are included in interest expense and the balances are included in other - net.

Gains (losses) related to NEE's derivatives not designated as hedging instruments are recorded in NEE's condensed consolidated statements of income as follows:

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Commodity contracts:[a]		
Operating revenues	**$ 330**	$ 237
Fuel, purchased power and interchange	**2**	2
Foreign currency swaps - interest expense	**30**	—
Interest rate contracts - interest expense	**(179)**	(13)
Losses reclassified from AOCI to interest expense:		
Interest rate contracts	**(28)**	—
Foreign currency swaps	**(3)**	—
Total	**$ 152**	$ 226

(a) For the three months ended March 31, 2016 and 2015, FPL recorded losses of approximately $108 million and $86 million, respectively, related to commodity contracts as regulatory assets on its condensed consolidated balance sheets.

Notional Volumes of Derivative Instruments - The following table represents net notional volumes associated with derivative instruments that are required to be reported at fair value in NEE's and FPL's condensed consolidated financial statements. The table includes significant volumes of transactions that have minimal exposure to commodity price changes because they are variably priced agreements. These volumes are only an indication of the commodity exposure that is managed through the use of derivatives. They do not represent net physical asset positions or non-derivative positions and their hedges, nor do they represent NEE's and FPL's net economic exposure, but only the net notional derivative positions that fully or partially hedge the related asset positions. NEE and FPL had derivative commodity contracts for the following net notional volumes:

	March 31, 2016				December 31, 2015			
Commodity Type	**NEE**		**FPL**		NEE		FPL	
	(millions)							
Power	**(113)**	**MWh**	**—**		(112)	MWh	—	
Natural gas	**1,611**	**MMBtu**	**915**	**MMBtu**	1,321	MMBtu	833	MMBtu
Oil	**(9)**	**barrels**	**—**		(9)	barrels	—	

At March 31, 2016 and December 31, 2015, NEE had interest rate contracts with notional amounts totaling approximately $8.2 billion and $8.3 billion, respectively, and foreign currency swaps with notional amounts totaling approximately $700 million and $715 million, respectively.

Credit-Risk-Related Contingent Features - Certain derivative instruments contain credit-risk-related contingent features including, among other things, the requirement to maintain an investment grade credit rating from specified credit rating agencies and certain financial ratios, as well as credit-related cross-default and material adverse change triggers. At March 31, 2016 and December 31, 2015, the aggregate fair value of NEE's derivative instruments with credit-risk-related contingent features that were in a liability position was approximately $2.4 billion ($259 million for FPL) and $2.2 billion ($224 million for FPL), respectively.

If the credit-risk-related contingent features underlying these agreements and other commodity-related contracts were triggered, certain subsidiaries of NEE, including FPL, could be required to post collateral or settle contracts according to contractual terms which generally allow netting of contracts in offsetting positions. Certain contracts contain multiple types of credit-related triggers. To the extent these contracts contain a credit ratings downgrade trigger, the maximum exposure is included in the following credit ratings collateral posting requirements. If FPL's and NEECH's credit ratings were downgraded to BBB/Baa2 (a two level downgrade for FPL and a one level downgrade for NEECH from the current lowest applicable rating), applicable NEE subsidiaries would be required to post collateral such that the total posted collateral would be approximately $350 million ($30 million at FPL) as of March 31, 2016 and $250 million ($20 million at FPL) as of December 31, 2015. If FPL's and NEECH's credit ratings were downgraded to below investment grade, applicable NEE subsidiaries would be required to post additional collateral such that the total posted collateral would be approximately $2.5 billion ($0.5 billion at FPL) as of March 31, 2016 and $2.5 billion ($0.6 billion at FPL) as of December 31, 2015. Some contracts do not contain credit ratings downgrade triggers, but do contain provisions that require certain financial measures to be maintained and/or have credit-related cross-default triggers. In the event these provisions were triggered,

applicable NEE subsidiaries could be required to post additional collateral of up to approximately $385 million ($105 million at FPL) as of March 31, 2016 and $660 million ($120 million at FPL) as of December 31, 2015.

Collateral related to derivatives may be posted in the form of cash or credit support in the normal course of business. At March 31, 2016 and December 31, 2015, applicable NEE subsidiaries have posted approximately $182 million (none at FPL) and $123 million ($3 million at FPL), respectively in the form of letters of credit which could be applied toward the collateral requirements described above. FPL and NEECH have credit facilities generally in excess of the collateral requirements described above that would be available to support, among other things, derivative activities. Under the terms of the credit facilities, maintenance of a specific credit rating is not a condition to drawing on these credit facilities, although there are other conditions to drawing on these credit facilities.

Additionally, some contracts contain certain adequate assurance provisions where a counterparty may demand additional collateral based on subjective events and/or conditions. Due to the subjective nature of these provisions, NEE and FPL are unable to determine an exact value for these items and they are not included in any of the quantitative disclosures above.

3. Fair Value Measurements

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. NEE and FPL use several different valuation techniques to measure the fair value of assets and liabilities, relying primarily on the market approach of using prices and other market information for identical and/or comparable assets and liabilities for those assets and liabilities that are measured at fair value on a recurring basis. NEE's and FPL's assessment of the significance of any particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels. Non-performance risk, including the consideration of a credit valuation adjustment, is also considered in the determination of fair value for all assets and liabilities measured at fair value.

Cash Equivalents and Restricted Cash - NEE primarily holds investments in money market funds. The fair value of these funds is calculated using current market prices.

Special Use Funds and Other Investments - NEE and FPL hold primarily debt and equity securities directly, as well as indirectly through commingled funds. Substantially all directly held equity securities are valued at their quoted market prices. For directly held debt securities, multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validations. A primary price source is identified based on asset type, class or issue of each security. Commingled funds, which are similar to mutual funds, are maintained by banks or investment companies and hold certain investments in accordance with a stated set of objectives. The fair value of commingled funds is primarily derived from the quoted prices in active markets of the underlying securities. Because the fund shares are offered to a limited group of investors, they are not considered to be traded in an active market.

Derivative Instruments - NEE and FPL measure the fair value of commodity contracts using prices observed on commodities exchanges and in the OTC markets, or through the use of industry-standard valuation techniques, such as option modeling or discounted cash flows techniques, incorporating both observable and unobservable valuation inputs. The resulting measurements are the best estimate of fair value as represented by the transfer of the asset or liability through an orderly transaction in the marketplace at the measurement date.

Most exchange-traded derivative assets and liabilities are valued directly using unadjusted quoted prices. For exchange-traded derivative assets and liabilities where the principal market is deemed to be inactive based on average daily volumes and open interest, the measurement is established using settlement prices from the exchanges, and therefore considered to be valued using other observable inputs.

NEE, through its subsidiaries, including FPL, also enters into OTC commodity contract derivatives. The majority of these contracts are transacted at liquid trading points, and the prices for these contracts are verified using quoted prices in active markets from exchanges, brokers or pricing services for similar contracts.

NEE, through NEER, also enters into full requirements contracts, which, in most cases, meet the definition of derivatives and are measured at fair value. These contracts typically have one or more inputs that are not observable and are significant to the valuation of the contract. In addition, certain exchange and non-exchange traded derivative options at NEE have one or more significant inputs that are not observable, and are valued using industry-standard option models.

In all cases where NEE and FPL use significant unobservable inputs for the valuation of a commodity contract, consideration is given to the assumptions that market participants would use in valuing the asset or liability. The primary input to the valuation models for commodity contracts is the forward commodity curve for the respective instruments. Other inputs include, but are not limited to, assumptions about market liquidity, volatility, correlation and contract duration as more fully described below in Significant Unobservable Inputs Used in Recurring Fair Value Measurements. In instances where the reference markets are deemed to be inactive or do not have transactions for a similar contract, the derivative assets and liabilities may be valued using significant other

observable inputs and potentially significant unobservable inputs. In such instances, the valuation for these contracts is established using techniques including extrapolation from or interpolation between actively traded contracts, or estimated basis adjustments from liquid trading points. NEE and FPL regularly evaluate and validate the inputs used to determine fair value by a number of methods, consisting of various market price verification procedures, including the use of pricing services and multiple broker quotes to support the market price of the various commodities. In all cases where there are assumptions and models used to generate inputs for valuing derivative assets and liabilities, the review and verification of the assumptions, models and changes to the models are undertaken by individuals that are independent of those responsible for estimating fair value.

NEE uses interest rate contracts and foreign currency swaps to mitigate and adjust interest rate and foreign currency exchange exposure related primarily to certain outstanding and forecasted debt issuances and borrowings when deemed appropriate based on market conditions or when required by financing agreements. NEE estimates the fair value of these derivatives using a discounted cash flows valuation technique based on the net amount of estimated future cash inflows and outflows related to the agreements.

Recurring Fair Value Measurements - NEE's and FPL's financial assets and liabilities and other fair value measurements made on a recurring basis by fair value hierarchy level are as follows:

	March 31, 2016				
	Level 1	Level 2	Level 3	Netting[a]	Total
	(millions)				
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 315	$ —	$ —		$ 315
FPL - equity securities	$ 30	$ —	$ —		$ 30
Special use funds:[c]					
NEE:					
Equity securities	$ 1,280	$ 1,364 [d]	$ —		$ 2,644
U.S. Government and municipal bonds	$ 386	$ 163	$ —		$ 549
Corporate debt securities	$ —	$ 793	$ —		$ 793
Mortgage-backed securities	$ —	$ 455	$ —		$ 455
Other debt securities	$ —	$ 72	$ —		$ 72
FPL:					
Equity securities	$ 320	$ 1,246 [d]	$ —		$ 1,566
U.S. Government and municipal bonds	$ 295	$ 137	$ —		$ 432
Corporate debt securities	$ —	$ 600	$ —		$ 600
Mortgage-backed securities	$ —	$ 353	$ —		$ 353
Other debt securities	$ —	$ 59	$ —		$ 59
Other investments:					
NEE:					
Equity securities	$ 29	$ 1	$ —		$ 30
Debt securities	$ 8	$ 161	$ —		$ 169
Derivatives:					
NEE:					
Commodity contracts	$ 2,604	$ 2,817	$ 1,351	$ (4,571)	$ 2,201 [e]
Interest rate contracts	$ —	$ 60	$ —	$ (13)	$ 47 [e]
FPL - commodity contracts	$ —	$ 8	$ 3	$ (4)	$ 7 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 2,574	$ 2,132	$ 575	$ (4,167)	$ 1,114 [e]
Interest rate contracts	$ —	$ 363	$ 127	$ (4)	$ 486 [e]
Foreign currency swaps	$ —	$ 98	$ —	$ (9)	$ 89 [e]
FPL - commodity contracts	$ —	$ 250	$ 11	$ (4)	$ 257 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $108 million ($30 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at the Carrying Amount below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

	December 31, 2015				
	Level 1	Level 2	Level 3	Netting[a]	Total
			(millions)		
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 312	$ —	$ —		$ 312
FPL - equity securities	$ 36	$ —	$ —		$ 36
Special use funds:[c]					
NEE:					
Equity securities	$ 1,320	$ 1,354 [d]	$ —		$ 2,674
U.S. Government and municipal bonds	$ 446	$ 166	$ —		$ 612
Corporate debt securities	$ —	$ 713	$ —		$ 713
Mortgage-backed securities	$ —	$ 412	$ —		$ 412
Other debt securities	$ —	$ 52	$ —		$ 52
FPL:					
Equity securities	$ 364	$ 1,234 [d]	$ —		$ 1,598
U.S. Government and municipal bonds	$ 335	$ 145	$ —		$ 480
Corporate debt securities	$ —	$ 531	$ —		$ 531
Mortgage-backed securities	$ —	$ 327	$ —		$ 327
Other debt securities	$ —	$ 40	$ —		$ 40
Other investments:					
NEE:					
Equity securities	$ 30	$ 10	$ —		$ 40
Debt securities	$ 39	$ 132	$ —		$ 171
Derivatives:					
NEE:					
Commodity contracts	$ 2,187	$ 2,540	$ 1,179	$ (3,969)	$ 1,937 [e]
Interest rate contracts	$ —	$ 35	$ —	$ (1)	$ 34 [e]
FPL - commodity contracts	$ —	$ 1	$ 6	$ (3)	$ 4 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 2,153	$ 1,887	$ 540	$ (3,598)	$ 982 [e]
Interest rate contracts	$ —	$ 214	$ 101	$ 4	$ 319 [e]
Foreign currency swaps	$ —	$ 132	$ —	$ (5)	$ 127 [e]
FPL - commodity contracts	$ —	$ 219	$ 6	$ (3)	$ 222 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $61 million ($36 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at the Carrying Amount below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

Significant Unobservable Inputs Used in Recurring Fair Value Measurements - The valuation of certain commodity contracts requires the use of significant unobservable inputs. All forward price, implied volatility, implied correlation and interest rate inputs used in the valuation of such contracts are directly based on third-party market data, such as broker quotes and exchange settlements, when that data is available. If third-party market data is not available, then industry standard methodologies are used to develop inputs that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs, including some forward prices, implied volatilities and interest rates used for determining fair value are updated daily to reflect the best available market information. Unobservable inputs which are related to observable inputs, such as illiquid portions of forward price or volatility curves, are updated daily as well, using industry standard techniques such as interpolation and extrapolation, combining observable forward inputs supplemented by historical market and other relevant data. Other unobservable inputs, such as implied

correlations, customer migration rates from full requirements contracts and some implied volatility curves, are modeled using proprietary models based on historical data and industry standard techniques.

All price, volatility, correlation and customer migration inputs used in valuation are subject to validation by the Trading Risk Management group. The Trading Risk Management group performs a risk management function responsible for assessing credit, market and operational risk impact, reviewing valuation methodology and modeling, confirming transactions, monitoring approval processes and developing and monitoring trading limits. The Trading Risk Management group is separate from the transacting group. For markets where independent third-party data is readily available, validation is conducted daily by directly reviewing this market data against inputs utilized by the transacting group, and indirectly by critically reviewing daily risk reports. For markets where independent third-party data is not readily available, additional analytical reviews are performed on at least a quarterly basis. These analytical reviews are designed to ensure that all price and volatility curves used for fair valuing transactions are adequately validated each quarter, and are reviewed and approved by the Trading Risk Management group. In addition, other valuation assumptions such as implied correlations and customer migration rates are reviewed and approved by the Trading Risk Management group on a periodic basis. Newly created models used in the valuation process are also subject to testing and approval by the Trading Risk Management group prior to use and established models are reviewed annually, or more often as needed, by the Trading Risk Management group.

On a monthly basis, the Exposure Management Committee (EMC), which is comprised of certain members of senior management, meets with representatives from the Trading Risk Management group and the transacting group to discuss NEE's and FPL's energy risk profile and operations, to review risk reports and to discuss fair value issues as necessary. The EMC develops guidelines required for an appropriate risk management control infrastructure, which includes implementation and monitoring of compliance with Trading Risk Management policy. The EMC executes its risk management responsibilities through direct oversight and delegation of its responsibilities to the Trading Risk Management group, as well as to other corporate and business unit personnel.

The significant unobservable inputs used in the valuation of NEE's commodity contracts categorized as Level 3 of the fair value hierarchy at March 31, 2016 are as follows:

Transaction Type	Fair Value at March 31, 2016		Valuation Technique(s)	Significant Unobservable Inputs	Range
	Assets	Liabilities			
	(millions)				
Forward contracts - power	$ 694	$ 248	Discounted cash flow	Forward price (per MWh)	$7 — $101
Forward contracts - gas	24	29	Discounted cash flow	Forward price (per MMBtu)	$1 — $5
Forward contracts - other commodity related	7	3	Discounted cash flow	Forward price (various)	$(42) — $43
Options - power	52	47	Option models	Implied correlations	(5)% — 99%
				Implied volatilities	2% — 185%
Options - primarily gas	152	205	Option models	Implied correlations	(5)% — 99%
				Implied volatilities	1% — 146%
Full requirements and unit contingent contracts	422	43	Discounted cash flow	Forward price (per MWh)	$(18) — $242
				Customer migration rate[a]	—% — 20%
Total	$ 1,351	$ 575			

(a) Applies only to full requirements contracts.

The sensitivity of NEE's fair value measurements to increases (decreases) in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Impact on Fair Value Measurement
Forward price	Purchase power/gas	Increase (decrease)
	Sell power/gas	Decrease (increase)
Implied correlations	Purchase option	Decrease (increase)
	Sell option	Increase (decrease)
Implied volatilities	Purchase option	Increase (decrease)
	Sell option	Decrease (increase)
Customer migration rate	Sell power[a]	Decrease (increase)

(a) Assumes the contract is in a gain position.

In addition, the fair value measurement of interest rate swap liabilities related to the solar projects in Spain of approximately $127 million at March 31, 2016 includes a significant credit valuation adjustment. The credit valuation adjustment, considered an unobservable input, reflects management's assessment of non-performance risk of the subsidiaries related to the solar projects in

Spain that are party to the swap agreements.

The reconciliation of changes in the fair value of derivatives that are based on significant unobservable inputs is as follows:

	Three Months Ended March 31,			
	2016		2015	
	NEE	FPL	NEE	FPL
	(millions)			
Fair value of net derivatives based on significant unobservable inputs at December 31 of prior year	$ 538	$ —	$ 622	$ 5
Realized and unrealized gains (losses):				
Included in earnings[a]	254	—	30	—
Included in other comprehensive income (loss)	(6)	—	15	—
Included in regulatory assets and liabilities	(3)	(3)	(1)	(1)
Purchases	100	—	22	—
Settlements	(133)	(5)	(187)	(5)
Issuances	(74)	—	(20)	—
Transfers in[b]	3	—	(19)	—
Transfers out[b]	(30)	—	(11)	—
Fair value of net derivatives based on significant unobservable inputs at March 31	$ 649	$ (8)	$ 451	$ (1)
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[c]	$ 196	$ —	$ 38	$ —

(a) For the three months ended March 31, 2016 and 2015, realized and unrealized gains of approximately $274 million and $47 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is primarily reflected in interest expense.
(b) Transfers into Level 3 were a result of decreased observability of market data and transfers from Level 3 to Level 2 were a result of increased observability of market data. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.
(c) For the three months ended March 31, 2016 and 2015, unrealized gains of approximately $216 million and $55 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.

Contingent Consideration - NEE recorded a liability related to a contingent holdback as part of the 2015 acquisition of a portfolio of seven long-term contracted natural gas pipeline assets located in Texas (Texas pipelines). See Note 9 - Contracts.

Fair Value of Financial Instruments Recorded at Other than Fair Value - The carrying amounts of cash equivalents, commercial paper and notes payable approximate their fair values. The carrying amounts and estimated fair values of other financial instruments recorded at other than fair value, are as follows:

	March 31, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Special use funds[a]	$ 653	$ 653	$ 675	$ 675
Other investments - primarily notes receivable	$ 517	$ 770 [b]	$ 512	$ 722 [b]
Long-term debt, including current maturities	$ 29,931 [c]	$ 31,928 [d]	$ 28,897 [c]	$ 30,412 [d]
FPL:				
Special use funds[a]	$ 508	$ 508	$ 528	$ 528
Long-term debt, including current maturities	$ 9,990	$ 11,509 [d]	$ 10,020	$ 11,028 [d]

(a) Primarily represents investments accounted for under the equity method and loans not measured at fair value on a recurring basis.
(b) Primarily classified as held to maturity. Fair values are primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower (Level 3). Notes receivable bear interest primarily at fixed rates and mature by 2029. Notes receivable are considered impaired and placed in non-accrual status when it becomes probable that all amounts due cannot be collected in accordance with the contractual terms of the agreement. The assessment to place notes receivable in non-accrual status considers various credit indicators, such as credit ratings and market-related information. As of March 31, 2016 and December 31, 2015, NEE had no notes receivable reported in non-accrual status.
(c) Excludes debt totaling $936 million and $938 million, respectively, reflected in liabilities associated with assets held for sale on NEE's condensed consolidated balance sheet for which the carrying amount approximates fair value. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.
(d) As of March 31, 2016 and December 31, 2015, for NEE, approximately $18,378 million and $18,031 million, respectively, is estimated using quoted market prices for the same or similar issues (Level 2); the balance is estimated using a discounted cash flow valuation technique, considering the current credit spread of the debtor (Level 3). For FPL, primarily estimated using quoted market prices for the same or similar issues (Level 2).

Special Use Funds - The special use funds noted above and those carried at fair value (see Recurring Fair Value Measurements above) consist of FPL's storm fund assets of approximately $75 million and $74 million at March 31, 2016 and December 31, 2015, respectively, and NEE's nuclear decommissioning fund assets of $5,091 million and $5,064 million at March 31, 2016 and December 31, 2015 ($3,443 million and $3,430 million, respectively, for FPL). The investments held in the special use funds consist of equity and debt securities which are primarily classified as available for sale and carried at estimated fair value. The amortized cost of debt and equity securities is approximately $1,864 million and $1,470 million, respectively, at March 31, 2016 and $1,823 million and $1,505 million, respectively, at December 31, 2015 ($1,446 million and $702 million, respectively, at March 31, 2016 and $1,409 million and $732 million, respectively, at December 31, 2015 for FPL). For FPL's special use funds, consistent with regulatory treatment, changes in fair value, including any other than temporary impairment losses, result in a corresponding adjustment to the related regulatory liability accounts. For NEE's non-rate regulated operations, changes in fair value result in a corresponding adjustment to OCI, except for unrealized losses associated with marketable securities considered to be other than temporary, including any credit losses, which are recognized as other than temporary impairment losses on securities held in nuclear decommissioning funds and included in other - net in NEE's condensed consolidated statements of income. Debt securities included in the nuclear decommissioning funds have a weighted-average maturity at March 31, 2016 of approximately eight years at both NEE and FPL. FPL's storm fund primarily consists of debt securities with a weighted-average maturity at March 31, 2016 of approximately three years. The cost of securities sold is determined using the specific identification method.

Realized gains and losses and proceeds from the sale or maturity of available for sale securities are as follows:

	NEE		FPL	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2016	2015	**2016**	2015
	(millions)			
Realized gains	**$ 22**	$ 98	**$ 10**	$ 68
Realized losses	**$ 18**	$ 69	**$ 10**	$ 61
Proceeds from sale or maturity of securities	**$ 701**	$ 729	**$ 530**	$ 589

The unrealized gains on available for sale securities are as follows:

	NEE		FPL	
	March 31, 2016	December 31, 2015	**March 31, 2016**	December 31, 2015
	(millions)			
Equity securities	**$ 1,183**	$ 1,166	**$ 874**	$ 863
Debt securities	**$ 41**	$ 17	**$ 31**	$ 14

The unrealized losses on available for sale debt securities and the fair value of available for sale debt securities in an unrealized loss position are as follows:

	NEE		FPL	
	March 31, 2016	December 31, 2015	**March 31, 2016**	December 31, 2015
	(millions)			
Unrealized losses[a]	**$ 36**	$ 51	**$ 33**	$ 45
Fair value	**$ 428**	$ 1,129	**$ 370**	$ 861

(a) Unrealized losses on available for sale debt securities in an unrealized loss position for greater than twelve months at March 31, 2016 and December 31, 2015 were not material to NEE or FPL.

Regulations issued by the FERC and the NRC provide general risk management guidelines to protect nuclear decommissioning funds and to allow such funds to earn a reasonable return. The FERC regulations prohibit, among other investments, investments in any securities of NEE or its subsidiaries, affiliates or associates, excluding investments tied to market indices or mutual funds. Similar restrictions applicable to the decommissioning funds for NEER's nuclear plants are included in the NRC operating licenses for those facilities or in NRC regulations applicable to NRC licensees not in cost-of-service environments. With respect to the decommissioning fund for Seabrook, decommissioning fund contributions and withdrawals are also regulated by the Nuclear Decommissioning Financing Committee pursuant to New Hampshire law.

The nuclear decommissioning reserve funds are managed by investment managers who must comply with the guidelines of NEE and FPL and the rules of the applicable regulatory authorities. The funds' assets are invested giving consideration to taxes, liquidity, risk, diversification and other prudent investment objectives.

4. Income Taxes

NEE's effective income tax rates for the three months ended March 31, 2016 and 2015 were approximately 29% and 31%, respectively. The rates for both periods reflect the benefit of PTCs of approximately $42 million and $38 million, respectively, related to NEER's wind projects, as well as ITCs and deferred income tax benefits associated with grants under the Recovery Act (convertible ITCs) totaling approximately $37 million and $18 million, respectively, related to solar and certain wind projects at NEER.

NEE recognizes PTCs as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes, which may differ significantly from amounts computed, on a quarterly basis, using an overall effective income tax rate anticipated for the full year. NEE uses this method of recognizing PTCs for specific reasons, including that PTCs are an integral part of the financial viability of most wind projects and a fundamental component of such wind projects' results of operations. PTCs, as well as deferred income tax benefits associated with convertible ITCs, can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by the roll off of PTCs after ten years of production (PTC roll off).

5. Variable Interest Entities (VIEs)

In February 2015, the FASB issued an accounting standards update that modified the existing consolidation guidance. The standard makes changes to both the variable interest entity model and the voting interest entity model, including modifying the evaluation of whether limited partnerships or similar legal entities are VIEs or voting interest entities and amending the guidance for assessing how relationships of related parties affect the consolidation analysis of VIEs. The standard was effective for NEE and FPL beginning January 1, 2016, and the modified retrospective approach was adopted. The adoption of the standard did not result in any changes to the previous consolidation conclusions; however, it did result in a limited number of entities being considered VIEs and the related disclosure was provided for the current period.

As of March 31, 2016, NEE has twenty-six VIEs which it consolidates and has interests in certain other VIEs which it does not consolidate.

FPL - FPL is considered the primary beneficiary of, and therefore consolidates, a VIE that is a wholly owned bankruptcy remote special purpose subsidiary that it formed in 2007 for the sole purpose of issuing storm-recovery bonds pursuant to the securitization provisions of the Florida Statutes and a financing order of the FPSC. FPL is considered the primary beneficiary because FPL has the power to direct the significant activities of the VIE, and its equity investment, which is subordinate to the bondholder's interest in the VIE, is at risk. Storm restoration costs incurred by FPL during 2005 and 2004 exceeded the amount in FPL's funded storm and property insurance reserve, resulting in a storm reserve deficiency. In 2007, the VIE issued $652 million aggregate principal amount of senior secured bonds (storm-recovery bonds), primarily for the after-tax equivalent of the total of FPL's unrecovered balance of the 2004 storm restoration costs, the 2005 storm restoration costs and to reestablish FPL's storm and property insurance reserve. In connection with this financing, net proceeds, after debt issuance costs, to the VIE (approximately $644 million) were used to acquire the storm-recovery property, which includes the right to impose, collect and receive a storm-recovery charge from all customers receiving electric transmission or distribution service from FPL under rate schedules approved by the FPSC or under special contracts, certain other rights and interests that arise under the financing order issued by the FPSC and certain other collateral pledged by the VIE that issued the bonds. The storm-recovery bonds are payable only from and are secured by the storm-recovery property. The bondholders have no recourse to the general credit of FPL. The assets of the VIE were approximately $195 million and $230 million at March 31, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery property, which are included in securitized storm-recovery costs on NEE's and FPL's condensed consolidated balance sheets. The liabilities of the VIE were approximately $241 million and $278 million at March 31, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery bonds, which are included in long-term debt on NEE's and FPL's condensed consolidated balance sheets.

FPL entered into a purchased power agreement effective in 1995 with a 330 MW coal-fired facility to purchase substantially all of the facility's capacity and electrical output over a substantial portion of its estimated useful life. The facility is considered a VIE because FPL absorbs a portion of the facility's variability related to changes in the market price of coal through the price it pays per MWh (energy payment). Since FPL does not control the most significant activities of the facility, including operations and maintenance, FPL is not the primary beneficiary and does not consolidate this VIE. The energy payments paid by FPL will fluctuate as coal prices change. This fluctuation does not expose FPL to losses since the energy payments paid by FPL to the facility are recovered through the fuel clause as approved by the FPSC.

NEER - NEE consolidates twenty-four NEER VIEs. NEER is considered the primary beneficiary of these VIEs since NEER controls the most significant activities of these VIEs, including operations and maintenance, as well as construction, and has the obligation to absorb expected losses of these VIEs.

A subsidiary of NEER is the primary beneficiary of, and therefore consolidates, NEP, which consolidates NEP OpCo because of NEP's controlling interest in the general partner of NEP OpCo. NEP is a limited partnership formed to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NEP OpCo. NEE owns a controlling non-economic general partner interest in NEP and a limited partner interest in NEP OpCo, and presents NEP's limited partner interest as a noncontrolling interest in NEE's consolidated financial statements. At March 31, 2016, NEE owns common units of NEP OpCo representing noncontrolling interest in NEP's operating projects of approximately 70.8%. The assets and liabilities of NEP were approximately $6.7 billion and $4.9 billion, respectively, at March 31, 2016, and primarily consisted of property, plant and equipment and long-term debt.

A NEER VIE consolidates two entities which own and operate natural gas/oil electric generation facilities with the capability of producing 110 MW. This VIE sells its electric output under power sales contracts to a third party, with expiration dates in 2018 and 2020. The power sales contracts provide the offtaker the ability to dispatch the facilities and require the offtaker to absorb the cost of fuel. This VIE uses third-party debt and equity to finance its operations. The debt is secured by liens against the generation facilities and the other assets of these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of the VIE were approximately $92 million and $51 million, respectively, at March 31, 2016 and $84 million and $47 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

Two indirect subsidiaries of NEER each contributed, to a NEP subsidiary, an approximately 50% ownership interest in three entities which own solar PV facilities that, upon completion of construction, are expected to have a total generating capacity of 277 MW, of which approximately 237 MW have been placed in service as of March 31, 2016. Each of the two indirect subsidiaries of NEER is considered a VIE since it has insufficient equity at risk, and is consolidated by NEER. The VIEs use third-party debt and equity to finance a portion of development and construction activities and require subordinated financing from NEER to complete the facility under construction. These VIEs will sell their electric output to third parties under power sales contracts with expiration dates in 2035 and 2036. The debt balances are secured by liens against the assets of the entities. The debt holders have no recourse to the general credit of NEER. The assets and liabilities of these VIEs were approximately $726 million and $710 million, respectively, at March 31, 2016, and $657 million and $626 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

The other twenty NEER VIEs consolidate several entities which own and operate wind electric generation facilities with the capability of producing a total of 5,272 MW. These VIEs sell their electric output either under power sales contracts to third parties with expiration dates ranging from 2018 through 2041 or in the spot market. The VIEs use third-party debt and/or equity to finance their operations. Certain investors that hold no equity interest in the VIEs hold differential membership interests, which give them the right to receive a portion of the economic attributes of the generation facilities, including certain tax attributes. The debt is secured by liens against the generation facilities and the other assets of these entities or by pledges of NEER's ownership interest in these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of these VIEs totaled approximately $7.6 billion and $4.2 billion, respectively, at March 31, 2016 and $7.6 billion and $5.0 billion, respectively, at December 31, 2015. At March 31, 2016 and December 31, 2015, the assets and liabilities of the VIEs consisted primarily of property, plant and equipment, deferral related to differential membership interests and long-term debt.

NEECH - NEECH consolidates a special purpose entity that has insufficient equity at risk and is considered a VIE. The entity provided a loan in the form of a note receivable (see Note 3 - Fair Value of Financial Instruments Recorded at Other than Fair Value) to an unrelated third party, and also issued senior secured bonds which are collateralized by the note receivable. The assets and liabilities of the VIE were approximately $516 million and $501 million, respectively, at March 31, 2016, and consisted primarily of notes receivables and long-term debt.

Other - As of March 31, 2016 and December 31, 2015, several NEE subsidiaries have investments totaling approximately $2,272 million ($1,851 million at FPL) and $602 million ($476 million at FPL), respectively, in certain entities which invest mainly in mortgage-backed securities, and also at March 31, 2016, in common collective trusts. These investments are included in special use funds and other investments on NEE's condensed consolidated balance sheets and in special use funds on FPL's condensed consolidated balance sheets. As of March 31, 2016, NEE subsidiaries, including FPL, are not the primary beneficiary and therefore do not consolidate any of these entities because they have no power over activities, do not control any of the ongoing activities of these entities, were not involved in the initial design of these entities and do not have a controlling financial interest in these entities.

Certain subsidiaries of NEE have noncontrolling interests in entities accounted for under the equity method. These entities are limited partnerships or similar entity structures in which the limited partners or nonmanaging members do not have substantive rights, and therefore are considered VIEs. NEE is not the primary beneficiary because it does not have a controlling financial interest in these entities, and therefore does not consolidate any of these entities. NEE's investment in these entities totaled approximately $260 million at March 31, 2016, which are included in other investments on NEE's condensed consolidated balance sheet. Subsidiaries of NEE have committed to invest an additional approximately $35 million in two of the entities.

6. Common Shareholders' Equity

Earnings Per Share - The reconciliation of NEE's basic and diluted earnings per share attributable to NEE is as follows:

	Three Months Ended March 31,	
	2016	2015
	(millions, except per share amounts)	
Numerator - net income attributable to NEE	**$ 636**	$ 650
Denominator:		
Weighted-average number of common shares outstanding - basic	**460.5**	442.3
Equity units, performance share awards, stock options and restricted stock[a]	**2.4**	6.5
Weighted-average number of common shares outstanding - assuming dilution	**462.9**	448.8
Earnings per share attributable to NEE:		
Basic	**$ 1.38**	$ 1.47
Assuming dilution	**$ 1.37**	$ 1.45

(a) Calculated using the treasury stock method. Performance share awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award.

Common shares issuable pursuant to stock options and performance share awards which were not included in the denominator above due to their antidilutive effect were approximately 0.2 million and 0.1 million for the three months ended March 31, 2016 and 2015, respectively.

Accumulated Other Comprehensive Income (Loss) - The components of AOCI, net of tax, are as follows:

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Three Months Ended March 31, 2016						
Balances, December 31, 2015	$ (170)	$ 174	$ (62)	$ (85)	$ (24)	$ (167)
Other comprehensive Income (loss) before reclassifications	—	8	(7)	20	(3)	18
Amounts reclassified from AOCI	23 [a]	(1) [b]	—	—	—	22
Net other comprehensive income (loss)	23	7	(7)	20	(3)	40
Less other comprehensive loss attributable to noncontrolling interests	(1)	—	—	(13)	—	(14)
Balances, March 31, 2016	$ (146)	$ 181	$ (69)	$ (52)	$ (27)	$ (113)

(a) Reclassified to interest expense in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
			(millions)			
Three Months Ended March 31, 2015						
Balances, December 31, 2014	$ (156)	$ 218	$ (20)	$ (58)	$ (24)	$ (40)
Other comprehensive income (loss) before reclassifications	(52)	12	(16)	14	(2)	(44)
Amounts reclassified from AOCI	18 (a)	(10) (b)	—	—	—	8
Net other comprehensive income (loss)	(34)	2	(16)	14	(2)	(36)
Less other comprehensive loss attributable to noncontrolling interests	(1)	—	—	(2)	—	(3)
Balances, March 31, 2015	$ (189)	$ 220	$ (36)	$ (42)	$ (26)	$ (73)

(a) Reclassified to interest expense and other - net in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

7. Debt

Significant long-term debt issuances and borrowings by subsidiaries of NEE during the three months ended March 31, 2016 were as follows:

Date Issued	Company	Debt Issuances/Borrowings	Interest Rate		Principal Amount	Maturity Date
					(millions)	
January 2016	NEER subsidiary	Limited-recourse construction and term loan facility	Variable	(a)(b)	$ 98	2035
February 2016	NEP subsidiary	Senior secured revolving credit facility	Variable	(a)	$ 75	2019
February 2016	NEECH	Term loan	1.00%		$ 100	2021
March 2016	NEP subsidiary	Limited-recourse construction and term loan facility	Variable	(a)(b)	$ 41	2022
March 2016	NEECH	Debentures	2.30%		$ 500	2019
March 2016	NEER subsidiary	Senior secured limited-recourse term loan	Variable	(a)(b)	$ 76	2027
March 2016	NEER subsidiary	Senior secured limited-recourse term loan	Variable	(a)(b)	$ 89	2028
January - March 2016	NEER subsidiary	Cash grant bridge loan facilities	Variable	(a)	$ 155	2018
January - March 2016	NEER subsidiary	Limited-recourse construction and term loan facility	Variable	(a)(b)	$ 106	2035

(a) Variable rate is based on an underlying index plus a margin.
(b) Interest rate swap agreements have been entered into with respect to these issuances. See Note 2.

8. Summary of Significant Accounting and Reporting Policies

NextEra Energy Partners, LP - In February and March 2016, NEP completed the sale of 11,155,000 common units representing limited partnership interests in NEP in a public offering for an aggregate purchase price of approximately $287 million, or $25.76 per common unit. This offering, together with issuances of additional common units under NEP's at-the-market equity issuance program during the three months ended March 31, 2016, resulted in a decrease of NEE's interest in NEP's operating projects to approximately 70.8% at March 31, 2016.

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability, initially measured at the present value of the future lease payments; and a right-of-use asset for all leases (with the exception of short-term leases). The standards update will be effective for NEE and FPL beginning January 1, 2019. Early adoption is permitted. Lessees and lessors must apply a modified retrospective approach for all leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. NEE and FPL are currently evaluating the effect the adoption of this standards update will have on their consolidated financial statements.

Stock-Based Compensation - In March 2016, the FASB issued an accounting standards update related to the accounting for employee share-based payment awards including simplification in areas such as (i) income tax consequences; (ii) classification of awards as either equity or liabilities; and (iii) classification on the statement of cash flows. The standards update will be effective for NEE and FPL beginning January 1, 2017. Early adoption is permitted and each provision has specific adoption methods required

within the standards update. NEE and FPL are currently evaluating the effect the adoption of this standards update will have on their consolidated financial statements.

Assets and Liabilities Associated with Assets Held for Sale - On April 4, 2016, a subsidiary of NEER completed the sale of its ownership interest in merchant natural gas generation facilities located in Texas with a total generating capacity of 2,884 MW for net cash proceeds of approximately $456 million, after transaction costs and working capital adjustments. A NEER affiliate will continue to operate the facilities included in the sale for an initial period of up to one year. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($107 million after tax) will be recorded in NEE's condensed consolidated statements of income during the three-months ended June 30, 2016. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's condensed consolidated balance sheets at March 31, 2016 and December 31, 2015 primarily represent property, plant and equipment and the long-term debt associated with the facilities.

9. Commitments and Contingencies

Commitments - NEE and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL include, among other things, the cost for construction or acquisition of additional facilities and equipment to meet customer demand, as well as capital improvements to and maintenance of existing facilities and the procurement of nuclear fuel. At NEER, capital expenditures include, among other things, the cost, including capitalized interest, for construction and development of wind and solar projects and the procurement of nuclear fuel, as well as the investment in the development and construction of its natural gas pipeline assets. Capital expenditures for Corporate and Other primarily include the cost to meet customer-specific requirements and maintain the fiber-optic network for FPL FiberNet and the cost to maintain existing transmission facilities at NEET.

At March 31, 2016, estimated capital expenditures for the remainder of 2016 through 2020 for which applicable internal approvals (and also FPSC approvals for FPL, if required) have been received were as follows:

	Remainder of 2016	2017	2018	2019	2020	Total
			(millions)			
FPL:						
Generation:[a]						
New[b][c]	$ 850	$ 60	$ 5	$ 5	$ —	$ 920
Existing	500	955	685	535	550	3,225
Transmission and distribution	1,410	2,060	1,985	2,485	2,335	10,275
Nuclear fuel	105	125	190	170	210	800
General and other	110	265	240	185	185	985
Total	$ 2,975	$ 3,465	$ 3,105	$ 3,380	$ 3,280	$ 16,205
NEER:						
Wind[d]	$ 1,810	$ 50	$ 35	$ 30	$ 30	$ 1,955
Solar[e]	735	10	—	—	—	745
Nuclear, including nuclear fuel	250	235	265	275	245	1,270
Natural gas pipelines[f]	1,220	775	465	35	20	2,515
Other	255	55	75	50	65	500
Total	$ 4,270	$ 1,125	$ 840	$ 390	$ 360	$ 6,985
Corporate and Other	$ 190	$ 165	$ 125	$ 155	$ 120	$ 755

(a) Includes AFUDC of approximately $51 million, $14 million and $11 million for the remainder of 2016 through 2018, respectively.
(b) Includes land, generation structures, transmission interconnection and integration and licensing.
(c) Excludes capital expenditures of approximately $940 million for the natural gas-fired combined-cycle unit in Okeechobee County, Florida for the period from the end of 2016 (when approval by the Florida Power Plant Siting Board (Siting Board), comprised of the Florida governor and cabinet is expected) through 2019. Also excludes capital expenditures for the construction costs for the two additional nuclear units at FPL's Turkey Point site beyond what is required to receive and maintain an NRC license for each unit.
(d) Consists of capital expenditures for new wind projects and related transmission totaling approximately 1,565 MW.
(e) Includes capital expenditures for new solar projects and related transmission totaling approximately 860 MW.
(f) Includes capital expenditures for construction of three natural gas pipelines, including equity contributions associated with equity investments in joint ventures for two pipelines and AFUDC associated with the third pipeline. The natural gas pipelines are subject to certain conditions. See Contracts below.

The above estimates are subject to continuing review and adjustment and actual capital expenditures may vary significantly from these estimates.

Contracts - In addition to the commitments made in connection with the estimated capital expenditures included in the table in Commitments above, FPL has commitments under long-term purchased power and fuel contracts. As of March 31, 2016, FPL is obligated under a take-or-pay purchased power contract to pay for 375 MW annually through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 444 MW from certain cogenerators and small power producers with expiration dates ranging from 2025 through 2034. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts. Capacity payments for the pay-for-performance contracts are subject to the facilities meeting certain contract conditions. FPL has contracts with expiration dates through 2036 for the purchase and transportation of natural gas and coal, and storage of natural gas. In addition, FPL has entered into 25-year natural gas transportation agreements with each of Sabal Trail and Florida Southeast Connection, each of which will build, own and operate a pipeline that will be part of a natural gas pipeline system, for a quantity of 400,000 MMBtu/day beginning on May 1, 2017 and increasing to 600,000 MMBtu/day on May 1, 2020. These agreements contain firm commitments that are contingent upon the occurrence of certain events, including the completion of construction of the pipeline system to be built by Sabal Trail and Florida Southeast Connection. On April 1, 2016, a wholly owned NEER subsidiary purchased an additional 9.5% interest in Sabal Trail, resulting in a 42.5% total ownership interest. See Commitments above.

As of March 31, 2016, NEER has entered into contracts with expiration dates ranging from May 2016 through 2032 primarily for the purchase of wind turbines, wind towers and solar modules and related construction and development activities, as well as for the supply of uranium, conversion, enrichment and fabrication of nuclear fuel and has made commitments for the construction of the natural gas pipelines. Approximately $5.1 billion of related commitments are included in the estimated capital expenditures table in Commitments above. In addition, NEER has contracts primarily for the purchase, transportation and storage of natural gas and firm transmission service with expiration dates ranging from late April 2016 through 2018.

The required capacity and/or minimum payments under the contracts discussed above as of March 31, 2016 were estimated as follows:

	Remainder of 2016	2017	2018	2019	2020	Thereafter
			(millions)			
FPL:						
Capacity charges[a]	$ 135	$ 170	$ 155	$ 135	$ 110	$ 690
Minimum charges, at projected prices:[b]						
Natural gas, including transportation and storage[c]	$ 795	$ 930	$ 870	$ 860	$ 910	$ 12,970
Coal, including transportation	$ 70	$ 45	$ 5	$ 5	$ —	$ —
NEER	$ 3,515	$ 750	$ 610	$ 130	$ 75	$ 320
Corporate and Other[d][e]	$ 80	$ 5	$ 5	$ —	$ 5	$ —

(a) Capacity charges under these contracts, substantially all of which are recoverable through the capacity clause, totaled approximately $47 million and $119 million for the three months ended March 31, 2016 and 2015, respectively. Energy charges under these contracts, which are recoverable through the fuel clause, totaled approximately $16 million and $44 million for the three months ended March 31, 2016 and 2015, respectively.
(b) Recoverable through the fuel clause.
(c) Includes approximately $200 million, $295 million, $290 million, $360 million and $7,885 million in 2017, 2018, 2019 , 2020 and thereafter, respectively, of firm commitments, subject to certain conditions as noted above, related to the natural gas transportation agreements with Sabal Trail and Florida Southeast Connection.
(d) Includes an approximately $35 million commitment to invest primarily in clean power and technology businesses through 2021.
(e) Excludes approximately $865 million in 2016 of joint obligations of NEECH and NEER which are included in the NEER amounts above.

In October 2015, a subsidiary of NEP completed the acquisition of the Texas pipelines. The purchase price is subject to (i) a $200 million holdback payable, in whole or in part, upon satisfaction of financial performance and capital expenditure thresholds relating to planned expansion projects (contingent holdback) and (ii) a $200 million holdback retained to satisfy any indemnification obligations of the sellers through April 2017. The carrying amount of such holdbacks totaled $187 million and $191 million, respectively, and are included in other current liabilities and other liabilities on NEE's condensed consolidated balance sheets at March 31, 2016. At December 31, 2015, the carrying amount of such holdbacks were included in other liabilities on NEE's condensed consolidated balance sheets.

Insurance - Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, NEE maintains $375 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $13.1 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, NEE is subject to retrospective assessments of up to $1.0 billion ($509 million for FPL), plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed $152 million ($76 million for FPL) per incident per year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2,

which approximates $15 million, $38 million and $19 million, plus any applicable taxes, per incident, respectively.

NEE participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. NEE also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of NEE's or another participating insured's nuclear plants, NEE could be assessed up to $187 million ($113 million for FPL), plus any applicable taxes, in retrospective premiums in a policy year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $3 million, $5 million and $4 million, plus any applicable taxes, respectively.

Due to the high cost and limited coverage available from third-party insurers, NEE does not have property insurance coverage for a substantial portion of either its transmission and distribution property or natural gas pipeline assets, and has no property insurance coverage for FPL FiberNet's fiber-optic cable. Should FPL's future storm restoration costs exceed the reserve amount established through the issuance of storm-recovery bonds by a VIE in 2007, FPL may recover storm restoration costs, subject to prudence review by the FPSC, either through surcharges approved by the FPSC or through securitization provisions pursuant to Florida law.

In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered from customers in the case of FPL or Lone Star Transmission, LLC, would be borne by NEE and/or FPL and/or their affiliates, as the case may be, and could have a material adverse effect on NEE's and FPL's financial condition, results of operations and liquidity.

Spain Solar Projects - In March 2013 and May 2013, events of default occurred under the project-level financing agreements for the solar thermal facilities in Spain (Spain solar projects) as a result of changes of law that occurred in December 2012 and February 2013. These changes of law negatively affected the projected economics of the projects and caused the project-level financing to be unsupportable by expected future project cash flows. Under the project-level financing, events of default (including those discussed below) provide for, among other things, a right by the lenders (which they have not exercised) to accelerate the payment of the project-level debt. Accordingly, in 2013, the project-level debt and the associated derivative liabilities related to interest rate swaps were classified as current maturities of long-term debt and current derivative liabilities, respectively, on NEE's condensed consolidated balance sheets, and totaled $585 million and $127 million, respectively, as of March 31, 2016. In July 2013, the Spanish government published a new law that created a new economic framework for the Spanish renewable energy sector. Additional regulatory pronouncements from the Spanish government needed to complete and implement the framework were finalized in June 2014. Based on NEE's assessment, the regulatory pronouncements do not indicate a further impairment of the Spain solar projects. Since the third quarter of 2014, events of default have occurred under the project-level financing agreements related to certain debt service coverage ratio covenants not being met. The project-level subsidiaries have requested the lenders to waive the events of default related to the debt service coverage ratio.

Impairments recorded due to the changes of law caused the project-level subsidiaries in Spain to have a negative net equity position on their balance sheets, which requires them under Spanish law to commence liquidation proceedings if the net equity position is not restored to specified levels. Prior to 2015, Spanish law had provided an exemption applicable to the project-level subsidiaries that enabled the exclusion of asset-related impairments in the equity calculation. Such exemption was not granted for 2015, and therefore the project-level subsidiaries commenced liquidation on April 23, 2015. The liquidators are reviewing the liquidation balance sheets and inventory schedules and will make recommendations to NextEra Energy España, S.L. (NEE España), the NEER subsidiary in Spain that is the direct shareholder of the project-level subsidiaries, to either restructure the project-level debt or file for insolvency. The liquidation event could cause the lenders to seek to accelerate the payment of the project-related debt and/or foreclose on the project assets, which they have not done to date. However, as part of a settlement agreement reached in December 2013 between NEECH, NEE España, the project-level subsidiaries and the lenders, the future recourse of the lenders under the project-level financing is effectively limited to the letters of credit described below and to the assets of the project-level subsidiaries. Under the settlement agreement, the lenders, among other things, irrevocably waived events of default related to changes of law that existed at the time of the settlement as described above, and NEECH affiliates provided for the project-level subsidiaries to post approximately €37 million (approximately $42 million as of March 31, 2016) in letters of credit to fund operating and debt service reserves under the project-level financing, of which €14 million (approximately $16 million) has been drawn as of March 31, 2016. NEE España, the project-level subsidiaries and the lenders have been in negotiations to seek to restructure the project-level financing; however, there can be no assurance that the project-level financing will be successfully restructured or that the lenders will not exercise remedies available to them under the project financing agreements for, among other things, current and future events of default, if any, or for the commencement of liquidation by the project-level subsidiaries.

Legal Proceedings - In 1995 and 1996, NEE, through an indirect subsidiary, purchased from Adelphia Communications Corporation (Adelphia) 1,091,524 shares of Adelphia common stock and 20,000 shares of Adelphia preferred stock (convertible into 2,358,490 shares of Adelphia common stock) for an aggregate price of approximately $35,900,000. On January 29, 1999, Adelphia repurchased

all of these shares for $149,213,130 in cash. In June 2004, Adelphia, Adelphia Cablevision, L.L.C. and the Official Committee of Unsecured Creditors of Adelphia filed a complaint against NEE and its indirect subsidiary in the U.S. Bankruptcy Court, Southern District of New York. The complaint alleges that the repurchase of these shares by Adelphia was a fraudulent transfer, in that at the time of the transaction Adelphia (i) was insolvent or was rendered insolvent, (ii) did not receive reasonably equivalent value in exchange for the cash it paid, and (iii) was engaged or about to engage in a business or transaction for which any property remaining with Adelphia had unreasonably small capital. The complaint seeks the recovery for the benefit of Adelphia's bankruptcy estate of the cash paid for the repurchased shares, plus interest from January 29, 1999. NEE filed an answer to the complaint. NEE believes that the complaint is without merit because, among other reasons, Adelphia will be unable to demonstrate that (i) Adelphia's repurchase of shares from NEE, which repurchase was at the market value for those shares, was not for reasonably equivalent value, (ii) Adelphia was insolvent at the time of the stock repurchase, or (iii) the stock repurchase left Adelphia with unreasonably small capital. The trial was completed in May 2012 and closing arguments were heard in July 2012. In May 2014, the U.S. Bankruptcy Court, Southern District of New York, issued its decision after trial, finding, among other things, that Adelphia was not insolvent, or rendered insolvent, at the time of the stock repurchase. The bankruptcy court further ruled that Adelphia was not left with inadequate capital or equitably insolvent at the time of the stock repurchase. The decision after trial represented proposed findings of fact and conclusions of law which were subject to de novo review by the U.S. District Court for the Southern District of New York. In March 2015, the U.S. District Court issued a final order which effectively affirmed the findings of the U.S. Bankruptcy Court in NEE's favor. In April 2015, Adelphia filed an appeal of the final order to the U.S. Court of Appeals for the Second Circuit and oral argument is scheduled for June 2016.

NEE and FPL are vigorously defending, and believe that they or their affiliates have meritorious defenses to, the lawsuit described above. In addition to the legal proceeding discussed above, NEE and its subsidiaries, including FPL, are involved in other legal and regulatory proceedings, actions and claims in the ordinary course of their businesses. Entities in which subsidiaries of NEE, including FPL, have a partial ownership interest are also involved in legal and regulatory proceedings, actions and claims, the liabilities from which, if any, would be shared by such subsidiary. In the event that NEE and FPL, or their affiliates, do not prevail in the lawsuit described above or these other legal and regulatory proceedings, actions and claims, there may be a material adverse effect on their financial statements. While management is unable to predict with certainty the outcome of the lawsuit described above or these other legal and regulatory proceedings, actions and claims, based on current knowledge it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements of NEE or FPL.

10. Segment Information

NEE's reportable segments are FPL, a rate-regulated electric utility, and NEER, a competitive energy business. NEER's segment information includes an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs. Corporate and Other represents other business activities and includes eliminating entries. NEE's segment information is as follows:

	Three Months Ended March 31,							
	2016				2015			
	FPL	NEER[a]	Corporate and Other	NEE Consolidated	FPL	NEER[a][b]	Corporate and Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ 2,303	$ 1,441	$ 91	$ 3,835	$ 2,541	$ 1,462	$ 101	$ 4,104
Operating expenses	$ 1,589	$ 946	$ 66	$ 2,601	$ 1,874	$ 1,029	$ 72	$ 2,975
Net income attributable to NEE	$ 393	$ 224 [c]	$ 19	$ 636	$ 359	$ 280 [c]	$ 11	$ 650

(a) Interest expense allocated from NEECH is based on a deemed capital structure of 70% debt. For this purpose, the deferred credit associated with differential membership interests sold by NEER subsidiaries is included with debt. Residual NEECH corporate interest expense is included in Corporate and Other.
(b) Amounts were adjusted to reflect the fourth quarter 2015 segment change related to natural gas pipeline projects.
(c) See Note 4 for a discussion of NEER's tax benefits related to PTCs.

	March 31, 2016				December 31, 2015			
	FPL	NEER	Corporate and Other	NEE Consolidated	FPL	NEER	Corporate and Other	NEE Consolidated
	(millions)							
Total assets	$ 43,112	$ 39,129	$ 2,396	$ 84,637	$ 42,523	$ 37,647	$ 2,309	$ 82,479

11. Summarized Financial Information of NEECH

NEECH, a 100% owned subsidiary of NEE, provides funding for, and holds ownership interests in, NEE's operating subsidiaries other than FPL. NEECH's debentures and junior subordinated debentures including those that were registered pursuant to the Securities Act of 1933, as amended, are fully and unconditionally guaranteed by NEE. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended March 31,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Operating revenues	$ —	$ 1,535	$ 2,300	$ 3,835	$ —	$ 1,567	$ 2,537	$ 4,104
Operating expenses	(4)	(1,005)	(1,592)	(2,601)	(4)	(1,095)	(1,876)	(2,975)
Interest expense	—	(397)	(112)	(509)	(1)	(205)	(115)	(321)
Equity in earnings of subsidiaries	638	—	(638)	—	645	—	(645)	—
Other income - net	—	147	24	171	—	117	11	128
Income (loss) before income taxes	634	280	(18)	896	640	384	(88)	936
Income tax expense (benefit)	(2)	30	231	259	(10)	93	203	286
Net income (loss)	636	250	(249)	637	650	291	(291)	650
Less net income attributable to noncontrolling interests	—	1	—	1	—	—	—	—
Net income (loss) attributable to NEE	$ 636	$ 249	$ (249)	$ 636	$ 650	$ 291	$ (291)	$ 650

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Comprehensive Income

	Three Months Ended March 31,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Comprehensive income (loss) attributable to NEE	$ 690	$ 310	$ (310)	$ 690	$ 617	$ 274	$ (274)	$ 617

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	March 31, 2016				December 31, 2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
				(millions)				
PROPERTY, PLANT AND EQUIPMENT								
Electric plant in service and other property	$ 27	$ 36,130	$ 46,163	$ 82,320	$ 27	$ 34,921	$ 45,382	$ 80,330
Accumulated depreciation and amortization	(16)	(7,383)	(12,027)	(19,426)	(16)	(7,067)	(11,861)	(18,944)
Total property, plant and equipment - net	11	28,747	34,136	62,894	11	27,854	33,521	61,386
CURRENT ASSETS								
Cash and cash equivalents	2	593	33	628	—	546	25	571
Receivables	64	1,575	628	2,267	90	1,510	665	2,265
Other	4	2,731	1,466	4,201	4	2,443	1,512	3,959
Total current assets	70	4,899	2,127	7,096	94	4,499	2,202	6,795
OTHER ASSETS								
Investment in subsidiaries	22,691	—	(22,691)	—	22,544	—	(22,544)	—
Other	908	8,033	5,706	14,647	823	7,790	5,685	14,298
Total other assets	23,599	8,033	(16,985)	14,647	23,367	7,790	(16,859)	14,298
TOTAL ASSETS	$ 23,680	$ 41,679	$ 19,278	$ 84,637	$ 23,472	$ 40,143	$ 18,864	$ 82,479
CAPITALIZATION								
Common shareholders' equity	$ 22,912	$ 7,639	$ (7,639)	$ 22,912	$ 22,574	$ 6,990	$ (6,990)	$ 22,574
Noncontrolling interests	—	718	—	718	—	538	—	538
Long-term debt	—	17,867	9,924	27,791	—	16,725	9,956	26,681
Total capitalization	22,912	26,224	2,285	51,421	22,574	24,253	2,966	49,793
CURRENT LIABILITIES								
Debt due within one year	—	3,401	1,216	4,617	—	2,786	220	3,006
Accounts payable	—	651	488	1,139	4	1,919	606	2,529
Other	196	3,188	1,447	4,831	252	3,003	1,317	4,572
Total current liabilities	196	7,240	3,151	10,587	256	7,708	2,143	10,107
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	—	665	1,844	2,509	—	647	1,822	2,469
Deferred income taxes	91	2,385	7,506	9,982	157	2,396	7,274	9,827
Other	481	5,165	4,492	10,138	485	5,139	4,659	10,283
Total other liabilities and deferred credits	572	8,215	13,842	22,629	642	8,182	13,755	22,579
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 23,680	$ 41,679	$ 19,278	$ 84,637	$ 23,472	$ 40,143	$ 18,864	$ 82,479

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Three Months Ended March 31,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 728	$ 613	$ 204	$ 1,545	$ 907	$ 225	$ 49	$ 1,181
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures, independent power and other investments and nuclear fuel purchases	—	(2,683)	(1,196)	(3,879)	—	(801)	(765)	(1,566)
Capital contributions from NEE	(321)	—	321	—	(551)	—	551	—
Proceeds from the sale of a noncontrolling interest in subsidiaries	—	292	—	292	—	—	—	—
Other - net	—	(98)	4	(94)	—	2	—	2
Net cash used in investing activities	(321)	(2,489)	(871)	(3,681)	(551)	(799)	(214)	(1,564)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	—	1,250	—	1,250	—	194	—	194
Retirements of long-term debt	—	(333)	(34)	(367)	—	(139)	(31)	(170)
Proceeds from notes payable	—	—	500	500	—	625	—	625
Net change in commercial paper	—	692	494	1,186	—	700	(722)	(22)
Issuances of common stock	17	—	—	17	16	—	—	16
Dividends on common stock	(401)	—	—	(401)	(341)	—	—	(341)
Contributions from (dividends to) NEE	—	312	(312)	—	—	(902)	902	—
Other - net	(21)	2	27	8	(31)	(25)	29	(27)
Net cash provided by (used in) financing activities	(405)	1,923	675	2,193	(356)	453	178	275
Net increase (decrease) in cash and cash equivalents	2	47	8	57	—	(121)	13	(108)
Cash and cash equivalents at beginning of period	—	546	25	571	—	562	15	577
Cash and cash equivalents at end of period	$ 2	$ 593	$ 33	$ 628	$ —	$ 441	$ 28	$ 469

(a) Represents primarily FPL and consolidating adjustments.

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

OVERVIEW

NEE's operating performance is driven primarily by the operations of its two principal subsidiaries, FPL, which serves approximately 4.8 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the U.S., and NEER, which together with affiliated entities is the largest generator in North America of renewable energy from the wind and sun based on MWh produced. The table below presents net income attributable to NEE and earnings per share, assuming dilution, attributable to NEE by reportable segment, FPL and NEER, and by Corporate and Other, which is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as other income and expense items, including interest expense, income taxes and eliminating entries (see Note 10 for additional segment information). The following discussions should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing in the 2015 Form 10-K. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussions, all comparisons are with the corresponding items in the prior year period.

	Net Income Attributable to NEE		Earnings Per Share, assuming dilution	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2016	2015	**2016**	2015
	(millions)			
FPL	**$ 393**	$ 359	**$ 0.85**	$ 0.80
NEER[a][b]	**224**	280	**0.48**	0.62
Corporate and Other[b]	**19**	11	**0.04**	0.03
NEE	**$ 636**	$ 650	**$ 1.37**	$ 1.45

(a) NEER's results reflect an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs.
(b) NEER's and Corporate and Other's results for 2015 were retrospectively adjusted to reflect the fourth quarter segment change related to natural gas pipeline projects.

Adjusted Earnings

NEE prepares its financial statements under GAAP. However, management uses earnings excluding certain items (adjusted earnings), a non-GAAP financial measure, internally for financial planning, for analysis of performance, for reporting of results to the Board of Directors and as an input in determining performance-based compensation under NEE's employee incentive compensation plans. NEE also uses adjusted earnings when communicating its financial results and earnings outlook to analysts and investors. NEE's management believes adjusted earnings provides a more meaningful representation of NEE's fundamental earnings power. Although the excluded amounts are properly included in the determination of net income under GAAP, management believes that the amount and/or nature of such items make period to period comparisons of operations difficult and potentially confusing. Adjusted earnings do not represent a substitute for net income, as prepared under GAAP.

Adjusted earnings exclude the unrealized mark-to-market effect of non-qualifying hedges (as described below) and OTTI losses on securities held in NEER's nuclear decommissioning funds, net of the reversal of previously recognized OTTI losses on securities sold and losses on securities where price recovery was deemed unlikely (collectively, OTTI reversals). However, other adjustments may be made from time to time with the intent to provide more meaningful and comparable results of ongoing operations.

NEE, through NEER and Corporate and Other, segregate into two categories unrealized mark-to-market gains and losses on derivative transactions. The first category, referred to as non-qualifying hedges, represents certain energy derivative, interest rate derivative and foreign currency transactions entered into as economic hedges, which do not meet the requirements for hedge accounting, or for which hedge accounting treatment is not elected or has been discontinued. Changes in the fair value of those transactions are marked to market and reported in the consolidated statements of income, resulting in earnings volatility because the economic offset to the positions are generally not marked to market. As a consequence, NEE's net income reflects only the movement in one part of economically-linked transactions. For example, a gain (loss) in the non-qualifying hedge category for certain energy derivatives is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under GAAP. For this reason, NEE's management views results expressed excluding the unrealized mark-to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. The second category, referred to as trading activities, which is included in adjusted earnings, represents the net unrealized effect of actively traded positions entered into to take advantage of expected market price movements and all other commodity hedging activities. In January 2016, NEE discontinued hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, which could result in increased volatility in the non-qualifying hedge category. At FPL, substantially all changes in the fair value of energy derivative transactions are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. See Note 2.

In order to make period to period comparisons more meaningful, adjusted earnings also exclude the costs incurred associated with the proposed merger pursuant to which, if consummated, Hawaiian Electric Company, Inc. will become a wholly owned subsidiary of NEE, the after-tax operating results associated with the Spain solar projects, and the resolution of contingencies related to a previous asset sale which was recorded as gains on disposal of assets - net in NEE's condensed consolidated statements of income.

The following table provides details of the adjustments to net income considered in computing NEE's adjusted earnings discussed above.

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Net unrealized mark-to-market after-tax gains (losses) from non-qualifying hedge activity[(a)]	**$ (74)**	$ 27
Income (loss) from OTTI after-tax losses on securities held in NEER's nuclear decommissioning funds, net of OTTI reversals	**$ (4)**	$ 1
After-tax operating results of NEER's Spain solar projects	**$ (3)**	$ (5)
After-tax merger-related expenses - Corporate and Other	**$ (3)**	$ (4)
Resolution of contingencies related to a previous asset sale - NEER	**$ 5**	$ —

(a) For the three months ended March 31, 2016 and 2015, approximately $80 million of losses and $22 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other.

The change in unrealized mark-to-market activity from non-qualifying hedges is primarily attributable to changes in forward power and natural gas prices, interest rates and foreign currency exchange rates, as well as the reversal of previously recognized unrealized mark-to-market gains or losses as the underlying transactions were realized.

On April 4, 2016, a subsidiary of NEER completed the sale of its ownership interest in merchant natural gas generation facilities located in Texas. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($107 million after tax) will be recorded in NEE's condensed consolidated statements of income, and excluded from adjusted earnings, during the three-months ended June 30, 2016. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.

RESULTS OF OPERATIONS

Summary

Net income attributable to NEE for the three months ended March 31, 2016 was lower than the prior period by $14 million, reflecting lower results at NEER, partly offset by higher results at FPL and Corporate and Other.

FPL's increase in net income for the three months ended March 31, 2016 was primarily driven by continued investments in plant in service and other property while earning an 11.50% regulatory ROE on its retail rate base and higher AFUDC - equity.

NEER's results decreased for the three months ended March 31, 2016 reflecting net unrealized losses from non-qualifying hedge activity compared to gains on such hedges in the prior year period, higher interest and general and administrative expenses and lower customer supply and proprietary power and gas trading results. These decreases were partly offset by contributions from new investments and higher earnings on existing assets. The net unrealized losses from non-qualifying hedge activity includes approximately $83 million of after-tax losses related to interest rate derivative instruments for which hedge accounting was discontinued in January 2016.

Corporate and Other's results increased for the three months ended March 31, 2016 primarily due to lower interest expense.

NEE's effective income tax rates for the three months ended March 31, 2016 and 2015 were approximately 29% and 31%, respectively. The rates for both periods reflect the benefit of PTCs for NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs for solar and certain wind projects at NEER. PTCs, ITCs and deferred income tax benefits associated with convertible ITCs can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by PTC roll off. PTCs for the three months ended March 31, 2016 and 2015 were approximately $42 million and $38 million, respectively. ITCs and deferred income tax benefits associated with convertible ITCs for the three months ended March 31, 2016 and 2015 were approximately $37 million and $18 million, respectively. See Note 4.

FPL: Results of Operations

FPL's net income for the three months ended March 31, 2016 and 2015 was $393 million and $359 million, respectively, representing an increase of $34 million.

The use of reserve amortization is permitted by a January 2013 FPSC final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2012 rate agreement). In order to earn a targeted regulatory ROE, subject to limitations associated with the 2012 rate agreement, reserve amortization is calculated using a trailing thirteen-month average of retail rate base and capital structure in conjunction with the trailing twelve months regulatory retail base net operating income, which primarily includes the retail base portion of base and other revenues, net of O&M, depreciation and amortization, interest and tax expenses. The drivers of FPL's net income not reflected in the reserve amortization calculation typically include wholesale and transmission service revenues and expenses, cost recovery clause revenues and expenses, AFUDC - equity and costs not allowed to be recovered from retail customers by the FPSC. During the three months ended March 31, 2016 and 2015, FPL recorded reserve amortization of approximately $176 million and $99 million, respectively.

The $34 million increase in FPL's net income for the three months ended March 31, 2016 was primarily driven by:

- higher earnings from investments in plant in service and other property of approximately $17 million. Such investments grew FPL's average retail rate base for the three months ended March 31, 2016 by approximately $1.4 billion when compared to the same period last year, reflecting, among other things, ongoing transmission and distribution additions,
- higher AFUDC - equity of $14 million, and
- higher cost recovery clause earnings of $7 million.

FPL's operating revenues consisted of the following:

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Retail base	**$ 1,190**	$ 1,183
Fuel cost recovery	**742**	881
Net deferral of retail fuel revenues	**(81)**	—
Other cost recovery clauses and pass-through costs, net of any deferrals	**342**	364
Other, primarily wholesale and transmission sales, customer-related fees and pole attachment rentals	**110**	113
Total	**$ 2,303**	$ 2,541

Retail Base

Approximately $8 million of retail base revenues recorded during the three months ended March 31, 2016 relate to unbilled revenues which reflect the retail base rate increase associated with the modernization of the Port Everglades power plant that was placed in service on April 1, 2016; the annualized effect of such retail base rate increase is approximately $216 million.

Retail Customer Usage and Growth
In the three months ended March 31, 2016, FPL experienced a 0.9% decrease in average usage per retail customer and a 1.3% increase in the average number of customer accounts which collectively, together with other factors, resulted in a decrease in revenues of approximately $1 million. Mild weather contributed to the decreased revenues, offset by an extra day of sales as 2016 is a leap year.

Cost Recovery Clauses

Revenues from fuel and other cost recovery clauses and pass-through costs, such as franchise fees, revenue taxes and storm-related surcharges, are largely a pass-through of costs. Such revenues also include a return on investment allowed to be recovered through the cost recovery clauses on certain assets, primarily related to solar and environmental projects, natural gas reserves, the unamortized balance of the regulatory asset associated with FPL's acquisition of Cedar Bay in September 2015 and nuclear capacity. The decrease in fuel cost recovery revenues for the three months ended March 31, 2016 is primarily due to a decrease of approximately $130 million related to a lower average fuel factor and a decrease related to lower revenues from interchange power sales of approximately $32 million, partly offset by increased revenues of $20 million related to higher retail energy sales. Net deferral of retail fuel revenues totaled approximately $81 million during the three months ended March 31, 2016 due to the overrecovery of costs through rates largely related to lower natural gas costs than previously estimated.

Declines in revenues from other cost recovery clauses and pass-through costs were largely due to reductions in purchased power and capacity expenses associated with the capacity clause, partly offset by higher expenses associated with the environmental cost recovery clause. Cost recovery clauses contributed approximately $26 million and $18 million to FPL's net income for the three months ended March 31, 2016 and 2015, respectively.

Other Items Impacting FPL's Condensed Consolidated Statements of Income

Fuel, Purchased Power and Interchange Expense
The major components of FPL's fuel, purchased power and interchange expense are as follows:

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Fuel and energy charges during the period	**$ 611**	$ 776
Net recognition of deferred retail fuel costs	**37**	105
Other, primarily capacity charges, net of any capacity deferral	**52**	124
Total	**$ 700**	$ 1,005

The decrease in fuel and energy charges for the three months ended March 31, 2016 reflects approximately $155 million of lower fuel and energy prices and $10 million related to lower energy sales. In addition, FPL recognized $37 million of deferred retail fuel costs during the three months ended March 31, 2016, compared to recognition of $105 million of deferred retail fuel costs in the three months ended March 31, 2015. The decrease in other is primarily due to lower capacity fees in part related to the termination of the Cedar Bay long-term purchased power agreement after FPL assumed ownership of Cedar Bay in September 2015.

O&M Expenses
FPL's O&M expenses increased $37 million for the three months ended March 31, 2016 reflecting higher cost recovery clause costs of approximately $13 million, which, as discussed above, do not have a significant impact on net income. Also, FPL's O&M expenses for the three months ended March 31, 2016 reflect higher employee-related costs and weather-related restoration costs, as well as higher scheduled maintenance costs primarily due to timing.

Depreciation and Amortization Expense
The major components of FPL's depreciation and amortization expense are as follows:

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Reserve amortization recorded under the 2012 rate agreement	**$ (176)**	$ (99)
Other depreciation and amortization recovered under base rates	**327**	308
Depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization	**68**	33
Total	**$ 219**	$ 242

The reserve amortization reflects adjustments to the depreciation and fossil dismantlement reserve provided under the 2012 rate agreement in order to achieve the targeted regulatory ROE. At March 31, 2016, approximately $87 million of the reserve remains available for future amortization over the term of the 2012 rate agreement. Reserve amortization is recorded as a reduction to regulatory liabilities - accrued asset removal costs on the condensed consolidated balance sheets. The increase in other depreciation and amortization expense recovered under base rates for the three months ended March 31, 2016 is due to higher plant in service and other property balances. The increase in depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization for the three months ended March 31, 2016 primarily relates to the amortization of a regulatory asset associated with the 2015 acquisition of Cedar Bay.

AFUDC - Equity
The increase in AFUDC - equity for the three months ended March 31, 2016 is primarily due to additional AFUDC - equity recorded on construction expenditures associated with the peaker upgrade project, the Port Everglades modernization project and investments in new compressor parts technology at select combined-cycle units.

FPL Rate Case

On March 15, 2016, FPL filed a petition with the FPSC requesting, among other things, an increase to base annual revenue requirements of (i) $866 million effective January 2017, (ii) $262 million effective January 2018, and (iii) $209 million effective when FPL's proposed natural gas-fired combined-cycle unit in Okeechobee County, Florida becomes operational, which is expected to occur in mid-2019 assuming it is approved by the Siting Board. Under the proposed rate plan, FPL commits that if its requested adjustments to base annual revenue requirements are approved, it will not request a general increase in base rates that would be effective before January 1, 2021. FPL's requested increases are based on a regulatory ROE of 11.50%, which includes a 50 basis point performance adder. Hearings on the base rate proceeding are scheduled during the third quarter of 2016 and a final decision

is scheduled in the fourth quarter of 2016. The rate agreement currently in effect for FPL will expire at the end of December 2016, which coincides with FPL's request for new rates to be effective at the beginning of January 2017.

Capital Initiatives

During the three months ended March 31, 2016, FPL began construction on three solar PV projects that are each expected to provide approximately 74 MW. In April 2016, FPL placed in service the modernized natural gas-fired combined-cycle unit at its Port Everglades power plant with approximately 1,237 MW of capacity.

NEER: Results of Operations

NEER's net income less net income attributable to noncontrolling interests for the three months ended March 31, 2016 and 2015 was $224 million and $280 million, respectively, representing a decrease of $56 million. The primary drivers, on an after-tax basis, of the change are in the following table.

	Increase (Decrease) From Prior Year Period
	Three Months Ended March 31, 2016
	(millions)
New investments[a]	$ 67
Existing assets[a]	16
Gas infrastructure[b]	2
Customer supply and proprietary power and gas trading[b]	(16)
Interest and other general and administrative expenses[c]	(23)
Other	(2)
Change in unrealized mark-to-market non-qualifying hedge activity[d]	(102)
Change in OTTI losses on securities held in nuclear decommissioning funds, net of OTTI reversals[d]	(5)
Operating results of the Spain solar projects[d]	2
Resolution of contingencies related to a previous asset sale[d]	5
Decrease in net income less net income attributable to noncontrolling interests	$ (56)

(a) Includes PTCs, ITCs and deferred income tax and other benefits associated with convertible ITCs for wind and solar projects, as applicable, but excludes allocation of interest expense and corporate general and administrative expenses. Results from projects are included in new investments during the first twelve months of operation or ownership. An electric energy project's results are included in existing assets beginning with the thirteenth month of operation.
(b) Excludes allocation of interest expense and corporate general and administrative expenses.
(c) Includes differential membership interest costs.
(d) See Overview - Adjusted Earnings for additional information.

New Investments

Results from new investments for the three months ended March 31, 2016 increased due to:

- higher earnings of approximately $49 million, including the deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 1,355 MW of wind generation and 483 MW of solar generation during or after the three months ended March 31, 2015, and
- higher earnings of approximately $18 million related to the acquisition of the Texas pipelines and additional investments in other natural gas pipeline projects.

Existing Assets

Results from NEER's existing asset portfolio for the three months ended March 31, 2016 increased primarily due to:

- higher results from wind assets of approximately $18 million primarily related to stronger wind resource,
- higher results from merchant natural gas and oil assets of $12 million primarily due to the absence of depreciation on the Texas natural gas generation assets held for sale (see Overview - Adjusted Earnings),

partly offset by,

- lower results from nuclear assets of $16 million primarily due to lower gains on sales of securities held in NEER's nuclear decommissioning funds and outages at two nuclear plants, offset in part by favorable pricing.

Gas Infrastructure

The increase in gas infrastructure results for the three months ended March 31, 2016 is primarily due to higher gains from exiting the hedged positions on a number of future gas production opportunities; such gains were previously reflected in unrealized mark-to-market non-qualifying hedge activity. NEER continues to monitor its oil and gas producing properties for potential impairments due to low prices for oil and natural gas commodity products.

Customer Supply and Proprietary Power and Gas Trading

Results from customer supply and proprietary power and gas trading decreased for the three months ended March 31, 2016 primarily due to lower margins and less favorable market conditions.

Interest and Other General and Administrative Expenses

For the three months ended March 31, 2016, interest and other general and administrative expenses reflect higher borrowing and other costs to support the growth of the business.

Other Factors

Supplemental to the primary drivers of the changes in NEER's net income less net income attributable to noncontrolling interests discussed above, the discussion below describes changes in certain line items set forth in NEE's condensed consolidated statements of income as they relate to NEER.

Operating Revenues
Operating revenues for the three months ended March 31, 2016 decreased $21 million primarily due to:

- lower revenues from existing assets of approximately $74 million primarily reflecting unfavorable market conditions at NEER's natural gas generation facilities and weather-related decrease in dispatch in the New England Power Pool (NEPOOL) region, offset in part by higher revenues from wind assets due to stronger wind resource, and
- lower revenues from the customer supply and proprietary power and gas trading business and the gas infrastructure business of $38 million,

partly offset by,

- higher revenues from new investments of $78 million, and
- higher unrealized mark-to-market gains from non-qualifying commodity hedges ($78 million for the three months ended March 31, 2016 compared to $61 million for the comparable period in 2015).

Operating Expenses
Operating expenses for the three months ended March 31, 2016 decreased $83 million primarily due to:

- lower fuel expense of approximately $126 million primarily due to a weather-related decrease in dispatch in the NEPOOL region and lower gas prices, and
- lower depreciation expense reflecting the absence of approximately $13 million of depreciation on the Texas natural gas generation assets held for sale,

partly offset by,

- higher operating expenses associated with new investments of approximately $42 million, and
- higher O&M expenses reflecting higher costs associated with growth in the NEER business.

Interest Expense
NEER's interest expense for the three months ended March 31, 2016 increased approximately $197 million reflecting $197 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $13 million of unfavorable changes in 2015. This increase primarily reflects the discontinuance of hedge accounting in January 2016 discussed above. Additionally, interest expense increased due to higher average debt balances and higher interest rates.

Benefits Associated with Differential Membership Interests - net
Benefits associated with differential membership interests - net for both periods presented reflect benefits recognized by NEER as third-party investors received their portion of the economic attributes, including income tax attributes, of the underlying wind projects, net of associated costs. The increase for the three months ended March 31, 2016 primarily relates to increased results of the underlying wind projects.

Equity in Earnings of Equity Method Investees
Equity in earnings of equity method investees increased for the three months ended March 31, 2016 primarily due to increased earnings from NEER's investments in natural gas pipeline projects as construction continues and NEER's investment in a wind project that was placed in service in the fourth quarter of 2015.

Gains on Disposal of Assets - net
The decrease in gains on disposal of assets - net for the three months ended March 31, 2016 primarily reflects lower gains on sales of securities held in NEER's nuclear decommissioning funds.

Tax Credits, Benefits and Expenses
PTCs from wind projects and ITCs and deferred income tax benefits associated with convertible ITCs from solar and certain wind projects are reflected in NEER's earnings. PTCs are recognized as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes. A portion of the PTCs have been allocated to investors in connection with sales of differential membership interests. Also see Summary above and Note 4 for a discussion of PTCs, ITCs and deferred income tax benefits associated with convertible ITCs, as well as benefits associated with differential membership interests - net above.

Capital Initiatives

During the three months ended March 31, 2016, NEER placed into service approximately 200 MW of new solar generation. Additionally, on April 1, 2016, NEER increased its ownership interest in the Sabal Trail natural gas pipeline project (see Note 9 - Contracts). NEER expects to add new contracted wind generation of approximately 1,500 MW and new contracted solar generation of approximately 1,000 MW in 2016, including the 200 MW of solar discussed above, which will bring NEER's 2015-2016 renewables development program to approximately 4,000 MW.

Sale of Assets to NEP

In March 2016, indirect subsidiaries of NEER sold two wind generation facilities with a combined generating capacity of approximately 299 MW located in Oklahoma to indirect subsidiaries of NEP.

Corporate and Other: Results of Operations

Corporate and Other is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as corporate interest income and expenses. Corporate and Other allocates a portion of NEECH's corporate interest expense and shared service costs to NEER. Interest expense is allocated based on a deemed capital structure of 70% debt and, for purposes of allocating NEECH's corporate interest expense, the deferred credit associated with differential membership interests sold by NEER's subsidiaries is included with debt. Each subsidiary's income taxes are calculated based on the "separate return method," except that tax benefits that could not be used on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits. Any remaining consolidated income tax benefits or expenses are recorded at Corporate and Other. The major components of Corporate and Other's results, on an after-tax basis, are as follows:

	Three Months Ended March 31,	
	2016	2015
	(millions)	
Interest expense, net of allocations to NEER	**$ (18)**	$ (21)
Interest income	**8**	8
Federal and state income tax benefits	**6**	5
Merger-related expenses	**(3)**	(4)
Other - net	**26**	23
Net income	**$ 19**	$ 11

Interest expense, net of allocations to NEER, for the three months ended March 31, 2016 reflects a higher allocation of interest costs to NEER reflecting growth in NEER's business, as well as after-tax unrealized gains on interest rate and foreign currency derivative instruments, as hedge accounting was discontinued in January 2016, and a foreign currency transaction loss, see Note 2. The federal and state income tax benefits for both periods presented reflect consolidating income tax adjustments. Other includes all other corporate income and expenses, as well as other business activities.

LIQUIDITY AND CAPITAL RESOURCES

NEE and its subsidiaries, including FPL, require funds to support and grow their businesses. These funds are used for, among other things, working capital, capital expenditures, investments in or acquisitions of assets and businesses, payment of maturing debt obligations and, from time to time, redemption or repurchase of outstanding debt or equity securities. It is anticipated that these requirements will be satisfied through a combination of cash flows from operations, short- and long-term borrowings, the issuance of short- and long-term debt and, from time to time, equity securities, and proceeds from differential membership investors, consistent with NEE's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. NEE, FPL and NEECH rely on access to credit and capital markets as significant sources of liquidity for capital requirements and other operations that are not satisfied by operating cash flows. The inability of NEE, FPL and NEECH to maintain their current credit ratings could affect their ability to raise short- and long-term capital, their cost of capital and the execution of their respective financing strategies, and could require the posting of additional collateral under certain agreements.

Cash Flows

Sources and uses of NEE's and FPL's cash for the three months ended March 31, 2016 and 2015 were as follows:

	NEE		FPL	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2016	2015	**2016**	2015
	(millions)			
Sources of cash:				
Cash flows from operating activities	**$ 1,545**	$ 1,181	**$ 1,113**	$ 952
Long-term borrowings	**1,250**	194	**—**	—
Capital contribution from NEE	**—**	—	**—**	550
Issuances of common stock - net	**17**	16	**—**	—
Net increase in short-term debt	**1,686**	603	**994**	—
Proceeds from the sale of a noncontrolling interest in subsidiaries	**292**	—	**—**	—
Other sources - net	**8**	59	**43**	47
Total sources of cash	**4,798**	2,053	**2,150**	1,549
Uses of cash:				
Capital expenditures, independent power and other investments and nuclear fuel purchases	**(3,879)**	(1,566)	**(1,195)**	(765)
Retirements of long-term debt	**(367)**	(170)	**(33)**	(31)
Net decrease in short-term debt	**—**	—	**—**	(722)
Dividends	**(401)**	(341)	**(900)**	—
Other uses - net	**(94)**	(84)	**(14)**	(17)
Total uses of cash	**(4,741)**	(2,161)	**(2,142)**	(1,535)
Net increase (decrease) in cash and cash equivalents	**$ 57**	$ (108)	**$ 8**	$ 14

On April 4, 2016, a subsidiary of NEER completed the sale of its ownership interest in merchant natural gas generation facilities located in Texas, see Overview - Adjusted Earnings.

NEE's primary capital requirements are for expanding and enhancing FPL's electric system and generation facilities to continue to provide reliable service to meet customer electricity demands and for funding NEER's investments in independent power and other projects. The following table provides a summary of the major capital investments for the three months ended March 31, 2016 and 2015.

	Three Months Ended March 31,	
	2016	2015
	(millions)	
FPL:		
Generation:		
New	**$ 284**	$ 98
Existing	**126**	128
Transmission and distribution	**467**	325
Nuclear fuel	**62**	44
General and other	**168**	63
Other, primarily change in accrued property additions and the exclusion of AFUDC - equity	**88**	107
Total	**1,195**	765
NEER:		
Wind	**1,543**	317
Solar	**765**	150
Nuclear, including nuclear fuel	**64**	76
Natural gas pipelines	**131**	91
Other	**138**	153
Total	**2,641**	787
Corporate and Other	**43**	14
Total capital expenditures, independent power and other investments and nuclear fuel purchases	**$ 3,879**	$ 1,566

Liquidity

At March 31, 2016, NEE's total net available liquidity was approximately $6.0 billion, of which FPL's portion was approximately $2.1 billion. The table below provides the components of FPL's and NEECH's net available liquidity at March 31, 2016:

				Maturity Date	
	FPL	NEECH	Total	FPL	NEECH
		(millions)			
Bank revolving line of credit facilities[a]	$ 3,000	$ 4,850	$ 7,850	2016 - 2021	2016 - 2021
Issued letters of credit	(3)	(477)	(480)		
	2,997	4,373	7,370		
Revolving credit facilities	200	810	1,010	2017 - 2018	2016 - 2020
Borrowings	—	(775)	(775)		
	200	35	235		
Letter of credit facilities[b]	—	650	650		2017
Issued letters of credit	—	(448)	(448)		
	—	202	202		
Subtotal	3,197	4,610	7,807		
Cash and cash equivalents	31	593	624		
Outstanding commercial paper and notes payable	(1,150)	(1,322)	(2,472)		
Net available liquidity	$ 2,078	$ 3,881	$ 5,959		

(a) Provide for the funding of loans up to $7,850 million ($3,000 million for FPL) and the issuance of letters of credit up to $3,950 million ($1,070 million for FPL). The entire amount of the credit facilities is available for general corporate purposes and to provide additional liquidity in the event of a loss to the companies' or their subsidiaries' operating facilities (including, in the case of FPL, a transmission and distribution property loss). FPL's bank revolving line of credit facilities are also available to support the purchase of $718 million of pollution control, solid waste disposal and industrial development revenue bonds (tax exempt bonds) in the event they are tendered by individual bond holders and not remarketed prior to maturity. Approximately $2,255 million of FPL's and $3,700 million of NEECH's bank revolving line of credit facilities expire in 2021.

(b) Only available for the issuance of letters of credit.

Additionally, at March 31, 2016, certain subsidiaries of NEER and NEP had credit or loan facilities with available liquidity as set forth in the table below. In order for the applicable borrower to borrow or to have letters of credit issued under the terms of the agreements for some of the NEER facilities listed below, among other things, NEE is required to maintain a ratio of funded debt to total capitalization that does not exceed a stated ratio. These NEER agreements also generally contain covenants and default and related acceleration provisions relating to, among other things, failure of NEE to maintain a ratio of funded debt to total capitalization at or below the specified ratio. Some of the payment obligations of the borrowers under the NEER agreements listed below ultimately are guaranteed by NEE.

	Amount	Amount Remaining Available at March 31, 2016	Rate	Maturity Date	Related Project Use
		(millions)			
NEER:					
Canadian revolving credit facilities[a]	C$200	$35	Variable	Various	Canadian renewable generating assets
Cash grant bridge loan facilities	$250	$95	Variable	2018	Construction and development of a 250 MW solar PV project in Nevada
NEP:					
Senior secured revolving credit facility[b]	$250	$175	Variable	2019	Working capital, expansion projects, acquisitions and general business purposes
Senior secured limited-recourse revolving loan facility[c]	$150	$150	Variable	2020	General business purposes

(a) Available for general corporate purposes; the current intent is to use these facilities for the purchase, development, construction and/or operation of Canadian renewable generating assets. Consist of two credit facilities with expiration dates ranging from late April 2016 to May 2016.

(b) NEP OpCo and one of its direct subsidiaries are required to comply with certain financial covenants on a quarterly basis and NEP OpCo's ability to pay cash distributions to its unit holders is subject to certain other restrictions. The revolving credit facility includes borrowing capacity for letters of credit and incremental commitments to increase the revolving credit facility up to $1 billion in the aggregate. Borrowings under the revolving credit facility are guaranteed by NEP OpCo and NEP.

(c) A certain NEP subsidiary (borrower) is required to satisfy certain conditions, including among other things, maintaining a leverage ratio at the time of any borrowing that does not exceed a specified ratio. Borrowings under this revolving loan facility are secured by liens on certain of the borrower's assets and certain of the borrower's subsidiaries' assets, as well as the ownership interest in the borrower. The revolving loan facility contains default and related acceleration provisions relating to, among other things, failure of the borrower to maintain a leverage ratio at or below the specified rate and a minimum interest coverage ratio.

Capital Support

Guarantees, Letters of Credit, Surety Bonds and Indemnifications (Guarantee Arrangements)
Certain subsidiaries of NEE, including FPL, issue guarantees and obtain letters of credit and surety bonds, as well as provide indemnities, to facilitate commercial transactions with third parties and financings. Substantially all of the guarantee arrangements are on behalf of NEE's or FPL's consolidated subsidiaries, as discussed in more detail below. NEE and FPL are not required to recognize liabilities associated with guarantee arrangements issued on behalf of their consolidated subsidiaries unless it becomes probable that they will be required to perform. At March 31, 2016, NEE and FPL believe it is unlikely that they would be required to perform under, or otherwise incur any losses associated with, these guarantee arrangements.

As of March 31, 2016, NEE subsidiaries had approximately $2.4 billion in guarantees related primarily to engineering, procurement and construction agreements, equity contribution agreements associated with the development, construction and financing of certain power generation facilities and natural gas pipeline development projects. In addition, as of March 31, 2016, NEE subsidiaries had approximately $4.9 billion in guarantees ($21 million for FPL) related to obligations under purchased power agreements, indemnifications associated with asset divestitures, nuclear-related activities, the non-receipt of proceeds from cash grants under the Recovery Act and the payment obligations related to renewable tax credits, as well as other types of contractual obligations.

In some instances, subsidiaries of NEE elect to issue guarantees instead of posting other forms of collateral required under certain financing arrangements. As of March 31, 2016, these guarantees totaled approximately $951 million and support, among other things, required cash management reserves, O&M service agreement requirements and other specific project financing requirements.

Subsidiaries of NEE also issue guarantees to support customer supply and proprietary power and gas trading activities, including the buying and selling of wholesale and retail energy commodities. As of March 31, 2016, the estimated mark-to-market exposure (the total amount that these subsidiaries of NEE could be required to fund based on energy commodity market prices at March 31, 2016) plus contract settlement net payables, net of collateral posted for obligations under these guarantees totaled $728 million.

As of March 31, 2016, subsidiaries of NEE also had approximately $1.1 billion of standby letters of credit ($3 million for FPL) and approximately $318 million of surety bonds ($78 million for FPL) to support certain of the commercial activities discussed above. FPL's and NEECH's credit facilities are available to support the amount of the standby letters of credit.

In addition, as part of contract negotiations in the normal course of business, certain subsidiaries of NEE, including FPL, have agreed and in the future may agree to make payments to compensate or indemnify other parties for possible unfavorable financial consequences resulting from specified events. The specified events may include, but are not limited to, an adverse judgment in a lawsuit or the imposition of additional taxes due to a change in tax law or interpretations of the tax law. NEE and FPL are unable to estimate the maximum potential amount of future payments under some of these contracts because events that would obligate them to make payments have not yet occurred or, if any such event has occurred, they have not been notified of its occurrence.

Certain guarantee arrangements described above contain requirements for NEECH and FPL to maintain a specified credit rating. NEE has guaranteed certain payment obligations of NEECH, including most of its debt and all of its debentures and commercial paper issuances, as well as most of its payment guarantees and indemnifications, and NEECH has guaranteed certain debt and other obligations of NEER and its subsidiaries.

New Accounting Rules and Interpretations

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability and a right-of-use asset for all leases. See Note 8 - Leases.

Stock-Based Compensation - In March 2016, the FASB issued an accounting standards update related to the accounting for employee share-based payment awards. See Note 8 - Stock-Based Compensation.

ENERGY MARKETING AND TRADING AND MARKET RISK SENSITIVITY

NEE and FPL are exposed to risks associated with adverse changes in commodity prices, interest rates and equity prices. Financial instruments and positions affecting the financial statements of NEE and FPL described below are held primarily for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage such market risks, as well as credit risks.

Commodity Price Risk

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity. In addition, NEE, through NEER, uses derivatives to optimize the value of its power generation and gas infrastructure assets and engages in power and gas marketing and trading activities to take advantage of expected future favorable price movements. See Note 2.

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three months ended March 31, 2016 were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Fair value of contracts outstanding at December 31, 2015	$ 359	$ 1,185	$ (218)	$ 1,326
Reclassification to realized at settlement of contracts	(19)	(140)	76	(83)
Inception value of new contracts	9	18	—	27
Net option premium purchases (issuances)	(3)	3	—	—
Changes in fair value excluding reclassification to realized	101	228	(108)	221
Fair value of contracts outstanding at March 31, 2016	447	1,294	(250)	1,491
Net margin cash collateral paid (received)				(404)
Total mark-to-market energy contract net assets (liabilities) at March 31, 2016	$ 447	$ 1,294	$ (250)	$ 1,087

NEE's total mark-to-market energy contract net assets (liabilities) at March 31, 2016 shown above are included on the condensed consolidated balance sheets as follows:

	March 31, 2016
	(millions)
Current derivative assets	$ 798
Assets held for sale	42
Noncurrent derivative assets	1,361
Current derivative liabilities	(751)
Liabilities associated with assets held for sale	(16)
Noncurrent derivative liabilities	(347)
NEE's total mark-to-market energy contract net assets	$ 1,087

The sources of fair value estimates and maturity of energy contract derivative instruments at March 31, 2016 were as follows:

	Maturity						
	2016	2017	2018	2019	2020	Thereafter	Total
	(millions)						
Trading:							
Quoted prices in active markets for identical assets	$ (13)	$ 18	$ 8	$ 6	$ —	$ —	$ 19
Significant other observable inputs	(7)	43	37	6	5	(2)	82
Significant unobservable inputs	171	100	20	8	18	29	346
Total	151	161	65	20	23	27	447
Owned Assets - Non-Qualifying:							
Quoted prices in active markets for identical assets	(3)	1	9	4	—	—	11
Significant other observable inputs	271	219	116	90	74	75	845
Significant unobservable inputs	56	54	42	37	38	211	438
Total	324	274	167	131	112	286	1,294
Owned Assets - FPL Cost Recovery Clauses:							
Quoted prices in active markets for identical assets	—	—	—	—	—	—	—
Significant other observable inputs	(248)	6	—	—	—	—	(242)
Significant unobservable inputs	(8)	1	(1)	—	—	—	(8)
Total	(256)	7	(1)	—	—	—	(250)
Total sources of fair value	$ 219	$ 442	$ 231	$ 151	$ 135	$ 313	$ 1,491

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three months ended March 31, 2015 were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Fair value of contracts outstanding at December 31, 2014	$ 320	$ 898	$ (363)	$ 855
Reclassification to realized at settlement of contracts	(66)	(66)	78	(54)
Inception value of new contracts	5	—	—	5
Net option premium purchases (issuances)	(6)	3	—	(3)
Changes in fair value excluding reclassification to realized	96	143	(86)	153
Fair value of contracts outstanding at March 31, 2015	349	978	(371)	956
Net margin cash collateral paid (received)				(185)
Total mark-to-market energy contract net assets (liabilities) at March 31, 2015	$ 349	$ 978	$ (371)	$ 771

With respect to commodities, NEE's EMC, which is comprised of certain members of senior management, and NEE's chief executive officer are responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC and NEE's chief executive officer receive periodic updates on market positions and related exposures, credit exposures and overall risk management activities.

NEE uses a value-at-risk (VaR) model to measure commodity price market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. The VaR figures are as follows:

	Trading			Non-Qualifying Hedges and Hedges in FPL Cost Recovery Clauses[a]			Total		
	FPL	NEER	NEE	FPL	NEER	NEE	FPL	NEER	NEE
				(millions)					
December 31, 2015	$ —	$ 3	$ 3	$ 51	$ 44	$ 23	$ 51	$ 46	$ 25
March 31, 2016	$ —	$ 1	$ 1	$ 24	$ 32	$ 28	$ 24	$ 31	$ 28
Average for the three months ended March 31, 2016	$ —	$ 2	$ 2	$ 33	$ 39	$ 32	$ 33	$ 38	$ 33

(a) Non-qualifying hedges are employed to reduce the market risk exposure to physical assets or contracts which are not marked to market. The VaR figures for the non-qualifying hedges and hedges in FPL cost recovery clauses category do not represent the economic exposure to commodity price movements.

Interest Rate Risk

NEE's and FPL's financial results are exposed to risk resulting from changes in interest rates as a result of their respective issuances of debt, investments in special use funds and other investments. NEE and FPL manage their respective interest rate exposure by monitoring current interest rates, entering into interest rate contracts and using a combination of fixed rate and variable rate debt. Interest rate contracts are used to mitigate and adjust interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements.

The following are estimates of the fair value of NEE's and FPL's financial instruments that are exposed to interest rate risk:

	March 31, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Fixed income securities:				
Special use funds	$ 1,869	$ 1,869 (a)	$ 1,789	$ 1,789 (a)
Other investments:				
Debt securities	$ 117	$ 117 (a)	$ 124	$ 124 (a)
Primarily notes receivable	$ 517	$ 770 (b)	$ 512	$ 722 (b)
Long-term debt, including current maturities	$ 29,931	$ 31,928 (c)	$ 28,897	$ 30,412 (c)
Interest rate contracts - net unrealized losses	$ (439)	$ (439) (d)	$ (285)	$ (285) (d)
FPL:				
Fixed income securities - special use funds	$ 1,444	$ 1,444 (a)	$ 1,378	$ 1,378 (a)
Long-term debt, including current maturities	$ 9,990	$ 11,509 (c)	$ 10,020	$ 11,028 (c)

(a) Primarily estimated using quoted market prices for these or similar issues.
(b) Primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower.
(c) Estimated using either quoted market prices for the same or similar issues or discounted cash flow valuation technique, considering the current credit spread of the debtor.
(d) Modeled internally using discounted cash flow valuation technique and applying a credit valuation adjustment.

The special use funds of NEE and FPL consist of restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of NEE's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities primarily carried at estimated fair value. At FPL, changes in fair value, including any OTTI losses, result in a corresponding adjustment to the related liability accounts based on current regulatory treatment. The changes in fair value of NEE's non-rate regulated operations result in a corresponding adjustment to OCI, except for impairments deemed to be other than temporary, including any credit losses, which are reported in current period earnings. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not scheduled to begin until at least 2030 (2032 at FPL).

As of March 31, 2016, NEE had interest rate contracts with a notional amount of approximately $8.2 billion related to long-term debt issuances, of which $2.3 billion effectively convert fixed-rate debt to variable-rate debt instruments at NEECH. The remaining $5.9 billion of notional amount of interest rate contracts manage exposure to the variability of cash flows associated with variable-rate debt instruments, which primarily relate to NEER debt issuances. At March 31, 2016, the estimated fair value of NEE's fair value and cash flow interest rate derivatives was approximately $(20) million and $(419) million, respectively. See Note 2.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of NEE's net liabilities would increase by approximately $954 million ($467 million for FPL) at March 31, 2016.

Equity Price Risk

NEE and FPL are exposed to risk resulting from changes in prices for equity securities. For example, NEE's nuclear decommissioning reserve funds include marketable equity securities primarily carried at their market value of approximately $2,644 million and $2,674 million ($1,566 million and $1,598 million for FPL) at March 31, 2016 and December 31, 2015, respectively. At March 31, 2016, a hypothetical 10% decrease in the prices quoted on stock exchanges, which is a reasonable near-term market change, would result in a $248 million ($147 million for FPL) reduction in fair value. For FPL, a corresponding adjustment would be made to the related liability accounts based on current regulatory treatment, and for NEE's non-rate regulated operations, a corresponding adjustment would be made to OCI to the extent the market value of the securities exceeded amortized cost and to OTTI loss to the extent the market value is below amortized cost.

Credit Risk

NEE and its subsidiaries are also exposed to credit risk through their energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. NEE manages counterparty credit risk for its subsidiaries with energy marketing and trading operations through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit, cash and other collateral and guarantees.

Credit risk is also managed through the use of master netting agreements. NEE's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis. For all derivative and contractual transactions, NEE's energy marketing and trading operations, which include FPL's energy marketing and trading division, are exposed to losses in the event of nonperformance by counterparties to these transactions. Some relevant considerations when assessing NEE's energy marketing and trading operations' credit risk exposure include the following:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the U.S.
- Overall credit risk is managed through established credit policies and is overseen by the EMC.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various credit enhancements or secured payment terms, such as letters of credit or the posting of margin cash collateral.
- Master netting agreements are used to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. NEE's policy is to have master netting agreements in place with significant counterparties.

Based on NEE's policies and risk exposures related to credit, NEE and FPL do not anticipate a material adverse effect on their financial statements as a result of counterparty nonperformance. As of March 31, 2016, approximately 95% of NEE's and 100% of FPL's energy marketing and trading counterparty credit risk exposure is associated with companies that have investment grade credit ratings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion - Energy Marketing and Trading and Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of March 31, 2016, each of NEE and FPL had performed an evaluation, under the supervision and with the participation of its management, including NEE's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of each company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)). Based upon that evaluation, the chief executive officer and the chief financial officer of each of NEE and FPL concluded that the company's disclosure controls and procedures were effective as of March 31, 2016.

(b) Changes in Internal Control Over Financial Reporting

NEE and FPL are continuously seeking to improve the efficiency and effectiveness of their operations and of their internal controls. This results in refinements to processes throughout NEE and FPL. However, there has been no change in NEE's or FPL's internal control over financial reporting (as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f)) that occurred during NEE's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, NEE's or FPL's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

NEE and FPL are parties to various legal and regulatory proceedings in the ordinary course of their respective businesses. For information regarding legal proceedings that could have a material effect on NEE or FPL, see Item 3. Legal Proceedings and Note 14 - Legal Proceedings to Consolidated Financial Statements in the 2015 Form 10-K and Note 9 - Legal Proceedings herein. Such descriptions are incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in the 2015 Form 10-K. The factors discussed in Part I, Item 1A. Risk Factors in the 2015 Form 10-K, as well as other information set forth in this report, which could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects should be carefully considered. The risks described in the 2015 Form 10-K are not the only risks facing NEE and FPL. Additional risks and uncertainties not currently known to NEE or FPL, or that are currently deemed to be immaterial, also may materially adversely affect NEE's or FPL's business, financial condition, results of operations and prospects.

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

(c) Information regarding purchases made by NEE of its common stock during the three months ended March 31, 2016 is as follows:

Period	Total Number of Shares Purchased[a]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program	Maximum Number of Shares that May Yet be Purchased Under the Program[b]
1/1/16 - 1/31/16	—	$ —	—	13,274,748
2/1/16 - 2/29/16	56,264	$ 111.67	—	13,274,748
3/1/16 - 3/31/16	500	$ 115.98	—	13,274,748
Total	56,764	$ 111.71	—	

(a) Includes: (1) in February 2016, shares of common stock withheld from employees to pay certain withholding taxes upon the vesting of stock awards granted to such employees under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan; and (2) in March 2016, shares of common stock purchased as a reinvestment of dividends by the trustee of a grantor trust in connection with NEE's obligation under a February 2006 grant under the NextEra Energy, Inc. Amended and Restated Long-Term Incentive Plan (former LTIP) to an executive officer of deferred retirement share awards.

(b) In February 2005, NEE's Board of Directors authorized common stock repurchases of up to 20 million shares of common stock over an unspecified period, which authorization was most recently reaffirmed and ratified by the Board of Directors in July 2011.

Item 6. Exhibits

Exhibit Number	Description	NEE	FPL
*4(a)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated March 31, 2016, creating the 2.30% Debentures, Series due April 1, 2019 (filed as Exhibit 4 to Form 8-K dated March 31, 2016, File No. 1-8841)	x	
*10(a)	NextEra Energy, Inc. Non-Employee Director Compensation Summary effective January 1, 2016 (filed as Exhibit 10(jj) to Form 10-K for the year ended December 31, 2015, File No.1-8841)	x	x
10(b)	Appendix A2 (revised as of February 11, 2016) to the NextEra Energy, Inc. Supplemental Executive Retirement Plan	x	x
10(c)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers	x	x
10(d)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers	x	x
10(e)	Form of Restricted Stock Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers	x	x
10(f)	Form of Non-Qualified Stock Option Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers	x	x
10(g)	Form of Non-Qualified Stock Option Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers	x	x
10(h)	NextEra Energy, Inc. Deferred Compensation Plan effective January 1, 2005 as amended and restated through February 11, 2016	x	x
10(i)	Executive Retention Employment Agreement between NextEra Energy, Inc. and John W. Ketchum dated as of March 4, 2016	x	x
12(a)	Computation of Ratios	x	
12(b)	Computation of Ratios		x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of NextEra Energy, Inc.	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of NextEra Energy, Inc.	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of Florida Power & Light Company		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of Florida Power & Light Company		x
32(a)	Section 1350 Certification of NextEra Energy, Inc.	x	
32(b)	Section 1350 Certification of Florida Power & Light Company		x
101.INS	XBRL Instance Document	x	x
101.SCH	XBRL Schema Document	x	x
101.PRE	XBRL Presentation Linkbase Document	x	x
101.CAL	XBRL Calculation Linkbase Document	x	x
101.LAB	XBRL Label Linkbase Document	x	x
101.DEF	XBRL Definition Linkbase Document	x	x

*Incorporated herein by reference

NEE and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that NEE and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Date: April 28, 2016

NEXTERA ENERGY, INC.
(Registrant)

CHRIS N. FROGGATT

Chris N. Froggatt
Vice President, Controller and Chief Accounting Officer
of NextEra Energy, Inc.
(Principal Accounting Officer of NextEra Energy, Inc.)

FLORIDA POWER & LIGHT COMPANY
(Registrant)

KIMBERLY OUSDAHL

Kimberly Ousdahl
Vice President, Controller and Chief Accounting Officer
of Florida Power & Light Company
(Principal Accounting Officer of
Florida Power & Light Company)

Exhibit 10(b)

Appendix A2 Last Revised On: February 11, 2016					
Name	Company	Pre-4/1/1997 Participant	Class A "Bonus SERP" Status	Double Basic Credits	Double Transition Credits
ARECHABALA, MIGUEL *	NextEra Energy, Inc		X[1]	X[1]	
CAPLAN, DEBORAH H. *	NextEra Energy, Inc		X[1]	X[1]	
KELLIHER, JOSEPH T. *	NextEra Energy, Inc		X[1]	X[1]	
KETCHUM, JOHN W.	NextEra Energy, Inc.		X[1]	X[1]	
SIEVING, CHARLES E. *	NextEra Energy, Inc		X[1]	X[1]	
SILAGY, ERIC E.*	Florida Power & Light Company		X[1]	X[1]	
YEAGER, WILLIAM L. *	NextEra Energy, Inc		X[1]	X[1]	
CUTLER, PAUL I. *	NextEra Energy, Inc		X[1]		
FROGGATT, CHRIS N. *	NextEra Energy, Inc		X[1]		
ARCARI, CRAIG W.	Florida Power & Light Company		X[1]		
BARRETT, ROBERT E., JR.	Florida Power & Light Company		X[1]		
BEILHART, KATHY	NextEra Energy Resources, LLC		X[1]		
BROAD, THOMAS F.	NextEra Energy, Inc		X[1]		
CHAPEL, CHRISTOPHER T.	NextEra Energy, Inc		X[1]		
CHARANJIVA, LAKSHMAN	NextEra Energy, Inc		X[1]		
CONEYS, JOHN J.	NextEra Energy, Inc		X[1]		
COSTANZO, CHRISTOPHER R.	Florida Power & Light Company		X[1]		
CURTLAND, DEAN	NextEra Energy Seabrook		X[1]		
DIDONATO, JOHN	NextEra Energy Resources, LLC		X[1]		
FORREST, SAM A.	Florida Power & Light Company		X[1]		
GLEASON, ERIC S.	NextEra Transmission, LLC		X[1]		
GOLDSTEIN, MITCHELL P.	Florida Power & Light Company		X[1]		
GOSSELIN, DEAN R.	NextEra Energy Resources, LLC		X[1]		
GOULD, ROBERT L.	Florida Power & Light Company		X[1]		
HANDEL, MATTHEW S.	NextEra Energy Resources, LLC		X[1]		
HARDY, G. KEITH, JR	Florida Power & Light Company		X[1]		
HICKSON, MARK E.	NextEra Energy, Inc		X[1]		
HOFFMAN, KENNETH A.	Florida Power & Light Company		X[1]		
JENSEN, JOSEPH N.	Florida Power & Light Company		X[1]		
KENNEDY, ROXANE R.	Florida Power & Light Company		X[1]		
KETCHUM, JOHN W.	NextEra Energy, Inc		X[1]		
KILEY, MICHAEL W.	Florida Power & Light Company		X[1]		
KUJAWA, REBECCA	NextEra Energy Resources, LLC		X[1]		
LABAUVE, RANDALL R.	NextEra Energy, Inc		X[1]		
LANDRUM, BRIAN	NextEra Power Marketing, LLC		X[1]		
LEMASNEY, MARK	NextEra Energy Resources, LLC		X[1]		
LITCHFIELD, R. WADE	Florida Power & Light Company		X[1]		
MAISTO, MARK	NextEra Energy Resources, LLC		X[1]		
MCCARTNEY, ERIC	NextEra Point Beach		X[1]		

1 The Compensation Committee has expressly identified these items and acknowledged that they are subject to Internal Revenue Code Section 409A. In particular, these items include: (i) the additional deferred compensation provided by the designation of certain officers as Class A Executives, effective on or after January 1, 2006; and (ii) the additional deferred compensation set forth in SERP Amendment #4 to the Prior Plan (meaning amounts deferred by certain senior officers specified by the Compensation Committee who became participants in the SERP on or after April 1, 1997 at the rate of two times the basic credit and, to the extent applicable, the transition credit under the cash balance formula in the SERP for their pensionable earnings on or after January 1, 2006). Importantly, nothing in Amendment #4 to the Prior Plan, the SERP, Compensation Committee resolutions, or any other document shall be construed as subjecting to Code Section 409A any deferrals made under the SERP *prior* to January 1, 2005, except as expressly noted herein.

* Executive Officer of NextEra Energy, Inc.

Appendix A2, continued
Last Revised On: February 11, 2016

Name	Company	Pre-4/1/1997 Participant	Class A "Bonus SERP" Status	Double Basic Credits	Double Transition Credits
MIRANDA, MANNY B.	Florida Power & Light Company		X[1]		
MURPHY, BRIAN R.	NextEra Energy, Inc		X[1]		
OLNICK, BRYAN J.	Florida Power & Light Company		X[1]		
O'SULLIVAN, MICHAEL	NextEra Energy Resources, LLC		X[1]		
OUSDAHL, KIMBERLY	Florida Power & Light Company		X[1]		
PEREZ, CARMEN M.	FPL FiberNet, LLC		X[1]		
PRIORE, CARMINE A., III	NextEra Energy Resources, LLC		X[1]		
RAUCH, PAMELA M.	Florida Power & Light Company		X[1]		
REAGAN, RONALD R.	NextEra Energy, Inc		X[1]		
ROSS, MITCHELL S.	NextEra Energy Resources, LLC		X[1]		
SANCHEZ, MANNY A.	NextEra Energy Resources, LLC		X[1]		
SANTOS, MARLENE M.	Florida Power & Light Company		X[1]		
SEELEY, W. SCOTT	NextEra Energy, Inc		X[1]		
SENA, PETER P., III	Florida Power & Light Company		X[1]		
SILVERSTEIN, LAWRENCE	NextEra Energy Power Marketing, LLC		X[1]		
SOLE, MICHAEL W.	Florida Power & Light Company		X[1]		
SORENSEN, MARK R.	NextEra Energy Resources, LLC		X[1]		
SPOOR, MICHAEL G	Florida Power & Light Company		X[1]		
STENGLE, KATE E.	NextEra Energy, Inc		X[1]		
SUMMERS, THOMAS	Florida Power & Light Company		X[1]		
SUNCINE, KEVIN T.	NextEra Energy Resources, LLC		X[1]		
TUSCAI, TJ	NextEra Project Management, LLC		X[1]		
VEHEC, THOMAS	NextEra Duane Arnold		X[1]		
WEISS, ALEXANDER	NextEra Energy Resources, LLC		X[1]		

1 The Compensation Committee has expressly identified these items and acknowledged that they are subject to Internal Revenue Code Section 409A. In particular, these items include: (i) the additional deferred compensation provided by the designation of certain officers as Class A Executives, effective on or after January 1, 2006; and (ii) the additional deferred compensation set forth in SERP Amendment #4 to the Prior Plan (meaning amounts deferred by certain senior officers specified by the Compensation Committee who became participants in the SERP on or after April 1, 1997 at the rate of two times the basic credit and, to the extent applicable, the transition credit under the cash balance formula in the SERP for their pensionable earnings on or after January 1, 2006). Importantly, nothing in Amendment #4 to the Prior Plan, the SERP, Compensation Committee resolutions, or any other document shall be construed as subjecting to Code Section 409A any deferrals made under the SERP *prior* to January 1, 2005, except as expressly noted herein.

Exhibit 10(c)

Form of

PERFORMANCE SHARE AWARD AGREEMENT
for the Performance Period beginning January 1, {{GRANTYR}}
and ending December 31, {{2YRSAFTERGRANT}}

under the

NEXTERA ENERGY, INC. AMENDED AND RESTATED
2011 LONG TERM INCENTIVE PLAN

This Performance Share Award Agreement ("Agreement") between NextEra Energy, Inc. (hereinafter called the "Company") and **{{EMPLOYEENAME}}** (hereinafter called the "Grantee") is dated **{{GRANTDATE}}**. All capitalized terms used in this Agreement which are not defined herein shall have the meanings ascribed to such terms in the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as amended from time to time (the "Plan").

1. *Grant of Performance Share Award.* The Company hereby grants to the Grantee a Performance Share Award ("Award") which confers upon the Grantee the right to receive a number of shares ("Performance Shares") of Stock, determined as set forth in section 2 hereof. The par value of the Performance Shares shall be deemed paid by the promise by the Grantee to perform future Service to the Company or an Affiliate. The Grantee's right to receive the Performance Shares shall be subject to the terms and conditions set forth in this Agreement and in the Plan. The performance period for which the Award is granted is the period beginning on **January 1, {{GRANTYR}}** and ending on **December 31, {{2YRSAFTERGRANT}}** (such period hereinafter referred to as the "Performance Period").

The "Target" number of Performance Shares granted to the Grantee for the Performance Period is **{{AMTGRANTED}}**.

2. *Payment of Performance Share Award.*

(a) Payment of the Award shall be conditioned upon (i) the Company's achievement of the Code Section 162(m) corporate performance objective(s) established by the Committee for the Performance Period (the "Section 162(m) Objective"), (ii) certification by the Committee of (1) achievement of the Section 162(m) Objective for the Performance Period and (2) the Company's achievement of any secondary corporate performance objective(s) which were established by the Committee for the Performance Period for determining the percentage of the

Target number of Performance Shares that actually may become vested under the Award (the "Award Performance Objectives," which are attached hereto as Exhibit "A"), and (iii) Committee approval of the number of Performance Shares to be paid to the Grantee. Subject to the provisions of the Plan, the Grantee shall have the right to payment of that percentage of the Grantee's Target number of Performance Shares set forth in section 1 hereof which is equal to the percentage achievement of the Award Performance Objectives (including an individual performance modifier based on an assessment by the Company's chief executive officer or the Committee of the Grantee's individual relative contribution to the attainment of the Award Performance Objectives) certified by the Committee for the Performance Period, which will be between 0% and 200%, inclusive (the "Achieved Percentage"). In no event will the Grantee vest in or have a right to payment of more than 200% of such Target number of Performance Shares. The Committee has the discretion to reduce the payout. If the Committee does not certify that the Section 162(m) Objective has been achieved for the Performance Period, the Grantee will forfeit all, and will not vest in any, of the Performance Shares and, in such a case for purposes of this Agreement, the Achieved Percentage shall be 0%.

(b) Notwithstanding the foregoing or the provisions of section 4 hereof or any other provision of this Agreement or the Plan, if (i) the Grantee is a party to an Executive Retention Employment Agreement with the Company (as amended from time to time, "Retention Agreement") and has not waived his or her rights, either entirely or in pertinent part, under such Retention Agreement, (ii) the Effective Date (as defined in the Retention Agreement) has occurred and the Employment Period (as defined in the Retention Agreement) has commenced and has not terminated pursuant to section 3(b) of the Retention Agreement, and (iii) a Change of Control (as defined in the Retention Agreement) has occurred, then, so long as the Grantee is then providing Service:

(1) fifty percent (50%) of the Performance Shares, earned at a deemed achievement level equal to the higher of (x) the Target number of Performance Shares set forth in this Agreement or (y) the average level (expressed as a percentage of the Target number of Performance Shares set forth in this Agreement) of achievement in respect of similar performance stock-based awards which matured over the three fiscal years immediately preceding the fiscal year in which such Change of Control occurred (such higher level, the "Deemed Performance Award Achievement Level"), shall vest upon such Change of Control and shall be payable as soon as practicable thereafter (but in all cases within thirty days after such Change of Control); and

(2) the other fifty percent (50%) of the Performance Shares (earned at the Deemed Performance Award Achievement level calculated as set forth in subsection (1), above) shall vest on the date after such Change of Control which is the earlier of (i) one year after the date on

which such Change of Control occurred, if the Grantee is then providing Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate), or (ii) the date on which the Grantee's Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) terminates, and shall be payable (whether under clause (i) or clause (ii) of this section 2(b)(2)) as soon as practicable thereafter (and in any event no later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises).

(c) Notwithstanding the provisions of sections 2(a) and 4 hereof or any other provision of this Agreement or the Plan, if the Grantee is not a party to a Retention Agreement and so long as the Grantee is still providing Service upon the occurrence of a Change in Control (as defined, as of the date hereof, in the Plan for all purposes of this Agreement), fifty percent (50%) of the Performance Shares, earned at the Deemed Performance Award Achievement Level, shall vest upon such Change in Control and shall be payable as soon as practicable thereafter (but in all cases within thirty days after such Change in Control). The remainder of the Performance Shares shall remain outstanding (on a converted basis, if applicable) and shall remain subject to the terms and conditions of the Plan. If the Grantee provides Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) from the date of such Change in Control to the date of the first anniversary of such Change in Control or if, prior to the first anniversary of such Change in Control, the Grantee is involuntarily terminated other than for Cause or Disability, the fifty percent (50%) of the Performance Shares outstanding immediately prior to such Change in Control that did not vest at the time of such Change in Control shall vest on the date which is the earlier of (a) the first anniversary of such Change in Control or (b) the date on which the Grantee's Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) terminates and shall be payable (whether under clause (a) or clause (b) of this section 2(c)) as soon as practicable thereafter (but in no event later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises). The deemed level of achievement with respect to such awards shall be the Deemed Performance Award Achievement Level.

(d) If, as a result of a Change of Control or a Change in Control, as applicable, shares of Stock are exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), payment in respect of the Performance Shares shall, to the maximum extent practicable, be made in the same form.

3 . *Form of Payment of Award.* Subject to section 2(d) hereof, the Award shall be payable in shares of Stock. Upon delivery of Performance Shares to the Grantee, the Company shall have the right to withhold from any such distribution, in order to meet the Company's obligations for the payment of withholding taxes, shares of Stock with a Fair Market Value equal to the

minimum statutory withholding for taxes (including federal and state income taxes and payroll taxes applicable to the supplemental taxable income relating to such distribution) and any other tax liabilities for which the Company has an obligation relating to such distribution. For the purpose of this Agreement, the date of determination of Fair Market Value shall be the date as of which the Grantee's rights to payments under the Award are determined by the Committee in accordance with section 2 hereof.

Delivery of Performance Shares shall occur as soon as administratively practicable following the Committee's determination of the Grantee's right to such delivery.

4 . *Termination of Service.* Except as otherwise set forth herein, the Grantee must remain in continuous Service (including to any successors to the Company or an Affiliate) through the Performance Period for the Award to vest. Except as otherwise set forth (a) herein, (b) in the Plan in connection with a Change in Control if the Grantee is not a party to a Retention Agreement, or (c) in a Retention Agreement to which the Grantee is a party in connection with a Change of Control (as defined in such Retention Agreement), in the event the Grantee's Service (including to any successors to the Company or an Affiliate) terminates (or converts to inactive status in the manner specified in Section 4(b) hereof) during the Performance Period, the Grantee's right to payment of the Award shall be determined as follows:

(a) If the Grantee's termination of Service is due to resignation, discharge, or retirement prior to age 65 not meeting the condition set forth in section 4(d) hereof, all rights to the Award shall be immediately forfeited.

(b) In the case of (1) the Grantee's termination of Service due to Disability, or (2) the Grantee's conversion to inactive employee status on account of a determination of such Grantee's total and permanent Disability under any long-term disability plan of the Company or an Affiliate (a "Disability Plan"):

(i) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the Grantee's Target number of Performance Shares times the Achieved Percentage for each year in the Performance Period (subject to a maximum of 200%); provided that the Grantee's Achieved Percentage for the year in which the Grantee's Service terminates due to Disability or converts to inactive status under a Disability Plan, and any subsequent years in the Performance Period, shall be deemed to be 100%; and

(ii) Payment of the Award under this section 4(b) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof.

(c) In the case of the Grantee's termination of Service due to death:

(i) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the greater of (x) the Grantee's Target number of Performance Shares or (y) the Grantee's Target number of Performance Shares times the Achieved Percentage (subject to a maximum of 200%); provided that the Grantee's Achieved Percentage for the year in which the Grantee's Service terminates due to death, and any subsequent years in the Performance Period, shall be deemed to be 100%; and

(ii) Payment of the Award under this section 4(c) shall be made as soon as reasonably practicable thereafter (it being understood that the Committee shall determine the Achieved Percentage in good faith even though such determination will occur prior to the end of the Performance Period).

(d) In the case of the Grantee's termination of Service due to retirement on or after age 65 not meeting the condition set forth in Section 4(e) hereof:

(i) The Grantee's Target number of Performance Shares for the Performance Period shall be reduced to a prorated number (equal to (A) the total number of full days of the Grantee's Service completed during the Performance Period divided by the total number of days in the Performance Period, multiplied by (B) the Target number of Performance Shares granted to Grantee as set forth in section 1 hereof, and rounded to the nearest Performance Share, with 0.5 of a Performance Share being rounded up to the nearest share) of Performance Shares; and

(ii) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the Grantee's Target number of Performance Shares, reduced as set forth in section 4(d)(i) hereof, times the Achieved Percentage; and

(iii) Payment of the Award under this section 4(d) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof.

Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

(e) If the Grantee's termination of Service is due to retirement on or after age 50, and if, but only if, such retirement is evidenced by a writing which specifically acknowledges that this provision shall apply to such retirement and is executed by the Company's chief executive

officer (or, if the Grantee is an executive officer, by a member of the Committee or the chief executive officer at the direction of the Committee, other than with respect to himself), the Grantee's Target number of Performance Shares for the Performance Period shall be as set forth in section 1 hereof and the Grantee's right to Performance Shares under section 2 hereof shall be determined as the Grantee's Target number of Performance Shares times the Achieved Percentage. Payment of the Award under this section 4(e) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof. Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

(f) If the Grantee's Service is terminated during the Performance Period for any reason other than as set forth in sections 4(a), (b), (c), (d) and (e) hereof, or if an ambiguity exists as to the interpretation of those sections, the Committee shall determine whether the Award shall be forfeited or whether the Grantee shall be entitled to full vesting or pro rata vesting as set forth above based upon full days of Service completed during the Performance Period. Payment of the Award under this section 4(f) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof. Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

5 . *Adjustments*. If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of Stock effected without receipt of consideration by the Company, then the Target number of Performance Shares granted hereunder shall be adjusted proportionately. No adjustment shall be made in connection with the payment by the Company of any cash dividend on its Stock or in connection with the issuance by the Company of any warrants, rights, or options to acquire additional shares of Stock or of securities convertible into Stock.

6. *No Rights of Stock Ownership*. This grant of Performance Shares does not entitle the Grantee to any interest in or to any dividend, voting, or other rights normally attributable to Stock ownership.

7 . *Nonassignability*. The Grantee's rights and interest in the Performance Shares may not be sold, transferred, assigned, pledged, exchanged, hypothecated or otherwise disposed of except by will or the laws of descent and distribution.

8. *Effect Upon Employment*. This Agreement is not to be construed as giving any right to the Grantee for continuous employment by the Company or a Subsidiary or other Affiliate. The Company and its Subsidiaries and other Affiliates retain the right to terminate the Grantee at will and with or without cause at any time (subject to any rights the Grantee may have under the Grantee's Retention Agreement).

9 . *Protective Covenants*. In consideration of the Award granted under this Agreement, the Grantee covenants and agrees as follows (the "Protective Covenants"):

(a) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee agrees not to (i) compete or attempt to compete for, or act as a broker or otherwise participate in, any projects in which the Company has at any time done any work or undertaken any development efforts, or (ii) directly or indirectly solicit any of the Company's customers, vendors, contractors, agents, or any other parties with which the Company has an existing or prospective business relationship, for the benefit of the Grantee or for the benefit of any third party, nor shall the Grantee accept consideration or negotiate or enter into agreements with such parties for the benefit of the Grantee or any third party.

(b) During the Grantee's Service with the Company and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee shall not, directly or indirectly, on behalf of the Grantee or for any other business, person or entity, entice, induce or solicit or attempt to entice, induce or solicit any employee of the Company or its Subsidiaries or other Affiliates to leave the Company's employ (or the employ of any such Subsidiary or other Affiliate) or to hire or to cause any employee of the Company to become employed for any reason whatsoever.

(c) The Grantee shall not, at any time or in any way, disparage the Company or its current or former officers, directors, and employees, orally or in writing, or make any statements that may be derogatory or detrimental to the Company's good name or business reputation.

(d) The Grantee acknowledges that the Company would not have an adequate remedy at law for monetary damages if the Grantee breaches these Protective Covenants. Therefore, in addition to all remedies to which the Company may be entitled for a breach or threatened breach of these Protective Covenants, including but not limited to monetary damages, the Company will

be entitled to specific enforcement of these Protective Covenants and to injunctive or other equitable relief as a remedy for a breach or threatened breach. In addition, upon any breach of these Protective Covenants or any separate confidentiality agreement or confidentiality provision between the Company and the Grantee, all of the Grantee's rights to receive Performance Shares not theretofore delivered under this Agreement shall be forfeited.

(e) For purposes of this section 9, the term "Company" shall include all Subsidiaries and other Affiliates of the Company (such Subsidiaries and other Affiliates being hereinafter referred to as the "NextEra Entities"). The Company and the Grantee agree that each of the NextEra Entities is an intended third-party beneficiary of this section 9, and further agree that each of the NextEra Entities is entitled to enforce the provisions of this section 9 in accordance with its terms.

(f) Notwithstanding anything to the contrary contained in this Agreement, the terms of these Protective Covenants shall survive the termination of this Agreement and shall remain in effect.

10. *Successors and Assigns.* This Agreement shall inure to the benefit of and shall be binding upon the Company and the Grantee and their respective heirs, successors and assigns.

11. *Incorporation of Plan's Terms; Other Governing Provisions.* This Agreement is made under and subject to the provisions of the Plan, and all the provisions of the Plan are also provisions of this Agreement, provided, however, (a) if there is a difference or conflict between the provisions of this Agreement and the mandatory provisions of the Plan, such mandatory provisions of the Plan shall govern, (b) if there is a difference or conflict between the provisions of this Agreement and the non-mandatory provisions of the Plan, the provisions of this Agreement shall govern, and (c) if there is a difference or conflict between the provisions of this Agreement and/or a provision of the Plan with a provision of a Retention Agreement, such provision of such Retention Agreement shall govern. Any Retention Agreement constitutes "another agreement with the Grantee" within the meaning of the Plan (including without limitation sections 17.3 and 17.4 thereof). The Company and Committee retain all authority and powers granted by the Plan and not expressly limited by this Agreement. The Grantee acknowledges that he or she may not and shall not rely on any statement of account or other communication or document issued in connection with the Plan other than the Plan, this Agreement, and any document signed by an authorized representative of the Company that is designated as an amendment of the Plan or this Agreement.

12. *Interpretation.* The Committee shall have the authority to interpret and construe all provisions of this Agreement, and any such interpretation or construction, and any other

determination contemplated to be made under the Plan or this Agreement, by the Committee shall be final, binding and conclusive, absent manifest error.

13. *Governing Law/Jurisdiction/Waiver of Jury Trial.* This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles. All suits, actions, and proceedings relating to this Agreement or the Plan shall be brought only in the courts of the State of Florida located in Palm Beach County or in the United States District Court for the Southern District of Florida in West Palm Beach, Florida. The Company and the Grantee hereby consent to the personal jurisdiction of the courts described in this section 13 for the purpose of all suits, actions, and proceedings relating to the Agreement or the Plan. The Company and the Grantee each waive all objections to venue and to all claims that a court chosen in accordance with this section 13 is improper based on a venue or a forum non conveniens claim.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT WHICH ANY PARTY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY PROCEEDING, LITIGATION OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

14. *Amendment.* This Agreement may be amended, in whole or in part and in any manner not inconsistent with the provisions of the Plan, at any time and from time to time, by written agreement between the Company and the Grantee.

15. *Data Privacy.* By entering into this Agreement, the Grantee: (i) authorizes the Company or any of the NextEra Entities, and any agent of the Company or any of the NextEra Entities administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of the NextEra Entities such information and data as the Company or any such NextEra Entities shall reasonably request in order to facilitate the administration of this Agreement; and (ii) authorizes the Company or any of the NextEra Entities to store and transmit such information in electronic form, provided such information is appropriately safeguarded in accordance with Company policy.

By signing this Agreement, the Grantee accepts and agrees to all of the foregoing terms and provisions and to all the terms and provisions of the Plan incorporated herein by reference and confirms that the Grantee has received a copy of the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

NEXTERA ENERGY, INC.

By: _____

Accepted: _____

Grantee

Exhibit 10(d)

Form of

PERFORMANCE SHARE AWARD AGREEMENT
for the Performance Period beginning January 1, {{GRANTYR}}
and ending December 31, {{2YRSAFTERGRANT}}

under the

NEXTERA ENERGY, INC. AMENDED AND RESTATED
2011 LONG TERM INCENTIVE PLAN

This Performance Share Award Agreement ("Agreement") between NextEra Energy, Inc. (hereinafter called the "Company") and **{{EMPLOYEENAME}}** (hereinafter called the "Grantee") is dated **{{GRANTDATE}}**. All capitalized terms used in this Agreement which are not defined herein shall have the meanings ascribed to such terms in the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as amended from time to time (the "Plan").

1. *Grant of Performance Share Award.* The Company hereby grants to the Grantee a Performance Share Award ("Award") which confers upon the Grantee the right to receive a number of shares ("Performance Shares") of Stock, determined as set forth in section 2 hereof. The par value of the Performance Shares shall be deemed paid by the promise by the Grantee to perform future Service to the Company or an Affiliate. The Grantee's right to receive the Performance Shares shall be subject to the terms and conditions set forth in this Agreement and in the Plan. The performance period for which the Award is granted is the period beginning on **January 1, {{GRANTYR}}** and ending on **December 31, {{2YRSAFTERGRANT}}** (such period hereinafter referred to as the "Performance Period").

The "Target" number of Performance Shares granted to the Grantee for the Performance Period is **{{AMTGRANTED}}**.

2. *Payment of Performance Share Award.*

(a) Payment of the Award shall be conditioned upon (i) the Company's achievement of the Code Section 162(m) corporate performance objective(s) established by the Committee for the Performance Period (the "Section 162(m) Objective"), (ii) certification by the Committee of (1) achievement of the Section 162(m) Objective for the Performance Period and (2) the Company's achievement of any secondary corporate performance objective(s) which were established by the Committee for the Performance Period for determining the percentage of the

Target number of Performance Shares that actually may become vested under the Award (the "Award Performance Objectives," which are attached hereto as Exhibit "A"), and (iii) Committee approval of the number of Performance Shares to be paid to the Grantee. Subject to the provisions of the Plan, the Grantee shall have the right to payment of that percentage of the Grantee's Target number of Performance Shares set forth in section 1 hereof which is equal to the percentage achievement of the Award Performance Objectives (including an individual performance modifier based on an assessment by the Company's chief executive officer or the Committee of the Grantee's individual relative contribution to the attainment of the Award Performance Objectives) certified by the Committee for the Performance Period, which will be between 0% and 200%, inclusive (the "Achieved Percentage"). In no event will the Grantee vest in or have a right to payment of more than 200% of such Target number of Performance Shares. The Committee has the discretion to reduce the payout. If the Committee does not certify that the Section 162(m) Objective has been achieved for the Performance Period, the Grantee will forfeit all, and will not vest in any, of the Performance Shares and, in such a case for purposes of this Agreement, the Achieved Percentage shall be 0%.

(b) Notwithstanding the foregoing or the provisions of section 4 hereof or any other provision of this Agreement or the Plan, if (i) the Grantee is a party to an Executive Retention Employment Agreement with the Company (as amended from time to time, "Retention Agreement") and has not waived his or her rights, either entirely or in pertinent part, under such Retention Agreement, (ii) the Effective Date (as defined in the Retention Agreement) has occurred and the Employment Period (as defined in the Retention Agreement) has commenced and has not terminated pursuant to section 3(b) of the Retention Agreement, and (iii) a Change of Control (as defined in the Retention Agreement) has occurred, then, so long as the Grantee is then providing Service:

(1) fifty percent (50%) of the Performance Shares, earned at a deemed achievement level equal to the higher of (x) the Target number of Performance Shares set forth in this Agreement or (y) the average level (expressed as a percentage of the Target number of Performance Shares set forth in this Agreement) of achievement in respect of similar performance stock-based awards which matured over the three fiscal years immediately preceding the fiscal year in which such Change of Control occurred (such higher level, the "Deemed Performance Award Achievement Level"), shall vest upon such Change of Control and shall be payable as soon as practicable thereafter (but in all cases within thirty days after such Change of Control); and

(2) the other fifty percent (50%) of the Performance Shares (earned at the Deemed Performance Award Achievement level calculated as set forth in subsection (1), above) shall vest on the date after such Change of Control which is the earlier of (i) one year after the date on

which such Change of Control occurred, if the Grantee is then providing Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate), or (ii) the date on which the Grantee's Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) terminates, and shall be payable (whether under clause (i) or clause (ii) of this section 2(b)(2)) as soon as practicable thereafter (and in any event no later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises).

(c) Notwithstanding the provisions of sections 2(a) and 4 hereof or any other provision of this Agreement or the Plan, if the Grantee is not a party to a Retention Agreement and so long as the Grantee is still providing Service upon the occurrence of a Change in Control (as defined, as of the date hereof, in the Plan for all purposes of this Agreement), fifty percent (50%) of the Performance Shares, earned at the Deemed Performance Award Achievement Level, shall vest upon such Change in Control and shall be payable as soon as practicable thereafter (but in all cases within thirty days after such Change in Control). The remainder of the Performance Shares shall remain outstanding (on a converted basis, if applicable) and shall remain subject to the terms and conditions of the Plan. If the Grantee provides Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) from the date of such Change in Control to the date of the first anniversary of such Change in Control or if, prior to the first anniversary of such Change in Control, the Grantee is involuntarily terminated other than for Cause or Disability, the fifty percent (50%) of the Performance Shares outstanding immediately prior to such Change in Control that did not vest at the time of such Change in Control shall vest on the date which is the earlier of (a) the first anniversary of such Change in Control or (b) the date on which the Grantee's Service to the Company or an Affiliate (including to a successor to the Company or such Affiliate) terminates and shall be payable (whether under clause (a) or clause (b) of this section 2(c)) as soon as practicable thereafter (but in no event later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises). The deemed level of achievement with respect to such awards shall be the Deemed Performance Award Achievement Level.

(d) If, as a result of a Change of Control or a Change in Control, as applicable, shares of Stock are exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), payment in respect of the Performance Shares shall, to the maximum extent practicable, be made in the same form.

3 . *Form of Payment of Award.* Subject to section 2(d) hereof, the Award shall be payable in shares of Stock. Upon delivery of Performance Shares to the Grantee, the Company shall have the right to withhold from any such distribution, in order to meet the Company's obligations for the payment of withholding taxes, shares of Stock with a Fair Market Value equal to the

minimum statutory withholding for taxes (including federal and state income taxes and payroll taxes applicable to the supplemental taxable income relating to such distribution) and any other tax liabilities for which the Company has an obligation relating to such distribution. For the purpose of this Agreement, the date of determination of Fair Market Value shall be the date as of which the Grantee's rights to payments under the Award are determined by the Committee in accordance with section 2 hereof.

Delivery of Performance Shares shall occur as soon as administratively practicable following the Committee's determination of the Grantee's right to such delivery.

4 . *Termination of Service.* Except as otherwise set forth herein, the Grantee must remain in continuous Service (including to any successors to the Company or an Affiliate) through the Performance Period for the Award to vest. Except as otherwise set forth (a) herein, (b) in the Plan in connection with a Change in Control if the Grantee is not a party to a Retention Agreement, or (c) in a Retention Agreement to which the Grantee is a party in connection with a Change of Control (as defined in such Retention Agreement), in the event the Grantee's Service (including to any successors to the Company or an Affiliate) terminates (or converts to inactive status in the manner specified in Section 4(b) hereof) during the Performance Period, the Grantee's right to payment of the Award shall be determined as follows:

(a) If the Grantee's termination of Service is due to resignation, discharge, or retirement prior to age 65 not meeting the condition set forth in section 4(d) hereof, all rights to the Award shall be immediately forfeited.

(b) In the case of (1) the Grantee's termination of Service due to Disability, or (2) the Grantee's conversion to inactive employee status on account of a determination of such Grantee's total and permanent Disability under any long-term disability plan of the Company or an Affiliate:

(i) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the Grantee's Target number of Performance Shares times the Achieved Percentage (subject to a maximum of 200%); and

(ii) Payment of the Award under this section 4(b) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof.

(c) In the case of the Grantee's termination of Service due to death:

(i) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the greater of (x) the Grantee's Target number of Performance Shares or (y) the Grantee's Target number of Performance Shares times the Achieved Percentage (subject to a maximum of 200%); and

(ii) Payment of the Award under this section 4(c) shall be made as soon as reasonably practicable thereafter (it being understood that the Committee shall determine the Achieved Percentage in good faith even though such determination will occur prior to the end of the Performance Period).

(d) In the case of the Grantee's termination of Service due to retirement on or after age 65 not meeting the condition set forth in Section 4(e) hereof:

(i) The Grantee's Target number of Performance Shares for the Performance Period shall be reduced to a prorated number (equal to (A) the total number of full days of the Grantee's Service completed during the Performance Period divided by the total number of days in the Performance Period, multiplied by (B) the Target number of Performance Shares granted to Grantee as set forth in section 1 hereof, and rounded to the nearest Performance Share, with 0.5 of a Performance Share being rounded up to the nearest share) of Performance Shares; and

(ii) The Grantee's right to Performance Shares under section 2 hereof shall be determined as the Grantee's Target number of Performance Shares, reduced as set forth in section 4(d)(i) hereof, times the Achieved Percentage; and

(iii) Payment of the Award under this section 4(d) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof.

Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

(e) If the Grantee's termination of Service is due to retirement on or after age 50, and if, but only if, such retirement is evidenced by a writing which specifically acknowledges that this provision shall apply to such retirement and is executed by the Company's chief executive officer (or, if the Grantee is an executive officer, by a member of the Committee or the chief executive officer at the direction of the Committee, other than with respect to himself), the Grantee's Target number of Performance Shares for the Performance Period shall be as set forth in section 1 hereof and the Grantee's right to Performance Shares under section 2 hereof shall be

determined as the Grantee's Target number of Performance Shares times the Achieved Percentage. Payment of the Award under this section 4(e) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof. Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

(f) If the Grantee's Service is terminated during the Performance Period for any reason other than as set forth in sections 4(a), (b), (c), (d) and (e) hereof, or if an ambiguity exists as to the interpretation of those sections, the Committee shall determine whether the Award shall be forfeited or whether the Grantee shall be entitled to full vesting or pro rata vesting as set forth above based upon full days of Service completed during the Performance Period. Payment of the Award under this section 4(f) shall be made after the end of the Performance Period at the time and in the manner specified in section 3 hereof. Notwithstanding the foregoing, if, after termination of Service but prior to payment of the Award, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the Award.

5 . *Adjustments.* If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of Stock effected without receipt of consideration by the Company, then the Target number of Performance Shares granted hereunder shall be adjusted proportionately. No adjustment shall be made in connection with the payment by the Company of any cash dividend on its Stock or in connection with the issuance by the Company of any warrants, rights, or options to acquire additional shares of Stock or of securities convertible into Stock.

6. *No Rights of Stock Ownership.* This grant of Performance Shares does not entitle the Grantee to any interest in or to any dividend, voting, or other rights normally attributable to Stock ownership.

7 . *Nonassignability.* The Grantee's rights and interest in the Performance Shares may not be sold, transferred, assigned, pledged, exchanged, hypothecated or otherwise disposed of except by will or the laws of descent and distribution.

8. *Effect Upon Employment.* This Agreement is not to be construed as giving any right to the Grantee for continuous employment by the Company or a Subsidiary or other Affiliate. The Company and its Subsidiaries and other Affiliates retain the right to terminate the Grantee at will

and with or without cause at any time (subject to any rights the Grantee may have under the Grantee's Retention Agreement).

9. *Protective Covenants.* In consideration of the Award granted under this Agreement, the Grantee covenants and agrees as follows (the "Protective Covenants"):

(a) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee agrees not to (i) compete or attempt to compete for, or act as a broker or otherwise participate in, any projects in which the Company has at any time done any work or undertaken any development efforts, or (ii) directly or indirectly solicit any of the Company's customers, vendors, contractors, agents, or any other parties with which the Company has an existing or prospective business relationship, for the benefit of the Grantee or for the benefit of any third party, nor shall the Grantee accept consideration or negotiate or enter into agreements with such parties for the benefit of the Grantee or any third party.

(b) During the Grantee's Service with the Company and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee shall not, directly or indirectly, on behalf of the Grantee or for any other business, person or entity, entice, induce or solicit or attempt to entice, induce or solicit any employee of the Company or its Subsidiaries or other Affiliates to leave the Company's employ (or the employ of any such Subsidiary or other Affiliate) or to hire or to cause any employee of the Company to become employed for any reason whatsoever.

(c) The Grantee shall not, at any time or in any way, disparage the Company or its current or former officers, directors, and employees, orally or in writing, or make any statements that may be derogatory or detrimental to the Company's good name or business reputation.

(d) The Grantee acknowledges that the Company would not have an adequate remedy at law for monetary damages if the Grantee breaches these Protective Covenants. Therefore, in addition to all remedies to which the Company may be entitled for a breach or threatened breach of these Protective Covenants, including but not limited to monetary damages, the Company will be entitled to specific enforcement of these Protective Covenants and to injunctive or other equitable relief as a remedy for a breach or threatened breach. In addition, upon any breach of these Protective Covenants or any separate confidentiality agreement or confidentiality provision between the Company and the Grantee, all of the Grantee's rights to receive Performance Shares not theretofore delivered under this Agreement shall be forfeited.

(e) For purposes of this section 9, the term "Company" shall include all Subsidiaries and other Affiliates of the Company (such Subsidiaries and other Affiliates being hereinafter referred to as the "NextEra Entities"). The Company and the Grantee agree that each of the NextEra Entities is an intended third-party beneficiary of this section 9, and further agree that each of the NextEra Entities is entitled to enforce the provisions of this section 9 in accordance with its terms.

(f) Notwithstanding anything to the contrary contained in this Agreement, the terms of these Protective Covenants shall survive the termination of this Agreement and shall remain in effect.

10. *Successors and Assigns.* This Agreement shall inure to the benefit of and shall be binding upon the Company and the Grantee and their respective heirs, successors and assigns.

11. *Incorporation of Plan's Terms; Other Governing Provisions.* This Agreement is made under and subject to the provisions of the Plan, and all the provisions of the Plan are also provisions of this Agreement, provided, however, (a) if there is a difference or conflict between the provisions of this Agreement and the mandatory provisions of the Plan, such mandatory provisions of the Plan shall govern, (b) if there is a difference or conflict between the provisions of this Agreement and the non-mandatory provisions of the Plan, the provisions of this Agreement shall govern, and (c) if there is a difference or conflict between the provisions of this Agreement and/or a provision of the Plan with a provision of a Retention Agreement, such provision of such Retention Agreement shall govern. Any Retention Agreement constitutes "another agreement with the Grantee" within the meaning of the Plan (including without limitation sections 17.3 and 17.4 thereof). The Company and Committee retain all authority and powers granted by the Plan and not expressly limited by this Agreement. The Grantee acknowledges that he or she may not and shall not rely on any statement of account or other communication or document issued in connection with the Plan other than the Plan, this Agreement, and any document signed by an authorized representative of the Company that is designated as an amendment of the Plan or this Agreement.

12. *Interpretation.* The Committee shall have the authority to interpret and construe all provisions of this Agreement, and any such interpretation or construction, and any other determination contemplated to be made under the Plan or this Agreement, by the Committee shall be final, binding and conclusive, absent manifest error.

13. *Governing Law/Jurisdiction/Waiver of Jury Trial.* This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles. All suits, actions, and proceedings relating to this Agreement or the Plan shall be

brought only in the courts of the State of Florida located in Palm Beach County or in the United States District Court for the Southern District of Florida in West Palm Beach, Florida. The Company and the Grantee hereby consent to the personal jurisdiction of the courts described in this section 13 for the purpose of all suits, actions, and proceedings relating to the Agreement or the Plan. The Company and the Grantee each waive all objections to venue and to all claims that a court chosen in accordance with this section 13 is improper based on a venue or a forum non conveniens claim.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT WHICH ANY PARTY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY PROCEEDING, LITIGATION OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

14. *Amendment.* This Agreement may be amended, in whole or in part and in any manner not inconsistent with the provisions of the Plan, at any time and from time to time, by written agreement between the Company and the Grantee.

15. *Data Privacy.* By entering into this Agreement, the Grantee: (i) authorizes the Company or any of the NextEra Entities, and any agent of the Company or any of the NextEra Entities administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of the NextEra Entities such information and data as the Company or any such NextEra Entities shall reasonably request in order to facilitate the administration of this Agreement; and (ii) authorizes the Company or any of the NextEra Entities to store and transmit such information in electronic form, provided such information is appropriately safeguarded in accordance with Company policy.

By signing this Agreement, the Grantee accepts and agrees to all of the foregoing terms and provisions and to all the terms and provisions of the Plan incorporated herein by reference and confirms that the Grantee has received a copy of the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

NEXTERA ENERGY, INC.

By: _____

Accepted: _____

Grantee

Exhibit 10(e)

Form of

RESTRICTED STOCK AWARD AGREEMENT

under the

NEXTERA ENERGY, INC. AMENDED AND RESTATED 2011 LONG TERM INCENTIVE PLAN

This Restricted Stock Award Agreement ("Agreement"), between NextEra Energy, Inc. (hereinafter called the "Company") and **{{EMPLOYEENAME}}** (hereinafter called the "Grantee") is dated **{{GRANTDATE}}**. All capitalized terms used in this Agreement which are not defined herein shall have the meanings ascribed to such terms in the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as amended from time to time (the "Plan").

1 . *Grant of Restricted Stock Award.* The Company hereby grants to the Grantee **{{AMTGRANTED}}** shares of Stock, which shares (the "Awarded Shares") shall be subject to the restrictions set forth in sections 2, 3 and 4 hereof, as well as all other terms and conditions set forth in this Agreement and in the Plan. The par value of the Awarded Shares shall be deemed paid by the promise by the Grantee to perform future Service to the Company or an Affiliate. Subject to the terms of section 3(d) hereof, the Grantee shall have the right to receive dividends on the Awarded Shares as and when paid.

2 . *Vesting-Restrictions and Limitations.* (a) Subject to the limitations and other terms and conditions set forth in this Agreement and in the Plan, the Awarded Shares shall vest, the Company shall remove all restrictions from the Awarded Shares and the Grantee shall obtain unrestricted ownership of the Awarded Shares in accordance with the schedule set forth below:

- **{{AMTVESTINGYR1}} shares** on the later to occur of (i) **{{VESTDATE1}}**, or (ii) the date on which the Committee makes the certification described in section 2(b)(i) hereof (the "First Vest");
- **{{AMTVESTINGYR2}} shares** on the later to occur of (i) **{{VESTDATE2}}**, or (ii) the date on which the Committee makes the certification described in section 2(b)(ii) hereof (the "Second Vest"); and
- **{{AMTVESTINGYR3}} shares** on the later to occur of (i) **{{VESTDATE3}}**, or (ii) the date on which the Committee makes the certification described in section 2(b)(iii) hereof (the "Final Vest").

The period from the Grant Date of any Awarded Shares through the date immediately preceding the date on which such Awarded Shares vest shall, with respect to such Awarded Shares, be hereinafter referred to as the "Restricted Period."

(b) Notwithstanding the provisions of section 2(a) hereof,

(i) The First Vest shall be conditioned on, subject to and shall not occur until certification by the Committee (by resolution or in such other manner as the Committee deems appropriate) that the performance target established by the Committee for purposes of this

Agreement (such performance target being hereinafter referred to as the "Performance Target"), for {{GRANTYR}} has been achieved. If the Committee does not or cannot certify that the Performance Target has been achieved by December 31, {{1YRAFTERGRANT}}, then the Grantee shall forfeit the right to the Awarded Shares subject to the First Vest, and such Awarded Shares shall be cancelled.

(ii) The Second Vest shall be conditioned on, subject to and shall not occur until certification by the Committee (by resolution or in such other manner as the Committee deems appropriate) that the Performance Target for {{1YRAFTERGRANT}} has been achieved. If the Committee does not or cannot certify that the Performance Target has been achieved by December 31, {{2YRSAFTERGRANT}}, then the Grantee shall forfeit the right to the Awarded Shares subject to the Second Vest, and such Awarded Shares shall be cancelled.

(iii) The Final Vest shall be conditioned on, subject to and shall not occur until certification by the Committee (by resolution or in such other manner as the Committee deems appropriate) that the Performance Target for {{2YRSAFTERGRANT}} has been achieved. If the Committee does not or cannot certify that the Performance Target has been achieved by December 31, {{3YRSAFTERGRANT}}, then the Grantee shall forfeit the right to the Awarded Shares subject to the Final Vest, and such Awarded Shares shall be cancelled.

(c) Notwithstanding the provisions of sections 2(a), 2(b) and 4 hereof or any other provision of this Agreement or the Plan, if (i) the Grantee is a party to an Executive Retention Employment Agreement with the Company (as amended from time to time, "Retention Agreement") and has not waived his or her rights, either entirely or in pertinent part, under such Retention Agreement, and (ii) the Effective Date (as defined in the Retention Agreement) has occurred and the Employment Period (as defined in the Retention Agreement) has commenced and has not terminated pursuant to section 3(b) of the Retention Agreement then, so long as the Grantee is then providing Service, the Awarded Shares shall vest upon a Change of Control (as defined in the Retention Agreement), instead of in accordance with the vesting schedule set forth in this section 2.

(d) Notwithstanding the provisions of sections 2(a), 2(b) and 4 hereof or any other provision of this Agreement or the Plan, if the Grantee is not a party to a Retention Agreement with the Company upon the occurrence of a Change in Control (as defined, as of the date hereof, in the Plan for all purposes of this Agreement), and so long as the Grantee is still providing Service on the date of such occurrence, 50% of the Awarded Shares shall vest upon such Change in Control. The remainder of the Awarded Shares shall remain outstanding (on a converted basis, if applicable) and shall remain subject to the terms and conditions of the Plan. If the Grantee remains in Service from the date of a Change in Control to the date of the first anniversary of such Change in Control, or if prior to the first anniversary of such Change in Control, the Grantee is involuntarily terminated other than for Cause or Disability, the 50% of the Awarded Shares outstanding immediately prior to such Change in Control that did not become vested at the time of such Change in Control shall vest on the earlier of (a) the first anniversary of such Change in Control or (b) the date on which the Grantee's Service is terminated.

(e) If as a result of a Change of Control (as defined in the Retention Agreement) or Change in Control, as applicable, the shares of Stock are exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), payment in respect of the Awarded Shares shall, to the maximum extent practicable, be made in the same form.

3. *Terms and Conditions.* The Awarded Shares shall be registered in the name of the Grantee effective on the Grant Date. The Company shall issue the Awarded Shares either (i) in certificated form, subject to a restrictive legend substantially in the form attached hereto as Exhibit "A" and stop transfer instructions to its transfer agent, and shall provide for retention of custody of the Awarded Shares prior to vesting and/or (ii) in the form of a book-entry or direct registration, subject to restrictions and instructions of like effect. Prior to vesting (and if the Awarded Shares have not theretofore been forfeited in accordance herewith), the Grantee shall have the right to enjoy all shareholder rights (including without limitation the right to receive dividends (subject to forfeiture as more fully set forth below) and to vote the Awarded Shares at all meetings of the shareholders of the Company at which holders of Stock have the right to vote) with the exception that:

(a) The Grantee shall not be entitled to delivery of unrestricted shares until vesting.

(b) The Grantee may not sell, transfer, assign, pledge or otherwise encumber or dispose of the Awarded Shares prior to vesting.

(c) In addition to the provisions set forth in section 4 hereof, a breach by the Grantee of the terms and conditions set forth in this Agreement shall result in the immediate forfeiture of all then unvested Awarded Shares.

(d) Notwithstanding anything herein to the contrary, if all or a portion of the Awarded Shares do not vest, whether upon the termination of the Grantee's Service (including without limitation Service to any successors to the Company or an Affiliate), or otherwise (including without limitation if the Company fails to meet one or more Performance Targets established as described in section 2(b) hereof or if the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof), all dividends paid to the Grantee on Awarded Shares which have not vested (and which shall not thereafter vest in accordance with section 4 hereof) shall be forfeited, and shall be repaid to the Company within thirty (30) days after the date on which the Grantee's obligation to repay such dividends accrues. For purposes hereof, such obligation to repay such dividends shall accrue (1) on such date as the Committee establishes that a Performance Target has not been met, as to all dividends paid on Awarded Shares which are forfeited due to failure to meet such Performance Target; (2) on the date of termination of Service, as to all dividends paid on Awarded Shares which are forfeited upon such termination of Service; and (3) upon forfeiture of unvested Awarded Shares upon a breach by the Grantee of the terms and conditions set forth in this Agreement (including without limitation any such forfeiture occurring after termination of Service).

4. *Termination of Service.* Except as otherwise set forth herein, with respect to any Awarded Shares, the Grantee must remain in continuous Service (including to any successors to

the Company or an Affiliate) from the effective date of this Agreement through the relevant vesting date for such Awarded Shares as set forth in (or determined in accordance with) section 2 hereof in order for such Awarded Shares to vest and in order to retain the dividends paid prior to vesting with respect to such Awarded Shares. Except as otherwise set forth (a) herein, (b) in the Plan in connection with a Change in Control if the Grantee is not a party to a Retention Agreement, or (c) in a Retention Agreement to which the Grantee is a party in connection with a Change of Control (as defined in such Retention Agreement), in the event that the Grantee's Service (including to any successors to the Company or an Affiliate) terminates for any reason (or converts to inactive status in the manner specified in Section 4(b) hereof) prior to vesting, his or her rights hereunder shall be determined as follows:

(a) If the Grantee's termination of Service is due to resignation, discharge, or retirement prior to age 65 not meeting the condition set forth in section 4(d) hereof, all rights to Awarded Shares not theretofore vested (including without limitation rights to dividends not theretofore paid and rights to retain dividends on Awarded Shares which have not theretofore vested, as more fully set forth in section 3(d) hereof) under this Agreement shall be immediately forfeited. Forfeited dividends shall be repaid to the Company within thirty (30) days after the Grantee's termination of Service.

(b) If the Grantee's termination of Service is due to Disability or death, or if the Grantee converts to inactive employee status on account of a determination of such Grantee's total and permanent Disability under any long-term disability plan of the Company or an Affiliate (a "Disability Plan"), the then-unvested portion of the Awarded Shares shall vest (1) in the case of the Grantee's Disability, on the vesting schedule and otherwise in accordance with the terms and conditions (including without limitation satisfaction of the applicable Performance Targets) set forth in section 2 hereof, notwithstanding that the Grantee's Service shall have previously terminated or the Grantee has converted to inactive employee status on account of Disability under any Disability Plan, and (2) in the case of the Grantee's death, upon such termination of Service (treating the applicable Performance Targets in section 2 hereof as having been achieved).

(c) If the Grantee's termination of Service is due to retirement on or after age 65 not meeting the condition set forth in section 4(d) hereof, a pro rata share of the then-unvested portion of the Awarded Shares (determined as follows: (A) with respect to any unvested Awarded Shares included in the First Vest, the product of (x) the quotient (which shall not exceed 1.0) of (I) the total number of full days of the Grantee's Service completed during the Restricted Period divided by (II) 365, multiplied by (y) such unvested portion of the Awarded Shares, and rounded to the nearest share of Stock; (B) with respect to any unvested Awarded Shares included in the Second Vest, the product of (x) the quotient (which shall not exceed 1.0) of (I) the total number of full days of the Grantee's Service completed during the Restricted Period divided by (II) 730, multiplied by (y) such unvested portion of the Awarded Shares, and rounded to the nearest share of Stock; and (C) with respect to any unvested Awarded Shares included in the Final Vest, the product of (x) the quotient (which shall not exceed 1.0) of (I) the total number of full days of the Grantee's Service completed during the Restricted Period divided

by (II) 1,095, multiplied by (y) such unvested portion of the Awarded Shares, and rounded to the nearest share of Stock) shall vest on the vesting schedule and otherwise in accordance with the terms and conditions (including without limitation satisfaction of the applicable Performance Targets) set forth in section 2 hereof, notwithstanding that the Grantee's Service shall have previously terminated. For purposes of this section 4(c), 0.5 of a share of Stock shall be rounded up to the nearest share. Notwithstanding the foregoing, if, after termination of Service but prior to vesting of all or any portion of the Awarded Shares, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the then-unvested Awarded Shares and any dividends theretofore paid on such then-unvested Awarded Shares. Forfeited dividends shall be repaid to the Company within thirty (30) days after the date on which the Grantee's obligation to repay such dividends accrues.

(d) If the Grantee's termination of Service is due to retirement on or after age 50, and if, but only if, such retirement is evidenced by a writing which specifically acknowledges that this provision shall apply to such retirement and is executed by the Company's chief executive officer (or, if the Grantee is an executive officer, by a member of the Committee or the chief executive officer at the direction of the Committee, other than with respect to himself), the then-unvested portion of the Awarded Shares shall vest on the vesting schedule and otherwise in accordance with the terms and conditions (including without limitation satisfaction of the applicable Performance Targets) set forth in section 2 hereof, notwithstanding that the Grantee's Service shall have previously terminated. Notwithstanding the foregoing, if, after termination of Service but prior to vesting of all or a portion of the Awarded Shares, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the then-unvested Awarded Shares and any dividends theretofore paid on such then-unvested Awarded Shares. Forfeited dividends shall be repaid to the Company within thirty (30) days after the date on which the Grantee's obligation to repay such dividends accrues.

(e) If the Grantee's Service is terminated prior to vesting of all or a portion of the Awarded Shares for any reason other than as set forth in sections 4(a), (b), (c), and (d) hereof, or if an ambiguity exists as to the interpretation of those sections, the Committee shall determine whether the Grantee's then-unvested Awarded Shares shall be forfeited or whether the Grantee shall be entitled to full vesting or pro rata vesting as set forth above based upon completed days of service during the Restricted Period, and any Awarded Shares which may vest shall do so on the vesting schedule and otherwise in accordance with the terms and conditions (including without limitation satisfaction of the applicable Performance Targets) set forth in section 2 hereof, notwithstanding that the Grantee's Service shall have previously terminated. Notwithstanding the foregoing, if, after termination of Service but prior to vesting of all or a portion of the Awarded Shares, the Grantee breaches any provision hereof, including without limitation the provisions of section 9 hereof, the Grantee shall immediately forfeit all rights to the then-unvested Awarded Shares and any dividends theretofore paid on such then-

unvested Awarded Shares. Forfeited dividends shall be repaid to the Company within thirty (30) days after the date on which the Grantee's obligation to repay such dividends accrues.

5. *Income Taxes.* The Grantee shall notify the Company immediately of any election made with respect to this Agreement under Section 83(b) of the Internal Revenue Code of 1986, as amended. Upon vesting and delivery of Awarded Shares to the Grantee, the Company shall have the right to withhold from any such distribution, in order to meet the Company's obligations for the payment of withholding taxes, shares of Stock with a Fair Market Value equal to the minimum statutory withholding for taxes (including federal and state income taxes and payroll taxes applicable to the supplemental taxable income relating to such distribution) and any other tax liabilities for which the Company has an obligation relating to such distribution.

6. *Nonassignability.* The Grantee's rights and interest in the Awarded Shares may not be sold, transferred, assigned, pledged, exchanged, hypothecated or otherwise disposed of prior to vesting except by will or the laws of descent and distribution.

7. *Effect Upon Employment.* This Agreement is not to be construed as giving any right to the Grantee for continuous employment by the Company or a Subsidiary or other Affiliate. The Company and its Subsidiaries and other Affiliates retain the right to terminate the Grantee at will and with or without cause at any time (subject to any rights the Grantee may have under the Grantee's Retention Agreement).

8. *Successors and Assigns.* This Agreement shall inure to the benefit of and shall be binding upon the Company and the Grantee and their respective heirs, successors and assigns.

9. *Protective Covenants.* In consideration of the Awarded Shares granted under this Agreement, the Grantee covenants and agrees as follows: (the "Protective Covenants"):

(a) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee agrees not to (i) compete or attempt to compete for, or act as a broker or otherwise participate in, any projects in which the Company has at any time done any work or undertaken any development efforts, or (ii) directly or indirectly solicit any of the Company's customers, vendors, contractors, agents, or any other parties with which the Company has an existing or prospective business relationship, for the benefit of the Grantee or for the benefit of any third party, nor shall the Grantee accept consideration or negotiate or enter into agreements with such parties for the benefit of the Grantee or any third party.

(b) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee shall not, directly or indirectly, on behalf of the Grantee or for any other business, person or entity, entice, induce or solicit or attempt to entice, induce or solicit any employee of the Company or its Subsidiaries or other Affiliates to leave the Company's employ (or the employ of such Subsidiary or other Affiliate) or to hire or to cause any employee of the Company to become employed for any reason whatsoever.

(c) The Grantee shall not, at any time or in any way, disparage the Company or its current or former officers, directors, and employees, orally or in writing, or make any statements that may be derogatory or detrimental to the Company's good name or business reputation.

(d) The Grantee acknowledges that the Company would not have an adequate remedy at law for monetary damages if the Grantee breaches these Protective Covenants. Therefore, in addition to all remedies to which the Company may be entitled for a breach or threatened breach of these Protective Covenants, including but not limited to monetary damages, the Company shall be entitled to specific enforcement of these Protective Covenants and to injunctive or other equitable relief as a remedy for a breach or threatened breach. In addition, upon any breach of these Protective Covenants or any separate confidentiality agreement or confidentiality provision between the Company and the Grantee, all the Grantee's rights to receive theretofore unvested Awarded Shares and dividends relating thereto under this Agreement shall be forfeited.

(e) For purposes of this section 9, the term "Company" shall include all Subsidiaries and other Affiliates of the Company (such Subsidiaries and other Affiliates being hereinafter referred to as the "NextEra Entities"). The Company and the Grantee agree that each of the NextEra Entities is an intended third-party beneficiary of this section 9, and further agree that each of the NextEra Entities is entitled to enforce the provisions of this section 9 in accordance with its terms.

(f) Notwithstanding anything to the contrary contained in this Agreement, the terms of these Protective Covenants shall survive the termination of this Agreement and shall remain in effect.

10. *Incorporation of Plan's Terms; Other Governing Provisions.* This Agreement is made under and subject to the provisions of the Plan, and all the provisions of the Plan are also provisions of this Agreement, provided, however, (a) if there is a difference or conflict between the provisions of this Agreement and the mandatory provisions of the Plan, such mandatory provisions of the Plan shall govern, (b) if there is a difference or conflict between the provisions of this Agreement and the non-mandatory provisions of the Plan, the provisions of this Agreement shall govern, and (c) if there is a difference or conflict between the provisions of this Agreement and/or a provision of the Plan with a provision of a Retention Agreement, such provision of such Retention Agreement shall govern. Any Retention Agreement constitutes "another agreement with the Grantee" within the meaning of the Plan (including without limitation sections 17.3 and 17.4 thereof). The Company and Committee retain all authority and powers granted by the Plan and not expressly limited by this Agreement. The Grantee acknowledges that he or she may not and shall not rely on any statement of account or other communication or document issued in connection with the Plan other than the Plan, this Agreement, and any document signed by an authorized representative of the Company that is designated as an amendment of the Plan or this Agreement.

11. *Interpretation.* The Committee shall have the authority to interpret and construe all provisions of this Agreement, and any such interpretation or construction, and any other

determination contemplated to be made under the Plan or this Agreement, by the Committee shall be final, binding and conclusive, absent manifest error.

12. *Governing Law/Jurisdiction/Waiver of Jury Trial.* This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles. All suits, actions, and proceedings relating to this Agreement or the Plan shall be brought only in the courts of the State of Florida located in Palm Beach County or in the United States District Court for the Southern District of Florida in West Palm Beach, Florida. The Company and the Grantee hereby consent to the personal jurisdiction of the courts described in this section 12 for the purpose of all suits, actions, and proceedings relating to the Agreement or the Plan. The Company and the Grantee each waive all objections to venue and to all claims that a court chosen in accordance with this section 12 is improper based on a venue or a forum non conveniens claim.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT WHICH ANY PARTY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY PROCEEDING, LITIGATION OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

13. *Amendment.* This Agreement may be amended, in whole or in part and in any manner not inconsistent with the provisions of the Plan, at any time and from time to time, by written agreement between the Company and the Grantee.

14. *Adjustments.* If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of Stock effected without receipt of consideration by the Company, then the number of Awarded Shares shall be adjusted proportionately. No adjustment shall be made in connection with the payment by the Company of any cash dividend on its Stock or in connection with the issuance by the Company of any warrants, rights, or options to acquire additional shares of Stock or of securities convertible into Stock.

15. *Data Privacy.* By entering into this Agreement, the Grantee: (i) authorizes the Company or any of the NextEra Entities, and any agent of the Company or any of the NextEra Entities administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of the NextEra Entities such information and data as the Company or any such NextEra Entities shall reasonably request in order to facilitate the administration of this Agreement; and (ii) authorizes the Company or any of the NextEra Entities to store and transmit such information in electronic form, provided such information is appropriately safeguarded in accordance with Company policy.

By signing this Agreement, the Grantee accepts and agrees to all of the foregoing terms and provisions and to all the terms and provisions of the Plan incorporated herein by reference and confirms that the Grantee has received a copy of the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

NEXTERA ENERGY, INC.

_____

_____

Grantee

Exhibit "A"

LEGEND TO BE PLACED ON STOCK CERTIFICATE

The shares represented by this certificate are subject to the provisions of the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan (the "Plan") and a Restricted Stock Award Agreement (the "Agreement") between the holder hereof and NextEra Energy, Inc. and may not be sold or transferred except in accordance therewith. Copies of the Plan and Agreement are kept on file by the Executive Services Department of NextEra Energy, Inc.

Exhibit 10(f)

Form of

NON-QUALIFIED STOCK OPTION AGREEMENT

under the

NEXTERA ENERGY, INC. AMENDED AND RESTATED 2011 LONG TERM INCENTIVE PLAN

This Non-Qualified Stock Option Agreement ("Agreement"), between NextEra Energy, Inc. (hereinafter called the "Company") and the grantee identified on Schedule 1 attached hereto (the "Grantee") is dated **{{GRANTDATE}}**. All capitalized terms used in this Agreement which are not defined herein shall have the meanings ascribed to such terms in the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as amended from time to time (the "Plan").

1. *Grant of Option.* In accordance with and subject to the terms and conditions of (a) the Plan, and (b) this Agreement, the Company hereby grants to the Grantee a non-qualified stock option (the "Option") to purchase the number of shares of Stock set forth in Schedule 1 attached hereto ("Schedule 1"), at the Option Price per share set forth in Schedule 1.

2. *Acceptance by Grantee.* The exercise of the Option or any portion thereof is conditioned upon acceptance by the Grantee of the terms and conditions of this Agreement, as evidenced by the Grantee's execution of Schedule 1 and the delivery of an executed copy of Schedule 1 to the Company.

3. *Vesting of Option*. Subject to the terms and provisions hereof, including section 5 hereof, and the Plan, the Option shall vest and the Grantee may exercise the Option in accordance with the vesting schedule set forth in Schedule 1 (the "Vesting Schedule").

Notwithstanding the foregoing or any other provision of this Agreement or the Plan, if (i) the Grantee is a party to an Executive Retention Employment Agreement with the Company (as amended from time to time, "Retention Agreement") and has not waived his or her rights, either entirely or in pertinent part, under the Retention Agreement, and (ii) the Effective Date (as defined in the Retention Agreement) has occurred and the Employment Period (as defined in the Retention Agreement) has commenced and has not terminated pursuant to section 3(b) of the Retention Agreement, then, so long as the Grantee is providing Service, the then-unvested portion of the Option shall vest upon a Change of Control (as defined in the Retention Agreement), instead of in accordance with the vesting schedule set forth in Schedule 1.

Notwithstanding the foregoing or any other provision of this Agreement or the Plan, if (i) the Grantee is not a party to a Retention Agreement with the Company, upon the occurrence of a Change in Control (as defined, as of the date hereof, in the Plan for all purposes of this Agreement) then, so long as the Grantee is still providing Service on the date of such occurrence, the then-unvested portion of the Option shall vest upon such Change in Control, instead of in

accordance with the vesting schedule set forth in Schedule 1, and (ii) the Grantee's Service is terminated other than for Cause during the 24-month period following a Change in Control, the portion of the Option that remains outstanding on the date of such termination may thereafter be exercised by the Grantee until the earlier of the second anniversary of the date of such termination or the expiration of the term of the Option.

If, as a result of a Change in Control, the shares of Stock are exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), the Option may be exercised, to the maximum extent practicable, in the same form.

4. *Expiration of Option.* The Option shall expire on the date set forth in Schedule 1 (the "Expiration Date"), unless terminated earlier as set forth in section 5 hereof, and may not be exercised after the earlier of (i) the Expiration Date and (ii) the earlier termination date established in accordance with section 5 hereof.

5. *Termination of Service.* Except as otherwise set forth herein, with respect to any portion of the Option, the Grantee must remain in continuous Service (including to any successors to the Company or an Affiliate) from the effective date of this Agreement through the relevant vesting date for such portion of the Option as set forth in (or determined in accordance with) Schedule 1 hereof in order for such portion of the Option to vest. Except as otherwise set forth (a) herein, (b) in the Plan in connection with a Change in Control if the Grantee is not a party to a Retention Agreement, or (c) in a Retention Agreement to which the Grantee is a party in connection with a Change of Control (as defined in such Retention Agreement), in the event that the Grantee's Service (including to any successors to the Company or an Affiliate) terminates for any reason (or converts to inactive status in the manner specified in Section 5(b) hereof) prior to vesting of any portion of the Option, the Grantee's rights hereunder shall be determined as follows:

(a) If the Grantee's termination of Service is due to resignation, discharge or retirement prior to age 65 not meeting the condition set forth in section 5(d) hereof, all rights to exercise the Option (or any portion thereof) which is not then vested shall be immediately forfeited, and all rights to exercise the vested portion of the Option shall expire on the Expiration Date.

(b) If the Grantee's termination of Service is due to Disability or death, or the Grantee converts to inactive employee status on account of a determination of such Grantee's total and permanent Disability under any long-term disability plan of the Company or an Affiliate (a "Disability Plan"), the then-unvested portion of the Option shall vest on the date of termination of Service or the date the Grantee converts to inactive employee status due to Disability under any Disability Plan. The then-unexercised portion of the Option shall be exercisable until the Expiration Date.

(c) If the Grantee's termination of Service is due to retirement on or after age 65 not meeting the condition set forth in section 5(d) hereof, a pro rata share of the then-unvested portion of the Option (determined as follows: (A) with respect to any unvested portion of the Option which vests on the First Vest Date (as defined in

Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 365, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock; (B) with respect to any unvested portion of the Option which vests on the Second Vest Date (as defined in Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 730, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock; and (C) with respect to any unvested portion of the Option which vests on the Third Vest Date (as defined in Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 1,095, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock) shall vest on the date of termination, based upon the number of completed days of service during the vesting period, and the vested portion of the Option shall be exercisable until the Expiration Date. For purposes of this section 5(c), 0.5 of a share of Stock shall be rounded up to the nearest share. The portion of the Option which does not so vest shall be forfeited effective on the date of termination of Service.

(d) If the Grantee's termination of Service is due to retirement on or after age 50, and if, but only if, such retirement is evidenced by a writing which specifically acknowledges that this provision shall apply to such retirement and is executed by the Company's chief executive officer (or, if the Grantee is an executive officer, by a member of the Committee or the chief executive officer at the direction of the Committee, other than with respect to himself), the then-unvested portion of the Option shall vest on the date of termination and the then-unexercised portion of the Option shall be exercisable until the Expiration Date.

(e) If a Grantee's Service is terminated for any reason other than as set forth in sections 5(a), (b), (c), and (d) hereof, or if an ambiguity exists as to the interpretation of those sections, the Committee shall determine whether the Grantee's then-unvested Option shall be forfeited or whether the Grantee shall be entitled to full vesting or to pro rata vesting based upon completed days of Service during the vesting period, and shall also determine the period during which the Grantee may exercise any vested portion of the Option.

6. *Procedure for Exercise*. Subject to this Agreement and the Plan, the Option may be exercised in whole or in part by the transmittal of a written notice to the Company at its principal place of business. Such notice shall specify the number of shares of Stock which the Grantee elects to purchase, shall be signed by the Grantee and shall be accompanied by payment of the Option Price for the shares of Stock which the Grantee elects to purchase. Except as otherwise provided by the Committee before the Option is exercised, such payment may be made in whole or in part (i) in cash or cash equivalents acceptable to the Company in the amount of the Option Price plus applicable tax withholding; (ii) by the tender or attestation to the Company of

shares of Stock owned by the Grantee which, if acquired from the Company, have been owned for at least six months and acceptable to the Committee having an aggregate Fair Market Value (valued on the date of exercise) that is equal to the amount of cash that would otherwise be required for payment; or (iii) by authorizing a Company-approved third party to remit to the Company a sufficient portion of the sale proceeds to pay the entire Option Price and any tax withholding from such exercise. The Option shall not be exercisable if and to the extent the Company determines that such exercise would violate any provision of Applicable Laws, including applicable state or federal securities laws or the rules of any Stock Exchange on which the Stock is listed. If any Applicable Laws require the Company to take any action with respect to the shares of Stock specified in the written notice of exercise, or if any action remains to be taken under the Articles of Incorporation or Bylaws of the Company, as in effect at the time, to effect due issuance of such shares, then the Company shall take such action and the day for delivery of such shares shall be extended for the period necessary to take such action. No Grantee shall have any of the rights of a shareholder of the Company under the Option unless and until shares of Stock are fully paid and duly issued upon exercise of the Option.

7. *Non-Transferability of Stock Options*. The Option granted hereunder to the Grantee shall not be assignable or transferable by the Grantee otherwise than by will or the laws of descent and distribution, and such Option shall be exercisable, during the lifetime of the Grantee, only by the Grantee (or, in the event of the Grantee's legal incapacity or incompetency, the Grantee's guardian or legal representative).

8. *Effect Upon Employment.* This Agreement is not to be construed as giving any right to the Grantee for continuous employment by the Company or a Subsidiary or other Affiliate. The Company and its Subsidiaries and other Affiliates retain the right to terminate the Grantee at will and with or without cause at any time (subject to any rights the Grantee may have under the Grantee's Retention Agreement).

9. *Protective Covenants.* In consideration of the Option granted under this Agreement, the Grantee covenants and agrees as follows (the "Protective Covenants"):

(a) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee agrees not to (i) compete or attempt to compete for, or act as a broker or otherwise participate in, any projects in which the Company has at any time done any work or undertaken any development efforts, or (ii) directly or indirectly solicit any of the Company's customers, vendors, contractors, agents, or any other parties with which the Company has an existing or prospective business relationship, for the benefit of the Grantee or for the benefit of any third party, nor shall the Grantee accept consideration or negotiate or enter into agreements with such parties for the benefit of the Grantee or any third party.

(b) During the Grantee's Service with the Company and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee shall not, directly or indirectly, on behalf of the Grantee or for any other business, person or entity, entice, induce or solicit or attempt to entice,

induce or solicit any employee of the Company or its Subsidiaries or other Affiliates to leave the Company's employ (or the employ of such Subsidiary or other Affiliate) or to hire or to cause any employee of the Company to become employed for any reason whatsoever.

(c) The Grantee shall not, at any time or in any way, disparage the Company or its current or former officers, directors, and employees, orally or in writing, or make any statements that may be derogatory or detrimental to the Company's good name or business reputation.

(d) The Grantee acknowledges that the Company would not have an adequate remedy at law for monetary damages if the Grantee breaches these Protective Covenants. Therefore, in addition to all remedies to which the Company may be entitled for a breach or threatened breach of these Protective Covenants, including but not limited to monetary damages, the Company shall be entitled to specific enforcement of these Protective Covenants and to injunctive or other equitable relief as a remedy for a breach or threatened breach. In addition, upon any breach of these Protective Covenants or any separate confidentiality agreement or confidentiality provisions between the Company and the Grantee, all the Grantee's rights to exercise the Option as to theretofore unvested shares under this Agreement shall be forfeited.

(e) For purposes of this section 9, the term "Company" shall include all Subsidiaries and other Affiliates of the Company (such Subsidiaries and other Affiliates being hereinafter referred to as the "NextEra Entities"). The Company and the Grantee agree that each of the NextEra Entities is an intended third-party beneficiary of this section 9, and further agree that each of the NextEra Entities is entitled to enforce the provisions of this section 9 in accordance with its terms.

(f) Notwithstanding anything to the contrary contained in this Agreement, the terms of these Protective Covenants shall survive the termination of this Agreement and shall remain in effect.

10. *Successors and Assigns.* This Agreement shall inure to the benefit of and shall be binding upon the Company and the Grantee and their respective heirs, successors and assigns.

11. *Adjustments.* If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of Stock effected without receipt of consideration by the Company, then the number of shares granted under this Option and the Option Price shall be adjusted proportionately. No adjustment shall be made in connection with the payment by the Company of any cash dividend on its Stock or in connection with the issuance by the Company of any warrants, rights, or options to acquire additional shares of Stock or of securities convertible into Stock.

12. *Governing Law/Jurisdiction/Waiver of Jury Trial*. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles. All suits, actions, and proceedings relating to this Agreement or the Plan shall be brought only in the courts of the State of Florida located in Palm Beach County or in the United States District Court for the Southern District of Florida in West Palm Beach, Florida. The Company and the Grantee hereby consent to the personal jurisdiction of the courts described in this section 12 for the purpose of all suits, actions, and proceedings relating to the Agreement or the Plan. The Company and the Grantee each waive all objections to venue and to all claims that a court chosen in accordance with this section 12 is improper based on a venue or a forum non conveniens claim.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT WHICH ANY PARTY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY PROCEEDING, LITIGATION OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

13. *Incorporation of Plan's Terms; Other Governing Provisions.* This Agreement is made under and subject to the provisions of the Plan, and all the provisions of the Plan are also provisions of this Agreement, provided, however, (a) if there is a difference or conflict between the provisions of this Agreement and the mandatory provisions of the Plan, such mandatory provisions of the Plan shall govern, (b) if there is a difference or conflict between the provisions of this Agreement and the non-mandatory provisions of the Plan, the provisions of this Agreement shall govern, and (c) if there is a difference or conflict between the provisions of this Agreement and/or a provision of the Plan with a provision of a Retention Agreement, as applicable, such provision of such Retention Agreement, as the case may be, shall govern. Any Retention Agreement, as applicable, constitutes "another agreement with the Grantee" within the meaning of the Plan (including without limitation sections 17.3 and 17.4 thereof). The Company and Committee retain all authority and powers granted by the Plan and not expressly limited by this Agreement. The Grantee acknowledges that he or she may not and shall not rely on any statement of account or other communication or document issued in connection with the Plan other than the Plan, this Agreement, and any document signed by an authorized representative of the Company that is designated as an amendment of the Plan or this Agreement.

14. *Interpretation.* The Committee shall have the authority to interpret and construe all provisions of this Agreement, and any such interpretation or construction, and any other determination contemplated to be made under the Plan or this Agreement, by the Committee shall be final, binding and conclusive, absent manifest error.

15. *Amendment.* This Agreement may be amended, in whole or in part and in any manner not inconsistent with the provisions of the Plan, at any time and from time to time, by written agreement between the Company and the Grantee.

16. *Data Privacy.* By entering into this Agreement, the Grantee: (i) authorizes the Company or any of the NextEra Entities, and any agent of the Company or any of the NextEra

Entities administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of the NextEra Entities such information and data as the Company or any such NextEra Entities shall reasonably request in order to facilitate the administration of this Agreement; and (ii) authorizes the Company or any of the NextEra Entities to store and transmit such information in electronic form, provided such information is appropriately safeguarded in accordance with Company policy.

By signing this Agreement, the Grantee accepts and agrees to all of the foregoing terms and provisions and to all the terms and provisions of the Plan incorporated herein by reference and confirms that the Grantee has received a copy of the Plan.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed as of the Grant Date set forth in Schedule 1.

NEXTERA ENERGY, INC.

By: _____

Schedule 1

Non-Qualified Stock Option Agreement

Name of Grantee:	**{{EMPLOYEENAME}}**
Grant Date:	**{{GRANTDATE}}**
Number of Shares:	**{{AMTGRANTED}}** shares of Stock
Option Price Per Share:	**${{EXERCISEPRICE}}**
Expiration Date:	**{{EXPIRATIONDATE}}** (subject to earlier termination in accordance with the attached Agreement)
Vesting Schedule:	The shares of Stock subject to this Option shall vest according to the following schedule: **{{AMTVESTINGYR1}}** shares on **{{VESTDATE1}}** ("First Vest Date"), **{{AMTVESTINGYR2}}** shares on **{{VESTDATE2}}** ("Second Vest Date") and **{{AMTVESTINGYR3}}** shares on **{{VESTDATE3}}** ("Third Vest Date") *subject* to the terms and conditions set forth in the Agreement of which this Schedule is a part, including without limitation the terms and conditions related to vesting upon the occurrence of a Change in Control and forfeiture under certain circumstances.

The undersigned agrees to the terms and conditions of the Non-Qualified Stock Option Agreement of which this Schedule 1 is a part.

Date Accepted: _____ By: _____

Exhibit 10(g)

Form of

NON-QUALIFIED STOCK OPTION AGREEMENT

under the

NEXTERA ENERGY, INC. AMENDED AND RESTATED 2011 LONG TERM INCENTIVE PLAN

This Non-Qualified Stock Option Agreement ("Agreement"), between NextEra Energy, Inc. (hereinafter called the "Company") and the grantee identified on Schedule 1 attached hereto (the "Grantee") is dated **{{GRANTDATE}}**. All capitalized terms used in this Agreement which are not defined herein shall have the meanings ascribed to such terms in the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as amended from time to time (the "Plan").

1. *Grant of Option.* In accordance with and subject to the terms and conditions of (a) the Plan, and (b) this Agreement, the Company hereby grants to the Grantee a non-qualified stock option (the "Option") to purchase the number of shares of Stock set forth in Schedule 1 attached hereto ("Schedule 1"), at the Option Price per share set forth in Schedule 1.

2. *Acceptance by Grantee.* The exercise of the Option or any portion thereof is conditioned upon acceptance by the Grantee of the terms and conditions of this Agreement, as evidenced by the Grantee's execution of Schedule 1 and the delivery of an executed copy of Schedule 1 to the Company.

3. *Vesting of Option*. Subject to the terms and provisions hereof, including section 5 hereof, and the Plan, the Option shall vest and the Grantee may exercise the Option in accordance with the vesting schedule set forth in Schedule 1 (the "Vesting Schedule").

Notwithstanding the foregoing or any other provision of this Agreement or the Plan, if (i) the Grantee is a party to an Executive Retention Employment Agreement with the Company (as amended from time to time, "Retention Agreement") and has not waived his or her rights, either entirely or in pertinent part, under the Retention Agreement, and (ii) the Effective Date (as defined in the Retention Agreement) has occurred and the Employment Period (as defined in the Retention Agreement) has commenced and has not terminated pursuant to section 3(b) of the Retention Agreement, then, so long as the Grantee is providing Service, the then-unvested portion of the Option shall vest upon a Change of Control (as defined in the Retention Agreement), instead of in accordance with the vesting schedule set forth in Schedule 1.

Notwithstanding the foregoing or any other provision of this Agreement or the Plan, if (i) the Grantee is not a party to a Retention Agreement with the Company, upon the occurrence of a Change in Control (as defined, as of the date hereof, in the Plan for all purposes of this Agreement) then, so long as the Grantee is still providing Service on the date of such occurrence, the then-unvested portion of the Option shall vest upon such Change in Control, instead of in

accordance with the vesting schedule set forth in Schedule 1, and (ii) the Grantee's Service is terminated other than for Cause during the 24-month period following a Change in Control, the portion of the Option that remains outstanding on the date of such termination may thereafter be exercised by the Grantee until the earlier of the second anniversary of the date of such termination or the expiration of the term of the Option.

If, as a result of a Change in Control, the shares of Stock are exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), the Option may be exercised, to the maximum extent practicable, in the same form.

4. *Expiration of Option.* The Option shall expire on the date set forth in Schedule 1 (the "Expiration Date"), unless terminated earlier as set forth in section 5 hereof, and may not be exercised after the earlier of (i) the Expiration Date and (ii) the earlier termination date established in accordance with section 5 hereof.

5. *Termination of Service.* Except as otherwise set forth herein, with respect to any portion of the Option, the Grantee must remain in continuous Service (including to any successors to the Company or an Affiliate) from the effective date of this Agreement through the relevant vesting date for such portion of the Option as set forth in (or determined in accordance with) Schedule 1 hereof in order for such portion of the Option to vest. Except as otherwise set forth (a) herein, (b) in the Plan in connection with a Change in Control if the Grantee is not a party to a Retention Agreement, or (c) in a Retention Agreement to which the Grantee is a party in connection with a Change of Control (as defined in such Retention Agreement), in the event that the Grantee's Service (including to any successors to the Company or an Affiliate) terminates for any reason (or converts to inactive status in the manner specified in Section 5(b) hereof) prior to vesting of any portion of the Option, the Grantee's rights hereunder shall be determined as follows:

(a) If the Grantee's termination of Service is due to resignation, discharge or retirement prior to age 65 not meeting the condition set forth in section 5(d) hereof, all rights to exercise the Option (or any portion thereof) which is not then vested shall be immediately forfeited, and all rights to exercise the vested portion of the Option shall expire on the earlier to occur of (i) the Expiration Date and (ii) sixty (60) days after the date of termination of Service.

(b) If the Grantee's termination of Service is due to Disability or death, or the Grantee converts to inactive employee status on account of a determination of such Grantee's total and permanent Disability under any long-term disability plan of the Company or an Affiliate (a "Disability Plan"), the then-unvested portion of the Option shall vest on the date of termination of Service or the date the Grantee converts to inactive employee status due to Disability under any Disability Plan. The then-unexercised portion of the Option shall be exercisable until the Expiration Date.

(c) If the Grantee's termination of Service is due to retirement on or after age 65 not meeting the condition set forth in section 5(d) hereof, a pro rata share of the then-unvested portion of the Option (determined as follows: (A) with respect to any unvested portion of the Option which vests on the First Vest Date (as defined in

Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 365, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock; (B) with respect to any unvested portion of the Option which vests on the Second Vest Date (as defined in Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 730, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock; and (C) with respect to any unvested portion of the Option which vests on the Third Vest Date (as defined in Schedule 1 hereto), the product of (x) the quotient (which shall not exceed 1.0) of (a) the total number of full days of the Grantee's Service completed from the Grant Date of the Option through termination of Service divided by (b) 1,095, multiplied by (y) such unvested portion of the Option, and rounded to the nearest share of Stock) shall vest on the date of termination, based upon the number of completed days of service during the vesting period, and the vested portion of the Option shall be exercisable until the earlier to occur of (i) the Expiration Date and (ii) one (1) year after the date of termination of Service. For purposes of this section 5(c), 0.5 of a share of Stock shall be rounded up to the nearest share. The portion of the Option which does not so vest shall be forfeited effective on the date of termination of Service.

(d) If the Grantee's termination of Service is due to retirement on or after age 50, and if, but only if, such retirement is evidenced by a writing which specifically acknowledges that this provision shall apply to such retirement and is executed by the Company's chief executive officer (or, if the Grantee is an executive officer, by a member of the Committee or the chief executive officer at the direction of the Committee, other than with respect to himself), the then-unvested portion of the Option shall vest on the date of termination and the then-unexercised portion of the Option shall be exercisable until the earlier to occur of (i) the Expiration Date and (ii) one (1) year after the date of termination of Service.

(e) If a Grantee's Service is terminated for any reason other than as set forth in sections 5(a), (b), (c), and (d) hereof, or if an ambiguity exists as to the interpretation of those sections, the Committee shall determine whether the Grantee's then-unvested Option shall be forfeited or whether the Grantee shall be entitled to full vesting or to pro rata vesting based upon completed days of Service during the vesting period, and shall also determine the period during which the Grantee may exercise any vested portion of the Option.

6. *Procedure for Exercise*. Subject to this Agreement and the Plan, the Option may be exercised in whole or in part by the transmittal of a written notice to the Company at its principal place of business. Such notice shall specify the number of shares of Stock which the Grantee elects to purchase, shall be signed by the Grantee and shall be accompanied by payment of the Option Price for the shares of Stock which the Grantee elects to purchase. Except as otherwise provided by the Committee before the Option is exercised, such payment may be made in whole or in part (i) in cash or cash equivalents acceptable to the Company in the amount of the

Option Price plus applicable tax withholding; (ii) by the tender or attestation to the Company of shares of Stock owned by the Grantee which, if acquired from the Company, have been owned for at least six months and acceptable to the Committee having an aggregate Fair Market Value (valued on the date of exercise) that is equal to the amount of cash that would otherwise be required for payment; or (iii) by authorizing a Company-approved third party to remit to the Company a sufficient portion of the sale proceeds to pay the entire Option Price and any tax withholding from such exercise. The Option shall not be exercisable if and to the extent the Company determines that such exercise would violate any provision of Applicable Laws, including applicable state or federal securities laws or the rules of any Stock Exchange on which the Stock is listed. If any Applicable Laws require the Company to take any action with respect to the shares of Stock specified in the written notice of exercise, or if any action remains to be taken under the Articles of Incorporation or Bylaws of the Company, as in effect at the time, to effect due issuance of such shares, then the Company shall take such action and the day for delivery of such shares shall be extended for the period necessary to take such action. No Grantee shall have any of the rights of a shareholder of the Company under the Option unless and until shares of Stock are fully paid and duly issued upon exercise of the Option.

7. *Non-Transferability of Stock Options*. The Option granted hereunder to the Grantee shall not be assignable or transferable by the Grantee otherwise than by will or the laws of descent and distribution, and such Option shall be exercisable, during the lifetime of the Grantee, only by the Grantee (or, in the event of the Grantee's legal incapacity or incompetency, the Grantee's guardian or legal representative).

8. *Effect Upon Employment.* This Agreement is not to be construed as giving any right to the Grantee for continuous employment by the Company or a Subsidiary or other Affiliate. The Company and its Subsidiaries and other Affiliates retain the right to terminate the Grantee at will and with or without cause at any time (subject to any rights the Grantee may have under the Grantee's Retention Agreement).

9. *Protective Covenants.* In consideration of the Option granted under this Agreement, the Grantee covenants and agrees as follows (the "Protective Covenants"):

(a) During the Grantee's Service with the Company, and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee agrees not to (i) compete or attempt to compete for, or act as a broker or otherwise participate in, any projects in which the Company has at any time done any work or undertaken any development efforts, or (ii) directly or indirectly solicit any of the Company's customers, vendors, contractors, agents, or any other parties with which the Company has an existing or prospective business relationship, for the benefit of the Grantee or for the benefit of any third party, nor shall the Grantee accept consideration or negotiate or enter into agreements with such parties for the benefit of the Grantee or any third party.

(b) During the Grantee's Service with the Company and for a two-year period following the termination of the Grantee's Service with the Company, the Grantee shall not, directly or indirectly, on behalf of the Grantee or for any other business, person or entity, entice, induce or solicit or attempt to entice,

induce or solicit any employee of the Company or its Subsidiaries or other Affiliates to leave the Company's employ (or the employ of such Subsidiary or other Affiliate) or to hire or to cause any employee of the Company to become employed for any reason whatsoever.

(c) The Grantee shall not, at any time or in any way, disparage the Company or its current or former officers, directors, and employees, orally or in writing, or make any statements that may be derogatory or detrimental to the Company's good name or business reputation.

(d) The Grantee acknowledges that the Company would not have an adequate remedy at law for monetary damages if the Grantee breaches these Protective Covenants. Therefore, in addition to all remedies to which the Company may be entitled for a breach or threatened breach of these Protective Covenants, including but not limited to monetary damages, the Company shall be entitled to specific enforcement of these Protective Covenants and to injunctive or other equitable relief as a remedy for a breach or threatened breach. In addition, upon any breach of these Protective Covenants or any separate confidentiality agreement or confidentiality provisions between the Company and the Grantee, all the Grantee's rights to exercise the Option as to theretofore unvested shares under this Agreement shall be forfeited.

(e) For purposes of this section 9, the term "Company" shall include all Subsidiaries and other Affiliates of the Company (such Subsidiaries and other Affiliates being hereinafter referred to as the "NextEra Entities"). The Company and the Grantee agree that each of the NextEra Entities is an intended third-party beneficiary of this section 9, and further agree that each of the NextEra Entities is entitled to enforce the provisions of this section 9 in accordance with its terms.

(f) Notwithstanding anything to the contrary contained in this Agreement, the terms of these Protective Covenants shall survive the termination of this Agreement and shall remain in effect.

10. *Successors and Assigns.* This Agreement shall inure to the benefit of and shall be binding upon the Company and the Grantee and their respective heirs, successors and assigns.

11. *Adjustments.* If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of Stock effected without receipt of consideration by the Company, then the number of shares granted under this Option and the Option Price shall be adjusted proportionately. No adjustment shall be made in connection with the payment by the Company of any cash dividend on its Stock or in connection with the issuance by the Company of any warrants, rights, or options to acquire additional shares of Stock or of securities convertible into Stock.

12. *Governing Law/Jurisdiction/Waiver of Jury Trial*. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflict of laws principles. All suits, actions, and proceedings relating to this Agreement or the Plan shall be brought only in the courts of the State of Florida located in Palm Beach County or in the United States District Court for the Southern District of Florida in West Palm Beach, Florida. The Company and the Grantee hereby consent to the personal jurisdiction of the courts described in this section 12 for the purpose of all suits, actions, and proceedings relating to the Agreement or the Plan. The Company and the Grantee each waive all objections to venue and to all claims that a court chosen in accordance with this section 12 is improper based on a venue or a forum non conveniens claim.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT WHICH ANY PARTY MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY PROCEEDING, LITIGATION OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

13. *Incorporation of Plan's Terms; Other Governing Provisions.* This Agreement is made under and subject to the provisions of the Plan, and all the provisions of the Plan are also provisions of this Agreement, provided, however, (a) if there is a difference or conflict between the provisions of this Agreement and the mandatory provisions of the Plan, such mandatory provisions of the Plan shall govern, (b) if there is a difference or conflict between the provisions of this Agreement and the non-mandatory provisions of the Plan, the provisions of this Agreement shall govern, and (c) if there is a difference or conflict between the provisions of this Agreement and/or a provision of the Plan with a provision of a Retention Agreement, as applicable, such provision of such Retention Agreement, as the case may be, shall govern. Any Retention Agreement, as applicable, constitutes "another agreement with the Grantee" within the meaning of the Plan (including without limitation sections 17.3 and 17.4 thereof). The Company and Committee retain all authority and powers granted by the Plan and not expressly limited by this Agreement. The Grantee acknowledges that he or she may not and shall not rely on any statement of account or other communication or document issued in connection with the Plan other than the Plan, this Agreement, and any document signed by an authorized representative of the Company that is designated as an amendment of the Plan or this Agreement.

14. *Interpretation.* The Committee shall have the authority to interpret and construe all provisions of this Agreement, and any such interpretation or construction, and any other determination contemplated to be made under the Plan or this Agreement, by the Committee shall be final, binding and conclusive, absent manifest error.

15. *Amendment.* This Agreement may be amended, in whole or in part and in any manner not inconsistent with the provisions of the Plan, at any time and from time to time, by written agreement between the Company and the Grantee.

16. *Data Privacy.* By entering into this Agreement, the Grantee: (i) authorizes the Company or any of the NextEra Entities, and any agent of the Company or any of the NextEra Entities administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of the NextEra Entities such information and data as the Company or any such

NextEra Entities shall reasonably request in order to facilitate the administration of this Agreement; and (ii) authorizes the Company or any of the NextEra Entities to store and transmit such information in electronic form, provided such information is appropriately safeguarded in accordance with Company policy.

By signing this Agreement, the Grantee accepts and agrees to all of the foregoing terms and provisions and to all the terms and provisions of the Plan incorporated herein by reference and confirms that the Grantee has received a copy of the Plan.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed as of the Grant Date set forth in Schedule 1.

NEXTERA ENERGY, INC.

By: _____

Schedule 1

Non-Qualified Stock Option Agreement

Name of Grantee:	**{{EMPLOYEENAME}}**
Grant Date:	**{{GRANTDATE}}**
Number of Shares:	**{{AMTGRANTED}}** shares of Stock
Option Price Per Share:	**${{EXERCISEPRICE}}**
Expiration Date:	**{{EXPIRATIONDATE}}** (subject to earlier termination in accordance with the attached Agreement)
Vesting Schedule:	The shares of Stock subject to this Option shall vest according to the following schedule: **{{AMTVESTINGYR1}}** shares on **{{VESTDATE1}}** ("First Vest Date"), **{{AMTVESTINGYR2}}** shares on **{{VESTDATE2}}** ("Second Vest Date") and **{{AMTVESTINGYR3}}** shares on **{{VESTDATE3}}** ("Third Vest Date") *subject* to the terms and conditions set forth in the Agreement of which this Schedule is a part, including without limitation the terms and conditions related to vesting upon the occurrence of a Change in Control and forfeiture under certain circumstances.

The undersigned agrees to the terms and conditions of the Non-Qualified Stock Option Agreement of which this Schedule 1 is a part.

Date Accepted: _____ By: _____

Exhibit 10(h)

NEXTERA ENERGY, INC.

DEFERRED COMPENSATION PLAN

Originally Effective January 1, 2005
As amended and restated through February 11, 2016

NEXTERA ENERGY, INC.
DEFERRED COMPENSATION PLAN

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NEXTERA ENERGY, INC.
DEFERRED COMPENSATION PLAN

THIS NEXTERA ENERGY, INC. DEFERRED COMPENSATION PLAN (formerly the FPL Group, Inc. Deferred Compensation Plan) (the "Plan") effective as of January 1, 2005 (as amended and restated effective as of February 11, 2016) (the "Effective Date"), is a successor to the FPL Group, Inc. Deferred Compensation Plan effective as of January 1, 1995, as amended and restated effective January 1, 2003 (the "Prior Plan").

WITNESSETH THAT:

WHEREAS, the officers and a select group of management or highly compensated employees of NextEra Energy, Inc. (the "Company") and its subsidiaries and affiliates (hereinafter collectively referred to as the "Employer") are entitled to compensation which results from or is attributable to their performance of services as officers and employees of the Employer and may be awarded bonuses and performance-related compensation pursuant to the Annual Incentive Plan, the FPL Group Long Term Incentive Plan 1985, the FPL Group, Inc. Long Term Incentive Plan 1994 and other incentive compensation plans; and

WHEREAS, directors of the Company are entitled to fees which result from or are attributable to their performance of services as members of the Board of Directors (and committees thereof) of the Company; and

WHEREAS, the Board of Directors of the Company adopted the Prior Plan in order to permit the officers, directors, and a select group of management or highly compensated employees of the Employer to elect to defer receipt of all or a portion of their base salary, annual incentives, incentive plan awards and/or directors' fees in accordance with the provisions of the Plan; and

WHEREAS, the Prior Plan was frozen and no new deferrals were permitted after December 31, 2004, in order that the Prior Plan qualify as a grandfathered plan in compliance with Code Section 409A ("Code Section 409A") of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Plan was operated in compliance with Code Section 409A during the transition period beginning January 1, 2005 through December 31, 2008, in accordance with applicable regulatory guidance; and

WHEREAS, the Plan was timely amended consistent, inter alia, with Code Section 409A; but otherwise provided substantially the same terms and conditions in effect on December 31, 2004; and

WHEREAS, the Employer intends that the Plan be considered an unfunded arrangement that is maintained primarily to provide deferred compensation to members of a select

group of management or highly compensated employees of the Employer, for purposes of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

NOW, THEREFORE, the Company hereby adopts this amendment and restatement of the Plan effective as of February 11, 2016 for the exclusive benefit of participants and their beneficiaries on the following terms and conditions:

ARTICLE I

DEFINITIONS

The following terms when used herein shall have the designated meaning unless a different meaning is plainly required by the context in which the term is used:

1.01 "Account" or "Accounts" shall mean the account or accounts established and maintained for a Participant pursuant to Article III of the Plan. A Participant's Account shall consist of the Participant's Investment Account, Phantom Stock Account, Cash Account and/or Dividend Reinvestment Account, as applicable.

1.02 "Administrator" shall mean an officer or officers of the Employer designated by the Company to administer the Plan or, until the Company otherwise designates such an officer or officers, the Executive Vice President, Human Resources (or other most senior Human Resources officer of the Company, however designated) of the Company.

1.03 "Award Agreement" shall mean an agreement executed between the Company and a Participant pursuant to the LTIP setting forth the terms and conditions applicable to such Participant's LTIP Award.

1.04 "Base Salary" shall mean the base salary of a Participant paid by the Employer and generally designated as such, exclusive of Bonuses, LTIP Awards, Director's Fees or any other form of compensation which is not designated as Base Salary.

1.05 "Beneficiary Designation Form" shall mean the form or forms that may be approved by the Administrator from time to time for use by a Participant to designate a beneficiary or beneficiaries pursuant to Section 4.05.

1.06 "Board" shall mean the Board of Directors of the Company.

1.07 "Bonus" shall mean any bonus that the Participant is awarded pursuant to the Annual Incentive Plan and such other payments awarded under such other incentive compensation plans that are designated by the Administrator as eligible for deferral under this Plan.

1.08 "Cash Account" shall mean a bookkeeping account established and maintained for a Participant pursuant to Sections 3.02(a) and 3.02(b)(2).

1.09 "Change of Control" shall mean:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (x) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions (collectively, the "Excluded Acquisitions") shall not constitute a Change of Control (it being understood that shares acquired in an Excluded Acquisition may nevertheless be considered in determining whether any subsequent acquisition by such individual, entity or group (other than an Excluded Acquisition) constitutes a Change of Control): (i) any acquisition directly from the Company or any Subsidiary; (ii) any acquisition by the Company or any Subsidiary; (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary; (iv) any acquisition by an underwriter temporarily holding Company securities pursuant to an offering of such securities; (v) any acquisition in connection with which, pursuant to Rule 13d-1 promulgated pursuant to the Exchange Act, the individual, entity or group is permitted to, and actually does, report its beneficial ownership on Schedule 13G (or any successor Schedule); provided that, if any such individual, entity or group subsequently becomes required to or does report its beneficial ownership on Schedule 13D (or any successor Schedule), then, for purposes of this paragraph, such individual, entity or group shall be deemed to have first acquired, on the first date on which such individual, entity or group becomes required to or does so report, beneficial ownership of all of the Outstanding Company Common Stock and/or Outstanding Company Voting Securities beneficially owned by it on such date; or (vi) any acquisition in connection with a Business Combination (as hereinafter defined) which, pursuant to Subsection (3) below, does not constitute a Change of Control; or

(b) Individuals who, as of the Restated Effective Date, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, entity or group other than the Board; or

(c) Consummation of a reorganization, merger, consolidation or other business combination (any of the foregoing, a "Business Combination") of the Company or any Subsidiary with any other corporation, in any case with respect to which:

(i) the Outstanding Company Voting Securities outstanding immediately prior to such Business Combination do not, immediately following such Business Combination, continue to represent (either by remaining outstanding or being converted into voting securities of the resulting or surviving entity or any ultimate

parent thereof) more than 60% of the outstanding common stock and of the then outstanding voting securities entitled to vote generally in the election of directors of the resulting or surviving entity (or any ultimate parent thereof); or

(ii) less than a majority of the members of the board of directors of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination (the "New Board") consists of individuals ("Continuing Directors") who were members of the Incumbent Board (as defined in Subsection (2) above) immediately prior to consummation of such Business Combination (excluding from Continuing Directors for this purpose, however, any individual whose election or appointment to the Board was at the request, directly or indirectly, of the entity which entered into the definitive agreement with the Company or any Subsidiary providing for such Business Combination); or

(iii) in the case of a Business Combination with an unaffiliated third party as a result of which at least a majority of the New Board will initially consist of Continuing Directors, the Board determines, prior to such approval by shareholders, that there does not exist a reasonable assurance that, for at least a two-year period following consummation of such Business Combination, at least a majority of the members of the New Board will continue to consist of Continuing Directors and individuals whose election, or nomination for election by shareholders of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination, would be approved by a vote of at least a majority of the Continuing Directors and individuals whose election or nomination for election has previously been so approved;

provided, however, that prior to any such approval by shareholders, the Board may determine, in its sole discretion, that under the particular facts and circumstances, a Change of Control shall not occur until the consummation of such Business Combination; or

(d) (i) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company or (ii) consummation of a sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation with respect to which, following such sale or other disposition, more than 60% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Company Voting Securities as the case may be; provided, however, that prior to any such approval by shareholders, the Board may determine, in its sole discretion, that under the particular facts and circumstances, a Change of Control shall not occur until the consummation of such sale or other disposition.

The term "the sale or disposition by the Company of all or substantially all of the assets of the Company" shall mean a sale or other disposition transaction or series of related transactions involving assets of the Company or of any Subsidiary (including the stock of any Subsidiary) in which the value of the assets or stock being sold or otherwise disposed of (as measured by the purchase price being paid therefor or by such other method as the Board determines is appropriate in a case where there is no readily ascertainable purchase price) constitutes more than two-thirds of the fair market value of the Company (as hereinafter defined). The "fair market value of the Company" shall be the aggregate market value of the then Outstanding Company Common Stock (on a fully diluted basis) plus the aggregate market value of the Company's other outstanding equity securities. The aggregate market value of the shares of Outstanding Company Common Stock shall be determined by multiplying the number of shares of Outstanding Company Common Stock (on a fully diluted basis) outstanding on the date of the execution and delivery of a definitive agreement with respect to the transaction or series of related transactions (the "Transaction Date") by the average closing price of the shares of Outstanding Company Common Stock for the ten trading days immediately preceding the Transaction Date. The aggregate market value of any other equity securities of the Company shall be determined in a manner similar to that prescribed in the immediately preceding sentence for determining the aggregate market value of the shares of Outstanding Company Common Stock or by such other method as the Board shall determine is appropriate.

1.10 "Change of Control Event" shall mean, with respect to a Participant, a Change of Control that also constitutes: (a) a change in ownership of the Participant's Service Recipient; (b) a change in effective control of the Participant's Service Recipient; or (c) a change in the ownership of a substantial portion of the assets of the Participant's Service Recipient. The existence of a Change of Control Event shall be determined by the Administrator in accordance with Code Section 409A and the regulations thereunder.

1.11 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

1.12 "Committee" shall mean a committee composed of not less than two directors designated by the Board to administer the Plan; provided, however, that each member of the Committee shall be a "Non-Employee Director" within the meaning of Rule 16b-3 under the Exchange Act, an "outside director" within the meaning of Code Section 162(m)(4)(c)(i) and the regulations thereunder, and an "independent director" within the meaning of Section 303A of the New York Stock Exchange Listed Company Manual (or, in each case, any successor term or provision). The Committee may, without limitation, be the Compensation Committee of the Board or a subcommittee thereof, if such committee or subcommittee satisfies the foregoing requirements.

1.13 "Common Stock" shall mean the common stock, $.01 par value per share, of the Company, or such other securities of the Company as may be substituted for Common Stock or such other securities in the event of the occurrence of any of the events set forth in Section 3.02(b)(2)(iv).

1.14 "Company" shall mean NextEra Energy, Inc.

1.15 "Compensation" shall mean Base Salary, Bonus, LTIP Award or other compensation approved for deferral by the Committee.

1.16 "Deferral Election Form" shall mean the form or forms that may be approved by the Administrator from time to time for use by a Participant to elect to defer Compensation or Director's Fees under the Plan, subject to the applicable limitations contained in the Plan.

1.17 "Director's Fees" shall mean the fees of a Participant which result from or are attributable to the performance of services by such Participant as a member of the Board of Directors (or committee thereof) of the Company, whether payable in cash or in equity.

1.18 "Disability" shall mean: (a) the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; (b) the receipt of income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Employer by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (c) any condition as a result of which a Participant is determined to be totally disabled by the Social Security Administration or Railroad Retirement Board.

1.19 "Distribution Election Form" shall mean the form or forms that may be approved by the Administrator from time to time for use by a Participant to elect a Distribution Starting Date and payment schedule pursuant to Section 4.01.

1.20 "Distribution Starting Date" shall mean:

(a) subject to Subsection 1.20(b) below, (i) the first day of the first Plan Year; or (ii) the first day of the first month;

following the earliest of the Participant's death, Disability, or other separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)) from the Employer, as elected by the Participant during the applicable Election Period.

In the event the Participant fails to elect one of the dates described in clauses (i) and (ii) of this Subsection 1.20(a), and subject to Subsection 1.20(b), below, his or her Distribution Starting Date shall be the first day of the first Plan Year following the earliest of the Participant's death, Disability, or other separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)) from the Employer.

(b) if the event triggering the Distribution Starting Date is the Participant's separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)), and the Participant is a specified employee (within the meaning of Treas. Reg. 1.409A-1(i)) on the date of such separation from service, notwithstanding Subsection 1.20(a) above, the Distribution Starting Date shall not be earlier than the first day of the seventh month

following such Participant's separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)).

1.21 "Dividend Reinvestment Account" shall mean a bookkeeping account established and maintained for a Participant pursuant to Sections 3.02(a) and 3.02(b)(2).

1.22 "Election Period" shall mean:

(a) with respect to a Participant, the period established by the Administrator during which a Participant may deliver a Deferral Election Form to the Administrator; provided that an Election Period with respect to any Compensation will occur during the calendar year prior to the year (i) such Compensation is earned, in the case of Compensation that is earned and payable within a single calendar year and (ii) the Participant obtains a legal right to such Compensation (within the meaning of Code Section 409A), in the case of Compensation (including but not limited to an LTIP Award) to which the Participant obtains a legal right in one calendar year but which does not become vested and payable until a subsequent calendar year;

(b) with respect to the first year during which a Participant becomes eligible to participate in the Plan ("Newly Eligible Participant"), Election Period shall mean the period ending thirty (30) days after the date such Newly Eligible Participant becomes eligible to participate in the Plan; provided that such election shall apply solely to Compensation earned and paid to such Newly Eligible Participant (in the case of Compensation described in Section 1.22(a)(i)) to which the Newly Eligible Participant first obtains a legal right (in the case of Compensation described in Section 1.22(a)(ii) for services performed after the election. With respect to a Bonus to be earned by such Newly Eligible Participant, the Election Period may occur after commencement of the performance period to which such Bonus relates, however, such election shall apply only to Compensation earned after the election on a pro rata basis equal to the amount of the Bonus multiplied by the ratio of the number of days remaining in the performance period after the election over the total number of days in the performance period;

(c) solely with respect to performance-based compensation for the 2008 performance period otherwise payable in 2009, the period that is six months before the end of the performance period, provided that the Participant is an Employee as of the later of the beginning of the performance period or the date the performance criteria are established, and further provided that such period ends before the performance-based compensation is readily ascertainable.

1.23 "Employee" shall mean an employee of the Employer with a Base Salary of at least one hundred and fifty thousand dollars ($150,000), provided that such individual is among a select group of management or highly compensated employees within the meaning of ERISA Section 201(2).

1.24 "Employer" shall mean the Company and its subsidiaries and affiliates.

1.25 "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.26 "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

1.27 "Investment Account" shall mean a bookkeeping account established and maintained for a Participant pursuant to Sections 3.02(a) and 3.02(b)(1).

1.28 "Investment Election Form" shall mean the form or forms that may be approved by the Administrator from time to time for use by a Participant to allocate deferred compensation, and to the extent allocated to the Participant's Investment Account, Director's Fees, among the investment funds selected by the Company pursuant to Section 3.02(b)(1)(ii) and/or 3.02(b)(1)(iii), as applicable.

1.29 "LTIP" shall mean the NextEra Energy, Inc. Amended and Restated Long Term Incentive Plan (f/k/a the FPL Group, Inc. Amended and Restated Long Term Incentive Plan), the FPL Group, Inc. Long Term Incentive Plan 1994, the FPL Group, Inc. Long Term Incentive Plan 1985 and the NextEra Energy, Inc. 2011 Long Term Incentive Plan, each as may from time to time be amended, and/or any successor plan or plans thereto.

1.30 "LTIP Award" shall mean an award granted pursuant to the terms of the LTIP, other than (a) an award of restricted stock or other equity which is actually issued in the name of the Participant on the date of grant, unless otherwise specifically approved by the Committee and (b) any award of a stock option, stock appreciation right or other equity, derivative or equity-linked instrument, however denominated, the value of which is derived exclusively from appreciation in the value of shares of Common Stock above the Market Value Per Share (or higher value specified in the terms of the award) that occurs after the date of the award.

1.31 "Market Value Per Share" shall mean the closing sales price on the relevant date for shares of Common Stock as reported in the Composite Transactions Index of the New York Stock Exchange on such date. If such date is not a trading day or no sales occur on such date, the "Market Value Per Share" means the closing price on the nearest trading date before the valuation date.

1.32 "Non-Employee Director" shall mean a member of the Board who is not an employee of the Company or any of its subsidiaries or affiliates.

1.33 "Officer" shall mean an elected or appointed officer of the Employer, provided that such individual is among a select group of management or highly compensated employees within the meaning of ERISA Section 201(2).

1.34 "Participant" shall mean a Non-Employee Director, Officer or Employee who is eligible to participate in the Plan and has elected to defer Compensation and/or Director's Fees, as provided in Section 3.01.

1.35 "Phantom Stock Account" shall mean an account established and maintained for a Participant pursuant to Sections 3.02(a) and 3.02(b)(2).

1.36 "Phantom Shares" shall mean hypothetical shares of Common Stock.

1.37 "Plan" shall mean this NextEra Energy, Inc. Deferred Compensation Plan, as amended from time to time.

1.38 "Plan Year" shall mean the calendar year.

1.39 "Section 16 Committee" shall mean the committee of the Board established for the purposes of approving certain matters relating to Section 16 Reporting Persons.

1.40 "Section 16 Reporting Person" shall mean any (a) director of the Company or (b) officer of the Employer designated by the Board to be an "executive officer" for purposes of Section 16(a) of the Exchange Act.

1.41 "Service Recipient" means with respect to a Participant on any date: (a) the corporation or non-corporate entity for which the Participant is performing services on such date; (b) all corporations or non-corporate entities that are liable to the Participant for the benefits due to him under the Plan; (c) a corporation or non-corporate entity that is a majority shareholder of a corporation or non-corporate entity described in Section 1.41(a) or (b); or (d) any corporation or non-corporate entity in a chain of corporations or non-corporate entities each of which is a majority shareholder of another corporation or non-corporate entity in the chain, ending in a corporation or non-corporate entity described in Section 1.41 (a) or (b).

1.42 "Subsidiary" shall mean any corporation (other than the Company) with respect to which the Company owns, directly or indirectly, 50% or more of the total combined voting power of all classes of stock or membership or partnership interests. In addition, any other related entity may be designated by the Board as a Subsidiary, provided such entity could be considered as a Subsidiary according to generally accepted accounting principles.

ARTICLE II
ELIGIBILITY

2.01 Eligibility to Participate in the Plan. A Non-Employee Director, Officer or Employee shall be eligible to participate in the Plan to the extent provided herein.

ARTICLE III
DEFERRED COMPENSATION BENEFITS

3.01 Deferral Election.

(a) A Participant may irrevocably elect to defer all or a portion of his or her Compensation in a manner consistent with Code Section 409A by completing, signing, and delivering a Deferral Election Form to the Administrator during the applicable Election Period as set forth below:

(1) A Non-Employee Director may defer all or a portion of his or her Director's Fees;

(2) An Officer may defer all or a portion of his or her Compensation; and

(3) An Employee (other than an Officer) may defer all or a portion of his or her Bonuses, and, to the extent that the Administrator may in its sole discretion permit, all or a portion of his or her Base Salary and/or LTIP Awards.

(b) Limitation on Deferrals. Notwithstanding anything to the contrary in this Plan, the amount to be deferred under this Plan may not reduce the amount of Base Salary, Bonuses, LTIP Awards, and/or Director's Fees which would be paid to the Participant (determined after taking the election into account) below the amount, if any, required to pay the Participant's portion of any taxes due under Chapter 21 (Federal Insurance Contributions Act) of the Code, any other applicable employment taxes, and the amount, if any, required to be withheld for income tax purposes or any payment of premiums and/or contributions for health benefits or other benefits elected by the Participant or otherwise provided under a cafeteria plan sponsored by the Employer pursuant to Code Section 125.

3.02 Accounts and Investment Allocation.

(a) In General. An Account or Accounts shall be established and maintained for each Participant as described in this Section 3.02. The Investment Account and the Cash Account shall be measured in dollars and the Phantom Stock Account and the Dividend Reinvestment Account shall be measured in Phantom Shares (rounded to three decimal places). The Accounts shall be hypothetical in nature and shall be maintained for bookkeeping purposes only. Neither the Plan nor any of the Accounts shall hold or be required to hold any actual funds or assets.

(b) Crediting of Accounts.

(1) Investment Account.

(i) Crediting Contributions to the Investment Account. When a Participant's Investment Account is to be credited with a deferred amount in accordance with Subsection 3.02(c), that amount shall be credited to the Investment Account as of the close of business on the date that such amount would have otherwise been paid to the Participant.

(ii) Crediting Earnings on the Investment Account. Subject to the limitations of Subsection (b)(1)(iii), the Administrator may permit a Participant to allocate on an Investment Election Form, the deferred amounts credited to his or her Investment Account among one or more investment funds selected by the Company. In the event a Participant fails to elect one or more investment funds on an Investment Election Form, the Participant's Investment Account shall be invested in a default investment fund designated by the Administrator until such time as the Participant shall submit an Investment Election Form to the Administrator. Subject to the limitations of Subsection (b)(1)(iii), a Participant may re-allocate the deferred amounts among such investment funds at any time or from time to time by submitting a new Investment Election Form to the Administrator. Deferred amounts allocated to an investment fund shall be deemed to be invested in such investment fund and shall be adjusted each business day to reflect the

hypothetical income, gain and loss, including any unrealized appreciation or depreciation on such investment fund.

(iii) Company Stock Fund. A Participant may allocate deferred amounts to an investment fund that tracks, or invests primarily in, the Common Stock of the Company (a "Company Stock Fund"). If a Participant allocated deferred amounts to the Company Stock Fund, such amounts shall initially be credited to a stable value investment fund designated by the Administrator (the "Interim Investment Fund"). On, or as soon as reasonably practicable after, the date on which a cash dividend is paid to holders of Common Stock (the "Dividend Payment Date"), all amounts credited to such Interim Investment Fund shall be transferred to the Company Stock Fund in the Participant's Investment Account.

(2) Accounting for Phantom Shares.

(i) Crediting Stock-Based Contributions to the Phantom Stock Account. Except as provided in Subsection 3.02(b)(2)(ii), a Participant's Phantom Stock Account is to be credited with deferred Compensation otherwise payable in shares of Common Stock, such that the number of shares of Common Stock which would have otherwise been paid to the Participant shall be credited to the Participant's Phantom Stock Account as of the date that such payment would have otherwise occurred.

(ii) Crediting Cash Dividends on Phantom Shares. The Administrator shall establish a separate cash account (the "Cash Account") and, if applicable under this Subsection 3.02(b)(ii), a separate dividend reinvestment account (the "Dividend Reinvestment Account") for each Participant for whom a Phantom Stock Account has been (or otherwise would be) established under Subsection 3.02(b)(2)(i). The Cash Account shall be credited on each Dividend Payment Date with an amount equal to the amount of the cash dividends which a holder of Common Stock would have received if on the record date for the dividend the holder was the record holder of a number of shares of Common Stock equal to the number of Phantom Shares then credited to the Phantom Stock Account. The Cash Account shall be credited quarterly with interest on the average weighted balance in such account at the end of the quarter at a rate equal to the lesser of (1) the prime rate as published in the Wall Street Journal or (2) 120% of the applicable federal long-term rate, with compounding (as prescribed under Code Section 1274(d)), determined (in either case) on the last business day of the calendar quarter preceding the calendar quarter to which it applies. Notwithstanding the preceding, the Participant instead may direct the Administrator, at the time such Participant validly delivers a Deferral Election Form to the Administrator, to credit amounts otherwise creditable to the Participant's Phantom Stock Account under Subsection 3.02(b)(2)(i) to a Dividend Reinvestment Account established on behalf of such Participant. Once established, a Dividend Reinvestment Account shall be credited on each Dividend Payment Date with Phantom Shares in respect of the aggregate cash dividends that the Participant's Dividend Reinvestment Account would have received if on the record date for the dividend such account had been the holder of record of a number of shares of Common Stock equal to the number of Phantom Shares (including fractions) then credited to the Dividend Reinvestment Account and converting the aggregate cash dividends into Phantom Shares equal to that number of full and fractional shares of Common Stock which the aggregate

dollar amount of cash dividends would represent based on the closing price of such Common Stock on the record date of such cash dividend. In addition, the Administrator periodically may establish election change periods of at least five business days, during which a Participant may direct that (A) all or a portion of the Phantom Shares credited under such Participant's Phantom Stock Account be credited to his or her Dividend Reinvestment Account (or, if no Dividend Reinvestment Account has to date been established for the Participant, to a new Dividend Reinvestment Account established on behalf of such Participant), (B) all or a portion of the Phantom Shares credited under such Participant's Dividend Reinvestment Account be credited to his or her Phantom Stock Account, and/or (C) all or a portion of amounts credited under such Participant's Cash Account be credited to the Participant's Dividend Reinvestment Account as Phantom Shares (including fractions) equal to that number of full and fractional shares of Common Stock which the dollar amount of investment election would represent based on the closing price of such Common Stock on the day prior to the effective date of the election. The investment change election under the preceding sentence shall become effective prospectively, as of the date determined by the Administrator in its discretion.

(iii) Crediting Stock Dividends on the Phantom Shares. A Participant's Phantom Stock Account and, if any, such Participant's Dividend Reinvestment Account shall be credited on each record date for a stock dividend paid to holders of Common Stock with that number of full and fractional shares of Common Stock which the Participant's Phantom Stock Account and, if any, his or her Dividend Reinvestment Account would have received if on that record date such account had been the holder of record of a number of shares of Common Stock equal to the number of Phantom Shares (including fractions) then credited to his or her Accounts.

(iv) Other Adjustments on Phantom Shares. The number of Phantom Shares shall be adjusted as determined in the discretion of the Administrator to reflect (i) any change in the outstanding Common Stock by reason of any stock dividend or split, recapitalization, reorganization, merger, consolidation, split-up, spin-off or any similar corporate change affecting the Common Stock; (ii) unusual or nonrecurring events affecting the Company or any Subsidiary or the financial statements of the Company or any Subsidiary; or (iii) changes in applicable laws, regulations, or accounting principles. Any such adjustment shall be effected in a manner determined by the Administrator that neither enlarges nor dilutes the economic rights represented by a Participant's Phantom Stock Account and, if any, such Participant's Dividend Reinvestment Account.

(3) Transfers Prohibited Between Certain Accounts. A Participant shall be prohibited from transferring any amounts credited to his Phantom Stock Account, Dividend Reinvestment Account and/or Cash Account to his Investment Account and from transferring any amounts credited to his Investment Account to his Phantom Stock Account, Dividend Reinvestment Account and/or Cash Account.

(c) Allocating Contributions Between the Investment Account and the Other Accounts.

(1) Deferrals by Officers and Employees. Cash Compensation shall be credited to the Participant's Investment Account in accordance with Subsection (b)(1)(i), unless the Participant elects to invest in the Company Stock Fund, in which case the amounts shall

be credited in accordance with Subsection (b)(1)(iii). The portion of LTIP Awards that would have otherwise been paid in Common Stock shall be credited to the Participant's Phantom Stock Account or Dividend Reinvestment Account in accordance with Subsection (b)(2)(i) and (ii).

(2) Deferrals by Non-Employee Directors. Director's Fees that would have otherwise been paid in cash shall be credited to an Investment Account. Such amounts shall be credited in accordance with Subsection (b)(1)(i), unless a Non-Employee Director elects to invest in the Company Stock Fund, in which case the amounts shall be credited in accordance with Subsection (b)(1)(iii). The portion of the Director's Fees that would have otherwise been paid in Common Stock shall be credited to the Participant's Phantom Stock Account or Dividend Reinvestment Account in accordance with Subsection (b)(2)(i) or (ii), as applicable.

(d) Account Statements. The Administrator shall provide to each Participant, within 120 days after the end of each Plan Year, a statement setting forth the balance of Phantom Shares in the Participant's Phantom Stock Account or, if any, the Dividend Reimbursement Account, the dollar value of the Cash Account, and the dollar value of the Participant's Investment Account as of the end of the Plan Year.

ARTICLE IV
DISTRIBUTIONS

4.01 Manner of Distribution. At the time each deferral election is made by a Participant pursuant to Article III, such Participant shall elect, subject to Section 4.02, the form of payment with respect to such deferral. The Participant may elect to receive a distribution in the form of a single sum payment on the Distribution Starting Date or in substantially equal payments made monthly (or in accordance with the Company's applicable payroll practice, e.g., bi-weekly) commencing on the Distribution Starting Date and continuing for a period of up to 10 years, as specified by the Participant on the election form. The Participant may make a separate distribution election with respect to each of his or her Accounts established under Subsection 3.02(b)(2) and his or her Investment Account. For a distribution election to be valid, it must be made during an Election Period in accordance with the requirements of Code Section 409A and, in the case of Section 16 Reporting Persons who have a balance in their Phantom Stock Account, in their Dividend Reinvestment Account or in the Company Stock Fund, or who have a current deferral election to be credited to a Phantom Stock Account, Dividend Reinvestment Account or the Company Stock Fund, with the prior notice to and the approval of the Administrator, the Company's General Counsel or the Company's Corporate Secretary. In the event the Participant fails to make such a distribution election, the Employer shall distribute to the Participant (or his or her beneficiary or beneficiaries if the Participant is deceased) his or her entire Account in a single sum on the Distribution Starting Date.

4.02 Form of Distribution. Benefits attributable to the value of the Investment Account and Cash Account shall be distributed to the Participant in cash. Benefits attributable to the Phantom Stock Account or the Dividend Reinvestment Account (other than any

fractional shares) shall be distributed to the Participant in the form of shares of Common Stock. To the extent that the distribution is in the form of shares of Common Stock, such distribution shall be subject to all applicable securities laws and regulations, and the Company shall have taken all steps, if any, including registration and listing, as may be necessary to make the shares immediately transferable (by sale or otherwise) by the Participant without further regulatory action or compliance on the part of the Participant. The Participant shall reasonably cooperate with the Company, at the Company's expense, to facilitate such compliance and related actions by the Company.

4.03 Unforeseeable Emergency. A Participant shall be entitled to an early distribution of all or a portion of his or her Account upon written application to the Administrator and the determination of the Administrator, in his or her sole and absolute discretion, except that in the case of a Section 16 Reporting Person requesting distribution of all or a portion of his Phantom Stock Account, Dividend Reinvestment Account or Company Stock Fund investment, the additional prior approval of the Section 16 Committee shall also be required, that the Participant has experienced a severe financial hardship resulting from an illness or accident of the Participant, the Participant's spouse or other dependent (as defined in Code Section 152, without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The amount distributed with respect to such unforeseeable emergency shall not exceed the amount necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or by liquidation of the Participant's assets (to the extent such liquidation would not itself cause severe financial hardship).

4.04 Distribution Upon a Termination of Employment following a Change of Control Event. Anything in this Plan to the contrary notwithstanding, if a Change of Control Event occurs and the Participant experiences a separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)) with the Company or its subsidiaries and affiliates within two years following the date of such Change of Control Event, then the Employer shall pay to the Participant (or his or her beneficiary or beneficiaries if the Participant is deceased) his or her entire Account in a single sum on the later of (a) the first day of the month following the Participant's separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)), or (b) if the Participant is a specified employee (within the meaning of Treas. Reg. Section 1.409A-1(i)) at separation from service, the first day of the seventh month following such Participant's separation from service (within the meaning of Treas. Reg. Section 1.409A-1(h)).

4.05 Beneficiary Designation. For purposes of this Plan, a Participant's beneficiary or beneficiaries under this Plan shall be the person or persons last designated by a Participant, by written notice filed with the Administrator, to receive a Plan benefit upon the death of the Participant. The designation of a beneficiary other than the spouse of the Participant, if any, shall be void unless such spouse consents to such non-spouse beneficiary designation. In the event a Participant fails to designate a person or persons as provided above, or if no beneficiary so designated survives the Participant, then for all

purposes of this Plan, the beneficiary shall be the spouse of the Participant, if living. If there is no spouse or the spouse is not living, such Participant's beneficiary or beneficiaries under this Plan shall be the beneficiary or beneficiaries of his or her life insurance benefits under the NextEra Energy, Inc. Employee Health and Welfare Plan (the "Health and Welfare Plan") (or any successor plan thereto). If a Participant is not a participant in the Health and Welfare Plan, the Participant's beneficiary shall be his or her estate.

4.06 Taxes. All amounts payable to any Participant hereunder may be reduced by any and all federal, state and local taxes imposed upon the Participant or his or her beneficiary or beneficiaries which are required to be withheld by the Employer.

4.07 Distributions under Domestic Relations Orders. Nothing contained in this Plan prevents the Employer, in accordance with the direction of the Administrator, from complying with the provisions of a judgment, decree, or order (including approval of a property settlement agreement) resulting from a divorce, legal separation, annulment or change in legal custody that assigns to a spouse, former spouse, child or other dependent of a Participant (an "Alternate Payee") the right to receive all or a portion of the benefits of a Participant under the Plan in a form of payment permitted under the terms of the Plan (a "Domestic Relations Order"). The Employer shall make any payments required under this Section 4.07 by separate checks to each Alternate Payee, unless otherwise explicitly provided in the Domestic Relations Order. Distribution to an Alternate Payee under a Domestic Relations Order is permitted at any time, irrespective of whether the Participant is currently entitled to a distribution of his or her benefits under the Plan. A distribution to an Alternate Payee prior to the time the Participant is entitled to a distribution of his or her benefits under the Plan (other than a distribution pursuant to Section 4.03) is available only if the Domestic Relations Order explicitly requires distribution at that time. Notwithstanding the foregoing, nothing in this Section 4.07 provides a Participant the right to receive a distribution of his or her benefits at a time not otherwise permitted under the terms of the Plan nor does it permit the Alternate Payee to receive a form of payment not otherwise permitted under the Plan.

Within a reasonable period of time after receiving the Domestic Relations Order, the Administrator will determine whether such order complies with the terms of the Plan and will notify the Participant and each Alternate Payee of its determination. If any portion of the Participant's benefit is payable during the period the Administrator is making such determination, the Administrator shall make a separate accounting of the amounts payable.

4.08 Distribution to Comply with Federal Conflict of Interest Requirements. To the extent necessary to effect compliance with a certificate of divestiture (within the meaning of Code Section 1043(b)(2)), the Administrator may permit the early distribution of all or a portion of a Participant's benefits under this Plan.

ARTICLE V
ADMINISTRATION

5.01 Administration. The Administrator shall administer and interpret this Plan in a manner consistent with the requirements of Code Section 409A and in accordance with the provisions of the Plan in its sole and absolute discretion. Any determination or decision by the Administrator shall be conclusive and binding on all persons who at any time have, have had, or may have a claim to any interest whatsoever under this Plan.

5.02 Liability of Committee and Administrator; Indemnification. To the extent permitted by law, no member of the Committee (or its delegatee) the Section 16 Committee or the Administrator shall be liable to any person for any action taken or omitted in connection with the interpretation and administration of this Plan unless attributable to his or her own gross negligence or willful misconduct. The Employer shall indemnify the members of the Committee (or its delegatee) the Section 16 Committee and the Administrator against any and all claims, losses, damages, expenses, including any counsel fees and costs, incurred by them, and any liability, including any amounts paid in settlement with their approval, arising from their action or failure to act, except when the same is judicially determined to be attributable to their gross negligence or willful misconduct.

5.03 Determination of Benefits.

(a) Claim for Benefits. A person, or his or her duly authorized representative, who believes that he or she is being denied a benefit to which he or she is entitled under the Plan (hereinafter referred to as a "Claimant") may file a written request for such benefit with the Administrator, setting forth his or her claim. The request must be addressed to the Company at its then principal place of business.

(b) Timing and Notification of Benefit Determination.

(1) Timing. If a claim is wholly or partially denied, the Administrator shall notify the Claimant of the Plan's adverse benefit determination within a reasonable period of time, but not later than 90 days after receipt of the claim by the Plan, unless the Administrator determines that special circumstances require an extension of time for processing the Claim. If the Administrator determines that an extension of time for processing is required, notice of the extension shall be furnished to the Claimant prior to the termination of the initial 90-day period; however, in no event shall such extension exceed a period of 90 days from the end of such initial period. Any extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the benefit determination. For purposes of this Subsection (b), the period of time within which a benefit determination is required to be made shall begin at the time a Claim is filed in accordance with the procedures set forth in this Subsection (b) without regard to whether all the information necessary to make a benefit determination accompanies such filing.

(2) Manner and Content of Notification of Benefit Determination. The Administrator shall provide a Claimant with written or electronic notification of any adverse benefit determination. Any electronic notification shall comply with the standards imposed by

the Department of Labor. The notification shall set forth, in a manner calculated to be understood by the Claimant (i) the specific reason or reasons for the adverse determination, (ii) reference to the specific Plan provisions on which the determination is based, (iii) a description of any additional material or information necessary for the Claimant to perfect the Claim and an explanation of why such material or information is necessary, and (iv) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

(c) Appeal of Adverse Benefit Determination; Full and Fair Review. Within 60 days after the receipt by the Claimant of the written opinion described in Subsection (b), the Claimant may request in writing that the Committee review the claim and the Administrator's initial adverse benefit determination. Such request must be addressed to the Company at its then principal place of business, and may include the submission of written comments, documents, records, and other information relating to the claim for benefits. The Claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits. The Committee's review shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. If the Claimant does not request a review of the Administrator's initial determination within such 60 day period, he shall be barred and estopped from challenging such determination.

(d) Notification of Benefit Determination on Review.

(1) Timing of Notification of Benefit Determination on Review. The Committee shall notify a Claimant of the Plan's determination of a request for review within a reasonable period of time, but not later than 60 days after receipt of the Claimant's request for review by the Plan, unless the Committee determines that special circumstances require an extension of time for processing the Claim. If the Committee determines that an extension of time for processing is required, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial 60-day period. In no event shall such extension exceed a period of 60 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan expects to render the determination on review. For purposes of this Subsection (d), the period of time within which a benefit determination on review is required to be made shall begin at the time an appeal is filed in accordance with the procedures set forth in Subsection (c), without regard to whether all the information necessary to make a benefit determination accompanies such filing. In the event that a period of time is extended due to a Claimant's failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to the Claimant until the date on which the Claimant responds to the request for additional information.

(2) Manner and Content of Notification of Benefit Determination on Review. The Committee shall provide a Claimant with written or electronic notification of a Plan's benefit determination on review. Any electronic notification shall comply with the standards imposed by the Department of Labor. In the case of an adverse benefit determination, the notification shall set forth, in a manner calculated to be understood by the Claimant (i) the specific reason or reasons for the adverse determination, (ii) reference to the specific Plan provisions on which the benefit determination is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits, and (iv) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a).

5.04 Expenses. The cost of this Plan and the expenses of administering the Plan shall be borne by the Employer.

5.05 Compliance with Securities Laws. Notwithstanding anything else to the contrary contained herein,

(a) the Section 16 Committee shall have final discretion with respect to the application, administration and interpretation of the Plan with regard to, and the deferral of compensation by, any Participant who is a Section 16 Reporting Person; and

(b) a Section 16 Reporting Person shall not take any actions or make any elections under this Plan which could result in short-swing trading liability under Section 16 of the Exchange Act.

5.06 Compliance with Code Section 409A. It is intended that the provisions of this Plan satisfy the requirements of Code Section 409A and that the Plan be operated in a manner consistent with such requirements to the extent applicable. Therefore, the Administrator may make adjustments to the Plan and may construe the provisions of the Plan in accordance with the requirements of Code Section 409A.

ARTICLE VI
MISCELLANEOUS

6.01 No Trust Created. Nothing contained in this Plan, and no action taken pursuant to its provisions by any party shall create, or be construed to create, a trust of any kind, or a fiduciary relationship between the Employer and the Participants or their beneficiaries.

6.02 No Requirement to Fund. The Employer is not required to and shall not fund (within the meaning of the Federal tax laws) this Plan. Even though amounts deferred under this Plan are credited to the Accounts of the Participants, the Employer shall not be required to earmark, deposit, contribute to a trust, or otherwise set aside funds for such Accounts.

6.03 Benefits Payable from General Assets. The benefits payable under this Plan to a Participant or his or her beneficiary or beneficiaries may be made from the general assets of the Employer or from such other assets earmarked, deposited, contributed to a trust, or

otherwise set aside to fund benefits under this Plan. It is intended that the Employer's obligation under this Plan be an unfunded and unsecured promise to pay money in the future. Any funds earmarked, deposited, contributed to a trust, or otherwise set aside by the Employer to assist it in satisfying its obligations under this Plan shall be subject to the claims of general creditors of the Employer. The Participants' (or their beneficiaries') rights to benefits under this Plan which are payable by the Employer shall be no greater than the right of any unsecured general creditor of the Employer, and the Participants (and their beneficiaries) shall not have any security interest in any assets (including, but not limited to, assets earmarked, deposited, contributed to a trust, or otherwise set aside to fund benefits provided under this Plan) of the Employer.

6.04 Successors. This Plan shall be binding upon the Employer and its successors and assigns, and the Participant, his or her successors, heirs, executors, administrators and beneficiaries.

6.05 No Contract of Employment. Nothing contained in this Plan shall be construed to be a contract of employment or as conferring upon an eligible Non-Employee Director, Officer or Employee the right to continue to be employed by the Employer in his or her present capacity, or in any capacity, or any rights as an officer or director of the Employer.

6.06 Amendment or Termination of Plan.

(a) Except to the extent otherwise reserved to the Administrator, the Chief Executive Officer, the President, any Vice President or the General Counsel of the Company (the "Corporate Officers") shall have the right to amend this Plan at any time and from time to time, including a retroactive amendment. The Committee expressly reserves the right to terminate the Plan and to amend (a) the definition of the following terms: Base Salary, Bonus, Change of Control, Committee, Common Stock, Company, Compensation, Director's Fees, Disability, Distribution Starting Date, Employee, Employer, Market Value Per Share, Non-Employee Director, Officer, or Participant; or (b) Sections 2.01 (Eligibility to Participate), 3.01 (Deferral Elections), 4.01 (Manner of Distribution), 4.03 (Unforeseeable Emergency), 4.04 (Distribution Upon a Termination of Employment following a Change of Control Event), 6.02 (No Requirement to Fund), 6.03 (Benefits Payable from General Assets), and 6.06 (Amendment or Termination of Plan) hereof and shall have the right to amend any such Section or Sections at any time or from time to time, including a retroactive amendment. No amendment or termination of the Plan shall, without the consent of any person affected thereby, modify or in any way affect any right or obligation under this Plan created prior to such amendment or termination. Notwithstanding the foregoing, the Plan shall be subject to amendment to the extent necessary to effect compliance with Code Section 409A, but any such amendment shall, to the maximum practicable extent, preserve the economic rights of each Participant.

(b) Notwithstanding anything in the Plan to the contrary, the Plan may only be terminated in the following circumstances:

(i) within thirty (30) days before or twelve (12) months after any Change in Control Event; provided, however, that in such event, all agreements, methods,

programs, and other arrangements sponsored by the Service Recipient immediately after the time of the Change in Control Event with respect to which deferrals of compensation are treated as having been deferred under a single plan (under Code Section 409A and the regulations thereunder) are terminated and liquidated with respect to each Participant that experienced the Change in Control Event, so that under the terms of the termination and liquidation all such Participants are required to receive all amounts of compensation deferred under the terminated agreements, methods, programs, and other arrangements within twelve (12) months of the date the Company irrevocably takes all necessary action to terminate and liquidate the agreements, methods, programs, and other arrangements.

(ii) at such other time and in such other circumstances as may be permitted under Code Section 409A.

(c) Notwithstanding anything in the Plan to the contrary, the operation of the Plan may be suspended, but only in the following circumstances:

(i) With respect to Compensation to be earned and paid in calendar years beginning after the date of adoption of the resolution suspending the operation of the Plan; and

(ii) At such other time and in such other circumstances as may be permitted under Code Section 409A.

In such event, no further Compensation shall be deferred following the effective date of the suspension and benefits earned prior to such date shall continue to be maintained, and payments shall continue to be made, in accordance with the provisions of the Plan.

6.07 Top Hat Plan. It is the Employer's intention that this Plan be construed as an unfunded, non-qualified deferred compensation plan maintained for a select group of management or highly compensated employees within the meaning of ERISA Section 201(2).

6.08 Governing Law. The validity and effect of this Plan and the rights and obligations of all persons affected hereby shall be construed and determined in accordance with the laws of the State of Florida unless superseded by federal law.

6.09 Severability. In the event that any provision of this Plan shall be declared illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining provisions of this Plan but shall be fully severable and this Plan shall be construed and enforced as if said illegal or invalid provisions had never been inserted herein.

6.10 Construction. The article and section headings and numbers are included only for convenience of reference and are not to be taken as limiting or extending the meaning of any of the terms and provisions of the Plan. Whenever appropriate, words used in the singular shall include the plural or the plural may be read as the singular.

6.11 Merger or Consolidation or Sale of Assets of Employer. Subject to the requirement that the Employer make distributions upon termination of a Participant's employment following a Change of Control pursuant to Section 4.04, in the event of the merger or consolidation of the Employer with any other entity, or in the event substantially all of the assets of the Employer are to be transferred to another entity, the successor entity resulting from the merger or consolidation, or the transferee of such assets, as the case may be, shall assume the obligations of the Employer hereunder and shall be substituted for the Employer hereunder.

6.12 Transfer to an Affiliate of the Employer. An election to defer Compensation, and/or Director's Fees under this Plan shall apply with respect to such items of compensation paid by a Participant's Employer at the time such deferral election is properly made. In the event the Participant has a deferral election in effect and transfers from one Subsidiary or affiliate of the Employer to another Subsidiary or affiliate of the Employer, the Employer shall to the extent possible continue to comply with such deferral election (and the other related administrative elections). As soon as administratively practicable, the Administrator shall notify such new Employer of the Participant's elections in effect and shall make available copies of the relevant forms on which such elections were made.

6.13 Assignment. No right, title or interest of any kind in the Plan shall be transferable or assignable by a Participant or beneficiary or be subject to alienation, anticipation, encumbrance, garnishment, attachment, execution or levy or any kind, whether voluntary or involuntary nor subject to the debts, contracts, liabilities, engagements, or torts of a Participant or beneficiary, except as provided by Sections 4.06 and 4.07. Except as provided in this Section, any attempt to alienate, sell, transfer, assign, pledge, garnish, attach or otherwise subject to legal or equitable process or encumber or dispose of any interest in the Plan shall be void.

6.14 Incapacity. If the Administrator determines that any person to whom any distribution is payable under this Plan is unable to care for his or her affairs because of illness or accident, or is a minor, any payment due (unless a prior claim thereto has been made by a duly appointed guardian, committee or other legal representative) may be paid to the spouse, a child, a parent, or a brother or sister, or to any person deemed by the Administrator to have incurred expense for such person otherwise entitled to payment, in such manner as the Administrator may determine. Any such payment shall be a complete discharge of the liabilities of the Employer under this Plan.

6.15 Effect on Benefits Under Other Plans. Any Compensation and/or Director's Fees deferred hereunder and any benefits payable under this Plan shall not be considered salary or other compensation to the Participant for the purposes of computing benefits to which he or she may be entitled under any other employee benefit plan established or maintained by the Employer, except to the extent provided in such other employee benefit plan.

6.16 Indemnity Upon Change of Control. If upon a Change of Control it becomes necessary for a Participant (or his or her beneficiary or beneficiaries) to institute a claim, by litigation or otherwise, to enforce his or her rights under this Plan, the Employer (and its successors or transferee in accordance with Section 6.11) shall indemnify such

Participant (or his or her beneficiary or beneficiaries) from and against all costs and expenses, including legal fees, incurred by him or her in instituting and maintaining such claim. Each indemnity payment shall be made no later than thirty days following the date of request for reimbursement of such costs and expenses by the Participant or beneficiary, as applicable. In no event shall such reimbursement occur later than the last day of the calendar year following the calendar year in which such costs and expenses are incurred by the Participant or beneficiary, as applicable.

6.17 No Rights as Shareholders. No Participant who elects to defer Compensation into a Phantom Stock Account, the Dividend Reinvestment Account or the Company Stock Fund will have any rights arising out of the ownership of Common Stock as a result of such election.

Exhibit 10(i)

EXECUTIVE RETENTION EMPLOYMENT AGREEMENT

Executive Retention Employment Agreement between NextEra Energy, Inc., a Florida corporation (the "Company"), and John W. Ketchum (the "Executive"), dated as of March 4, 2016. The Board of Directors of the Company (the "Board") has determined that it is in the best interests of the Company and its shareholders to assure that the Company and its Affiliated Companies will have the continued dedication of the Executive, notwithstanding the possibility, threat or occurrence of a Potential Change of Control or a Change of Control (each as defined below) of the Company. The Board believes it is imperative to diminish the inevitable distraction of the Executive by virtue of the personal uncertainties and risks created by the circumstances surrounding a Potential Change of Control or a Change of Control and to encourage the Executive's full attention and dedication to the Company and its Affiliated Companies currently and in the event of any Potential Change of Control or Change of Control (and, under certain circumstances, in the event of the termination or abandonment of a Change of Control transaction), and to provide the Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of the Executive will be satisfied and which are competitive with those of other corporations which may compete with the Company for the services of the Executive. Therefore, in order to accomplish these objectives, the Board has caused the Company to enter into this Executive Retention Employment Agreement (this "Agreement").

Therefore, the Company and the Executive agree as follows:

1. Effective Date.

The effective date of this Agreement (the "Effective Date") shall be the date on which (i) a Potential Change of Control occurs, (ii) the Board approves a plan of complete liquidation or dissolution of the Company, (iii) a Change of Control occurs pursuant to Section 2(a)(1) or (2) below or (iv) a definitive agreement is signed by the Company which provides for a transaction that, if approved by shareholders or consummated, as applicable, would result in a Change of Control pursuant to Section 2(a)(3) or (4) below; provided, however, that any of the foregoing which may have occurred prior to the date hereof shall be disregarded. Anything in this Agreement to the contrary notwithstanding, if, prior to the Effective Date, the Executive's employment with the Company or its Affiliated Companies was terminated by the Company or its Affiliated Companies, or both, as applicable, other than for Cause or Disability (each as defined below) or by the Executive for Good Reason (as defined below) and the Executive can reasonably demonstrate that such termination (or the event constituting Good Reason) took place (a) at the request or direction of a third party who took action that caused a Potential Change of Control or (b) in contemplation of an event that would give rise to an Effective Date, an Effective Date will be deemed to have occurred ("Deemed Effective Date") immediately prior to the Date of Termination (as defined in Section 7(e) below), provided that a Change of Control occurs within a two-year period following such Date of Termination. As used in this Agreement, the term "Affiliated Companies" shall include any corporation or other entity controlled by, controlling or under common control with the Company and the term "Subsidiary" shall mean (x) any corporation or other entity (other than the Company) with respect to which the Company owns, directly or indirectly, 50% or more of the total combined voting power of all classes of stock or other ownership interests or (y) any other related entity which may be designated by the Board as a Subsidiary, provided such entity could be considered a subsidiary according to generally accepted accounting principles.

2. **Change of Control; Potential Change of Control.** For the purposes of this Agreement:

(a) A "Change of Control" shall mean the first (and only the first) to occur of the following:

(1) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (x) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions (collectively, the "Excluded Acquisitions") shall not constitute a Change of Control (it being understood that shares acquired in an Excluded Acquisition may nevertheless be considered in determining whether any subsequent acquisition by such individual, entity or group (other than an Excluded Acquisition) constitutes a Change of Control): (i) any acquisition directly from the Company or any Subsidiary; (ii) any acquisition by the Company or any Subsidiary; (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary; (iv) any acquisition by an underwriter temporarily holding Company securities pursuant to an offering of such securities; (v) any acquisition in connection with which, pursuant to Rule 13d-1 promulgated pursuant to the Exchange Act, the individual, entity or group is permitted to, and actually does, report its beneficial ownership on Schedule 13G (or any successor Schedule); provided that, if any such individual, entity or group subsequently becomes required to or does report its beneficial ownership on Schedule 13D (or any successor Schedule), then, for purposes of this paragraph, such individual, entity or group shall be deemed to have first acquired, on the first date on which such individual, entity or group becomes required to or does so report, beneficial ownership of all of the Outstanding Company Common Stock and/or Outstanding Company Voting Securities beneficially owned by it on such date; or (vi) any acquisition in connection with a Business Combination (as hereinafter defined) which, pursuant to subparagraph (3) below, does not constitute a Change of Control; or

(2) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, entity or group other than the Board; or

(3) Consummation by the Company of a reorganization, merger, consolidation or other business combination (any of the foregoing, a "Business Combination") of the Company or any Subsidiary of the Company with any other corporation, in any case with respect to which:

(i) the Outstanding Company Voting Securities outstanding immediately prior to such Business Combination do not, immediately following such Business Combination, continue to represent (either by remaining outstanding or being converted into voting securities of the resulting or surviving entity or any ultimate parent thereof) more than 55% of the outstanding common stock and of the then outstanding voting securities entitled to vote generally in the election of directors of the resulting or surviving entity (or any ultimate parent thereof); or

(ii) less than a majority of the members of the board of directors of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination (the "New Board") consists of individuals ("Continuing Directors") who were members of the Incumbent Board (as defined in subparagraph (2) above) immediately prior to consummation of such Business Combination (excluding from Continuing Directors for this purpose, however, any individual whose election or appointment to the Board was at the request, directly or indirectly, of the entity which entered into the definitive agreement with the Company or any Subsidiary providing for such Business Combination); or

(4) (i) Consummation of a sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation with respect to which, following such sale or other disposition, more than 55% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Company Voting Securities as the case may be; or (ii) shareholder approval of a complete liquidation or dissolution of the Company.

The term "the sale or disposition by the Company of all or substantially all of the assets of the Company" shall mean a sale or other disposition transaction or series of related transactions involving assets of the Company or of any Subsidiary (including the stock of any Subsidiary) in which the value of the assets or stock being sold or otherwise disposed of (as measured by the purchase price being paid therefor or by such other method as the Board determines is appropriate in a case where there is no readily ascertainable purchase price) constitutes more than two-thirds of the fair market value of the Company (as hereinafter defined). The "fair market value of the Company" shall be the aggregate market value of the then Outstanding Company Common Stock (on a fully diluted basis) plus the aggregate market value of the Company's other outstanding equity securities. The aggregate market value of the shares of Outstanding Company Common Stock shall be determined by multiplying the number of shares of Outstanding Company Common Stock (on a fully diluted basis) outstanding on the date of the execution and delivery of a definitive agreement with respect to the transaction or series of related transactions (the "Transaction Date") by the average closing price of the shares of Outstanding Company Common Stock for the ten trading days immediately preceding the Transaction Date. The aggregate market value of any other equity securities of the Company shall be determined in a manner similar to that prescribed in the immediately preceding sentence for determining the

aggregate market value of the shares of Outstanding Company Common Stock or by such other method as the Board shall determine is appropriate.

(b) A "Potential Change of Control" shall be deemed to have occurred if an event set forth in either of the following subparagraphs shall have occurred:

(1) the Company or any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) publicly announces or otherwise communicates to the Board in writing an intention to take or to consider taking actions (e.g., a "bear hug" letter, an unsolicited offer or the commencement of a proxy contest) which, if consummated or approved by shareholders, as applicable, would constitute a Change of Control; or

(2) any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) directly or indirectly, acquires beneficial ownership of 15% or more of the Outstanding Company Common Stock or Outstanding Company Voting Securities; provided, however, that Excluded Acquisitions shall not constitute a Potential Change of Control.

3. Employment Period.

(a) The Company hereby agrees to continue the Executive in its or its Affiliated Companies' employ, or both, as the case may be, and the Executive hereby agrees to remain in the employ of the Company, or its Affiliated Companies, or both, as the case may be, subject to the terms of this Agreement, for a period commencing on the Effective Date and ending on the third anniversary of such date (such period or, if shorter, the period from the Effective Date to the Date of Termination, is hereinafter referred to as the "Employment Period").

(b) Anything in this Agreement to the contrary notwithstanding, (x) if an Effective Date occurs (other than as a result of a Change of Control under Section 2(a)(1) or (2) above) and the Board adopts a resolution to the effect that the event or circumstance giving rise to the Effective Date no longer exists (including by reason of the termination or abandonment of the transaction contemplated by the definitive agreement referred to in clause (iv) of Section 1 hereof), the Employment Period shall terminate on the date the Board adopts such resolution, but this Agreement shall otherwise remain in effect, and (y) if a Change of Control occurs pursuant to Section 2(a)(3) or (4) above during the Employment Period, the Employment Period shall immediately extend to and end on the third anniversary of the date of such Change of Control (or, if earlier, to the Date of Termination) and a new Effective Date will be deemed to have occurred on the date of such Change of Control.

4. Position and Duties.

During the Employment Period, the Executive's status, offices, titles, and reporting requirements with the Company or its Affiliated Companies or both, as the case may be, shall be commensurate with those in effect during the 90-day period immediately preceding the Effective Date. The duties and responsibilities assigned to the Executive may be increased, decreased or otherwise changed during the Employment Period, provided that the duties and responsibilities assigned to the Executive at any given time are not materially inconsistent with the Executive's status, offices, titles, and reporting requirements as in effect during the 90-day period immediately preceding the Effective Date. The Executive's services shall be performed at the location where the Executive was employed

immediately preceding the Effective Date or any location less than 20 miles from such location, although the Executive understands and agrees that he may be required to travel from time to time for business purposes.

During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote substantially all of his time and attention during normal business hours to the business and affairs of the Company and its Affiliated Companies and to use his reasonable best efforts to perform faithfully and efficiently the duties and responsibilities assigned to him hereunder. During the Employment Period it shall not be a violation of this Agreement for the Executive to serve on corporate, civic or charitable boards or committees, deliver lectures, fulfill speaking engagements or teach at educational institutions and devote reasonable amounts of time to the management of his and his family's personal investments and affairs, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company or its Affiliated Companies in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the reinstatement or continued conduct of such activities (or the reinstatement or conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company and its Affiliated Companies.

5. Compensation.

During the Employment Period, the Executive shall be compensated as follows:

(a) Annual Base Salary. The Executive shall be paid an annual base salary ("Annual Base Salary"), in equal biweekly installments or otherwise in accordance with the Company's then-current payroll practice, at least equal to the annual rate of base salary being paid to the Executive by the Company and its Affiliated Companies as of the Effective Date. The Annual Base Salary shall be reviewed at least annually and shall be increased substantially consistent with increases in base salary generally awarded to other peer executives of the Company and its Affiliated Companies. Such increases shall in no event be less than the increases in the U.S. Department of Labor Consumer Price Index - U.S. City Average Index. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Annual Base Salary shall not be reduced after any such increase and the term "Annual Base Salary" as utilized in this Agreement shall refer to Annual Base Salary as so increased.

(b) Annual Bonus. In addition to Annual Base Salary, upon the terms and subject to the conditions of this paragraph (b), the Executive shall be awarded, for each fiscal year ending during the Employment Period an annual cash bonus (the "Annual Bonus") equal to a percentage of his Annual Base Salary. Such percentage shall be substantially consistent with the targeted percentages generally awarded to other peer executives of the Company and its Affiliated Companies, but at least equal to the higher of (i) the percentage obtained by dividing his targeted annual bonus for the then current fiscal year by his then Annual Base Salary or (ii) the average percentage of his annual base salary (as in effect for the applicable years) that was paid or payable, including by reason of any deferral, to the Executive by the Company and its Affiliated Companies as an annual bonus (however described, including as annual incentive compensation) for each of the three fiscal years immediately preceding

the fiscal year in which the Effective Date occurs (or, if higher, for each of the three fiscal years immediately preceding the fiscal year in which a Change of Control occurs, if a Change of Control occurs following the Effective Date). For the purposes of any calculation required to be made under clause (ii) of the preceding sentence, an annual bonus shall be annualized for any fiscal year consisting of less than twelve full months or with respect to which the Executive was employed for, and received pro-rated annual incentive compensation with respect to, less than the full twelve months, and, if the Executive has not been employed for the full duration of the three fiscal years immediately preceding the year in which the Effective Date occurs, the average shall be calculated over the duration of the Executive's employment in such period. Each such Annual Bonus shall be paid no later than the end of the second month of the fiscal year next following the fiscal year for which the Annual Bonus is awarded, unless the Executive otherwise elects to defer the receipt of such Annual Bonus in accordance with a deferred compensation plan of the Company or its Affiliated Companies that complies with Section 409A of the Internal Revenue Code (the "Code"). The foregoing provisions of this paragraph (b) shall be qualified by the following terms and conditions. If (A) as of the end of any fiscal year during the Employment Period the Executive is a "Covered Employee" as defined in Code Section 162(m), (B) Code Section 162(m) remains in effect as of the end of such fiscal year and as of such date is applicable to the payment of an Annual Bonus for such fiscal year and (C) the Executive participated for such fiscal year in an Annual Incentive Plan (as hereinafter defined), the Annual Bonus for such fiscal year shall be paid to the Executive pursuant to the Annual Incentive Plan, rather than in accordance with the first four sentences of this paragraph (b), in the amount, at the time and upon the other terms and conditions specified in such Annual Incentive Plan; provided, however, that if a Change of Control occurs before such payment is made, the Executive shall be paid, in lieu of such amount and on the date on which such Change of Control occurs, as follows: (A) as the Annual Bonus for such fiscal year, an amount equal to the greater of (x) the maximum amount payable to the Executive under the Annual Incentive Plan for such fiscal year assuming achievement thereunder of the Corporate Performance Objective (as hereinafter defined) for such fiscal year and (y) the maximum amount payable in accordance with the first four sentences of this paragraph (b) and (B) as Annual Bonuses for all prior fiscal years ended during the Employment Period, an amount equal to the aggregate amount, if any, by which the maximum amount otherwise payable in accordance with the first four sentences of this paragraph (b) for all such prior fiscal years exceeds the aggregate amount of all Annual Bonuses previously paid to the Executive for such prior fiscal years pursuant to the Annual Incentive Plan or otherwise under this paragraph (b). If, as of the end of any fiscal year for which an Annual Bonus is payable pursuant to this paragraph (b), the Executive is not, and at any time during the three full fiscal years preceding such date was not, a "Covered Employee" as defined in Section 162(m), the Executive shall be paid the Annual Bonus for such fiscal year in accordance with the first four sentences of this paragraph (b); provided, however, that the amount of the Annual Bonus so paid to the Executive shall be reduced by the amount, if any, of the annual cash bonus paid to the Executive for such fiscal year pursuant to an Annual Incentive Plan. For purposes of this paragraph (b), "Annual Incentive Plan" means an annual cash incentive compensation plan of the Company that (x) is intended to result in, and, in the opinion of a nationally reputable law firm having significant experience with Code Section 162(m), does result in, the payment of qualified performance-based compensation for purposes of Code Section 162(m) (assuming solely for this purpose achievement of the Corporate Performance Objective to which the payment of such compensation is subject), (y) conditions the payment of all compensation pursuant thereto on the achievement of a Corporate Performance Objective that is generally applicable to all participants in such plan, and (z) is administered, and includes a Corporate Performance Objective that is selected, in a manner that is consistent in all

material respects with past practice as applied to the most recent annual cash incentive compensation plan of the Company that was in effect prior to the date of this Agreement (December 31, 2009) for which the applicable Corporate Performance Objective was achieved. For purposes of this Agreement, the "Corporate Performance Objective" to which any payment of compensation is subject shall mean the objective performance objective which is selected and established by the Compensation Committee of the Board for purposes of making such payment fully deductible for federal income tax purposes pursuant to Code Section 162(m).

(c) Long Term Incentive Compensation. During the Employment Period, the Executive shall be entitled to participate in all incentive compensation plans, practices, policies, and programs applicable generally to other peer executives of the Company and its Affiliated Companies, but in no event shall such plans, practices, policies, and programs provide the Executive with incentive opportunities and potential benefits, both as to amount and percentage of compensation, less favorable, in the aggregate, than those provided by the Company and its Affiliated Companies for the Executive under the NextEra Energy, Inc. Amended and Restated Long Term Incentive Plan (including, without limitation, performance share awards, stock option grants and restricted stock awards), or other plan providing for the grant of equity compensation for executive officers, as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its Affiliated Companies.

(d) Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all savings and retirement plans, practices, policies, and programs applicable generally to other peer executives of the Company and its Affiliated Companies, but in no event shall such plans, practices, policies, and programs provide the Executive with savings opportunities and retirement benefit opportunities, in each case, less favorable, in the aggregate, than the most favorable of those provided by the Company and its Affiliated Companies for the Executive under such plans, practices, policies, and programs as in effect at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its Affiliated Companies.

In addition, during the Employment Period the Executive shall be entitled under this Agreement to the Payment in Lieu of Lost Future Benefits described in Annex A attached hereto and made a part hereof by this reference ("Payment in Lieu of Lost Future Benefits"). The vesting of such Payment in Lieu of Lost Future Benefits shall be determined in accordance with Section 8 of this Agreement. The payment of such amount shall be determined in accordance with Section 8 of this Agreement, to the extent the ability to make such payment under Section 8 is consistent with the limitations of Code Section 409A and the terms of the Company's Supplemental Executive Retirement Plan.

To the extent that the payment of this amount pursuant to Section 8 would be inconsistent with the limitations of Code Section 409A or the terms of the Company's Supplemental Executive Retirement Plan, the payment of this amount described in Annex A shall be made under the terms of the Company's Supplemental Executive Retirement Plan, pursuant to the provisions therein relating to post-2005 accrued benefits that are subject to Code Section 409A.

(e) Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies, and programs provided by the Company and its Affiliated Companies (including, without limitation, medical, executive medical, annual executive physical, prescription, dental, vision, short-term disability, long-term disability, executive long-term disability, salary continuance, employee life, group life, accidental death and dismemberment, and travel accident insurance plans and programs) to the extent applicable generally to other peer executives of the Company and its Affiliated Companies, but in no event shall such plans, practices, policies, and programs provide the Executive with benefits which are less favorable, in the aggregate, than the most favorable of such plans, practices, policies, and programs in effect for the Executive at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its Affiliated Companies.

(f) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in accordance with the most favorable policies, practices, and procedures of the Company and its Affiliated Companies in effect for the Executive at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its Affiliated Companies. The payment of such reimbursements shall be made within thirty (30) days after submission of requests for reimbursement in accordance with applicable policies and procedures of the Company. Notwithstanding anything to the contrary in this Section 5(f) or elsewhere, reimbursement of expenses will be made consistent with the Company's Expense Reimbursement Policy, which is intended to comply with the requirements of Code Section 409A and Treasury Regulation Section 1.409A-3(i)(1)(iv).

(g) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, including but not limited to those described in Section 8(a)(5), in accordance with the most favorable plans, practices, programs, and policies of the Company and its Affiliated Companies in effect for the Executive at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its Affiliated Companies.

(h) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to exclusive personal secretarial and other assistance, at least equal to the most favorable of the foregoing provided to the Executive by the Company and its Affiliated Companies at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided generally at any time thereafter with respect to other peer executives of the Company and its Affiliated Companies.

(i) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable plans, policies, programs, and practices of the Company and its Affiliated Companies as in effect for the Executive at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its Affiliated

Companies. In addition to, and notwithstanding anything to the contrary in, the preceding sentence, any unused vacation days shall be carried over from year to year.

6. Change of Control.

(a) Benefits Upon Change of Control. If, as of the date of a Change of Control which occurs during the Employment Period (including on the Effective Date), the Executive is employed by the Company or one of its Affiliated Companies, then as of such date:

(1) 50% of each outstanding performance stock-based award granted to the Executive shall become fully vested and earned at a deemed achievement level equal to the higher of (x) the targeted level of performance for such award or (y) the average level (expressed as a percentage of target) of achievement in respect of similar performance stock-based awards which matured over the three fiscal years immediately preceding the year in which the Change of Control occurred; payment of each such vested award shall be made to the Executive, in the form described below, as soon as practicable following such Change of Control consistent with Code Section 409A; and the remainder of each such award shall remain outstanding (on a converted basis, if applicable) and shall remain subject to the terms and conditions of the plan under which such award was granted, as well as the terms and conditions of this Agreement; and

(2) all other outstanding stock-based awards granted to the Executive shall be fully vested and earned; and

(3) any outstanding option, stock appreciation right, and other outstanding award in the nature of a right that may be exercised that was granted to the Executive and which was not previously exercisable and vested shall become fully exercisable and vested; and

(4) the restrictions and forfeiture conditions applicable to any outstanding award granted to the Executive under an incentive compensation plan, practice, policy or program shall lapse and such award shall be deemed fully vested.

If as a result of the Change of Control, the Outstanding Company Common Stock is exchanged for or converted into a different form of equity security and/or the right to receive other property (including cash), payment in respect of the underlying awards described in subparagraphs (1), (2) and, with respect to stock-based awards, (4) hereof shall, to the maximum extent practicable, be made in the same form. If a Change of Control occurs and Company shareholders do not, as a group, receive consideration in connection with such Change of Control, then payment in respect of awards described in subparagraphs (1),(2) and, with respect to stock-based awards, (4) hereof shall be made in cash based on the average closing price of the shares of Outstanding Company Common Stock for the 20 trading days immediately preceding the date of the Change of Control.

(b) Benefits Upon First Anniversary of Change of Control. If the Executive has remained employed by the Company or one of its Affiliated Companies from the date of a Change of Control which occurs during the Employment Period (including on the Effective Date) to the date of the first anniversary of such Change of Control, the performance stock-based awards outstanding immediately prior to such Change of Control that did not become vested and earned at the time of such Change of Control pursuant to Section 6(a)(1) shall become vested and earned as of such first anniversary date

and payment in respect of such awards shall be made as soon as practicable following such date, but in no event later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises. The deemed level of achievement with respect to such awards, as well as the form of payment thereof, shall be as described in paragraph (a) above.

7. Termination of Employment.

(a) Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Employment Period. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may give to the Executive written notice in accordance with Section 15(b) of this Agreement of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Executive (the "Disability Effective Date"), provided that, within the 30 days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, "Disability" shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative (such agreement as to acceptability not to be withheld unreasonably).

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, "Cause" shall mean (i) repeated violations by the Executive of the Executive's obligations under Section 4 of this Agreement (other than as a result of incapacity due to physical or mental illness) which are demonstrably willful and deliberate on the Executive's part, which are committed in bad faith or without reasonable belief that such violations are in the best interests of the Company and which are not remedied in a reasonable period of time after receipt of written notice from the Company specifying such violations or (ii) the conviction of the Executive of a felony involving an act of dishonesty intended to result in substantial personal enrichment at the expense of the Company or its Affiliated Companies.

(c) Good Reason. The Executive's employment may be terminated during the Employment Period by the Executive for Good Reason. For purposes of this Agreement, "Good Reason" shall mean:

(1) any failure by the Company to comply with the provisions of Section 4 of this Agreement, including without limitation, the assignment to the Executive of any duties and responsibilities that are materially inconsistent with the Executive's status, offices, titles, and reporting requirements as in effect during the 90-day period immediately preceding the Effective Date, but excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of written notice thereof given by the Executive;

(2) any failure by the Company to comply with any of the provisions of Sections 5 or 6 of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith

and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(3) the Company's requiring the Executive to be based at any office or location other than that described in Section 4 hereof;

(4) any purported termination by the Company of the Executive's employment other than as expressly permitted by this Agreement; or

(5) any failure by the Company to comply with and satisfy Section 14(c) of this Agreement, provided that such successor has received at least ten days prior written notice from the Company or the Executive of the requirements of Section 14(c) of the Agreement.

For purposes of this Section 7(c), any good faith determination of "Good Reason" made by the Executive shall be conclusive.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 15(b) of this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than fifteen calendar days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any facts or circumstances which contribute to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such facts or circumstances in enforcing the Executive's or the Company's rights hereunder.

(e) Date of Termination. "Date of Termination" means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of receipt of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause or Disability, the date on which the Company notifies the Executive of such termination, and (iii) if the Executive's employment is terminated by reason of death or Disability, the date of death of the Executive or the Disability Effective Date, as the case may be.

8. Obligations of the Company upon Termination.

(a) Following a Change of Control: Good Reason; Other Than for Cause or Disability. If following a Change of Control and during the Employment Period, the Company terminates the Executive's employment other than for Cause or Disability or death or the Executive terminates employment for Good Reason, then:

(1) the Company shall pay to the Executive in a lump sum in cash within 45 days after the Date of Termination the aggregate of the following amounts (such aggregate being hereinafter referred to as the "Special Termination Amount"):

(i) the sum of (1) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, (2) the product of (x) the Annual Bonus in effect at such date and (y) a fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination, and the denominator of which is 365 (such amount to be paid in addition to and not in lieu of any Annual Bonus earned for such year), and (3) any accrued vacation pay at the Annual Base Salary rate in effect as of the termination of employment, in each case to the extent not theretofore paid (the sum of the amounts described in subclauses (1), (2), and (3) herein shall be called the "Accrued Obligations"); and

(ii) the amount equal to the product of (1) three, and (2) the sum of (x) the Executive's Annual Base Salary and (y) the Executive's Annual Bonus in effect at such date; provided, however, that such amount shall be paid in lieu of, and the Executive hereby waives the right to receive, any other amount of severance relating to salary or bonus continuation to be received by the Executive upon termination of employment of the Executive under any severance plan, policy or arrangement of the Company; and

(iii) a separate lump-sum equal to the greater of (1) the supplemental pension benefit described in Paragraph 1(b) of Annex A that the Executive would have been entitled to had his employment continued at the compensation level provided for in Sections 5(a) and 5(b) of this Agreement for three years and based upon his Projected Years of Service (as defined in Paragraph 2(a) of Annex A) and his Projected Age (as defined in Paragraph 2(b) of Annex A), or (2) the difference between (x) the actuarial equivalent (utilizing for this purpose the actuarial assumptions utilized with respect to the NextEra Energy Employee Pension Plan (or any successor plan thereto) (the "Pension Plan") during the 90-day period immediately preceding the Effective Date) of the benefit payable under the Pension Plan and all supplemental and/or excess retirement plans providing benefits for the Executive ("Supplemental Retirement Plans") (other than the Payment in Lieu of Lost Future Benefits described in Annex A) including, but not limited to the Supplemental Pension Benefit as defined in the NextEra Energy, Inc. Supplemental Executive Retirement Plan (the "SERP") which the Executive would receive if the Executive's employment continued at the compensation level provided for in Sections 5(a) and 5(b) of this Agreement for, and his age increased by, three years, assuming for this purpose that all accrued benefits are fully vested and that benefit accrual formulas are no less advantageous to the Executive than those in effect during the 90-day period immediately preceding the Effective Date, or, if more favorable to the Executive, as in effect generally at any time thereafter during the Employment Period with

respect to other peer executives of the Company and its Affiliated Companies, and (y) the actuarial equivalent (utilizing for this purpose the actuarial assumptions utilized with respect to the Pension Plan during the 90-day period immediately preceding the Effective Date) of the Executive's actual benefits (paid or payable), if any, under the Pension Plan and the Supplemental Retirement Plans;

(iv) a separate lump-sum equal to the greater of (1) the supplemental matching contribution account described in Paragraph 1(c) of Annex A that the Executive would have been entitled to had his employment continued at the compensation level provided for in Sections 5(a) and 5(b) of this Agreement for three years and assuming that the Executive made After Tax Contributions (within the meaning of the NextEra Energy Employee Retirement Savings Plan or any successor plan thereto (the "Retirement Savings Plan")) and Pretax Contributions (within the meaning of the Retirement Savings Plan) to the Retirement Savings Plan at the highest permissible rate (disregarding any limitations imposed by the Code) following the Date of Termination, or (2) the difference between (x) the value of the Company Account (as defined in the Retirement Savings Plan) and any other matching contribution accounts (including, but not limited to the Supplemental Matching Contribution Account (as defined in the SERP)) under the Supplemental Retirement Plans (other than the Payment in Lieu of Lost Future Benefits described in Annex A) which the Executive would receive if (A) the Executive's employment continued at the compensation level provided for in Sections 5(a) and 5(b) of this Agreement for three years, (B) the Executive made pre- and after-tax contributions at the highest permissible rate (disregarding any limitations imposed by the Code, which may or may not be set forth in the Retirement Savings Plan) for three years, (C) the Company Account and the matching contribution accounts are fully vested, and (D) the matching contribution formulas are no less advantageous to the Executive than those in effect during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time during the remainder of the Employment Period with respect to other peer executives of the Company and its Affiliated Companies, and (y) the actual value of the Executive's Company Account and matching contribution accounts (paid or payable), if any, under the Retirement Savings Plan and the Supplemental Retirement Plans; and

(v) if the Change of Control hereunder is also a "change in ownership," a "change in effective control" or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Code Section 409A, any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) including, without limitation, compensation, bonus, incentive compensation or awards deferred under the NextEra Energy, Inc. Deferred Compensation Plan or incentive compensation or awards deferred under the FPL Group, Inc. Long-Term Incentive Plan of 1985, the FPL Group, Inc. Long-Term Incentive Plan of 1994, or pursuant to any individual deferral agreement; provided that, for the avoidance of doubt, if the Change of Control hereunder is not any such event within the meaning of Code Section 409A, payment of the foregoing amounts shall be made as soon practicable consistent with Code Section 409A;

(2) the Company shall provide the Executive, if such termination occurs prior to the first anniversary of the Change of Control, with the vested and earned awards that the Executive would

have received pursuant to Section 6(b) hereof had the Executive remained employed to the first anniversary of the Change of Control;

(3) Subject to the provisions of this paragraph (3):

(A) a pro rata portion of each outstanding performance stock-based award granted to the Executive on or after the date of the Change of Control shall be fully vested and earned at a deemed achievement level equal to the higher of (x) the targeted level of performance for such award or (y) the average level (expressed as a percentage of target) of achievement in respect of similar performance stock-based awards which matured over the three fiscal years immediately preceding the year in which the Change of Control occurred; and

(B) a pro rata portion of each other outstanding stock-based award granted to the Executive on or after the date of the Change of Control shall be fully vested and earned;

(C) a pro rata portion of each outstanding option, stock appreciation right, and other award in the nature of a right that may be exercised that was granted to the Executive on or after the date of the Change of Control and which was not previously exercisable and vested shall become fully exercisable and vested; and

(D) the restrictions and forfeiture conditions applicable to any outstanding award granted to the Executive on or after the date of the Change of Control under an incentive compensation plan, practice, policy or program shall lapse and a pro rata portion of such award shall be deemed fully vested and earned.

In determining the pro rata portion of an award that shall become fully vested and earned or fully vested and exercisable pursuant to this paragraph (3), an Executive shall be deemed to have remained employed to the end of the Employment Period (determined without regard to his earlier termination of employment). Anything to the contrary notwithstanding, an award shall not become vested and earned or vested and exercisable hereunder (and instead shall be cancelled) to the extent that pursuant to Section 6 or Section 8(a)(2) hereof, a similar predecessor award in respect of the same performance or vesting period shall have become vested and earned, shall have become vested and exercisable or shall have been paid. Payment in respect of the underlying awards described in subparagraphs (A), (B) and (D) hereof shall be made in the shares to which such awards relate if such shares are then admitted for trading on a national securities exchange or are then admitted for quotation on a national quotation system as soon as practicable following the Date of Termination, but in no event later than the 15th day of the third month following the end of the first taxable year in which the right to such payment arises. If such shares are not so admitted, payment in respect of the underlying awards described in subparagraphs (A), (B) and (D) hereof shall be made in cash based on the fair market value of the shares (as determined by the board of directors of the issuer of such shares in good faith) to which such awards relate. Any portion of an award that does not become vested and earned or vested and exercisable pursuant to this paragraph (3) shall be cancelled as of the Date of Termination.

(4) for a three year period commencing on the Date of Termination (the "Continuation Period"), or such longer period as any plan, program, practice or policy may provide, the Company shall continue benefits to the Executive and/or the Executive's family at least equal to those which would have been provided to them in accordance with the plans, programs, practices and policies described in Sections 5(e) and 5(g) of this Agreement if the Executive's employment had not been terminated, in accordance with the most favorable plans, practices, programs or policies of the Company and its Affiliated Companies applicable generally to other peer executives and their families during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its Affiliated Companies and their families, provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive medical or other welfare benefits under another employer provided plan, the medical and other welfare benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility. For purposes of determining eligibility of the Executive for retiree benefits pursuant to such plans, practices, programs and policies, the Executive shall be considered to have remained employed until the end of the Continuation Period and to have retired on the last day of such period. In addition to, and notwithstanding anything to the contrary in, the foregoing provisions of this paragraph (4), and to the extent that the benefit referred to in this sentence is more favorable to the Executive than the benefit conferred by the foregoing provisions of this paragraph (4), upon termination of employment, the Executive shall be entitled without limitation as to period to enroll in Access Only Benefits, as defined in the Retiree Benefits Plan for Employees of NextEra Energy, Inc., as amended and restated effective January 1, 2008 (the "Retiree Benefits Plan"), or in a comparable medical benefits arrangement, if the Executive satisfies the eligibility requirements as stated in Appendix B to the Retiree Benefits Plan as in effect as of December 12, 2008, even if Access Only Benefits, or comparable medical benefits, are no longer being provided to other employees of the Company; provided, that such medical benefits shall be provided to the Executive to the extent that such coverage is available under the Company's health, dental and vision plans or can be obtained on commercially reasonable terms;

(5) for the remainder of the Continuation Period and to the extent previously paid for or provided by the Company or its Affiliated Companies, the Company shall continue to provide the following, consistent with the Company's Expense Reimbursement Policy, which is intended to comply with the requirements of Code Section 409A and Treasury Regulation Section 1.409A-3(i)(1)(iv):

(A) social and business club memberships to the Executive (as in effect immediately prior to the Date of Termination);

(B) use, maintenance, insurance, and repair of the company car that is in the possession of the Executive, until the earlier of the end of the lease term or the end of the Continuation Period, at which time the Executive may purchase such car (in accordance with the Company's then-existing executive car program). The Company shall replace the company car in the Executive's possession on the Effective Date with a new company car at such time(s) as provided under the Company car policy applicable to other peer executives, but in no case less frequently than the Company car policy in effect during the 90-day period immediately preceding the Effective Date;

(C) up to $15,000 annually for personal financial planning, accounting and legal advice;

(D) communication equipment such as a car and/or cellular phone, and home or laptop computer until the end of the Continuation Period, at which time the Executive may purchase such equipment;

(E) security system at the Executive's residence, and the related monitoring and maintenance fees; and

(F) up to $800 annually for personal excess liability insurance coverage;

To the extent that any of these benefits is determined to be deferred compensation subject to Code Section 409A (and ineligible for any exception from the application of Code Section 409A), payment shall not be made prior to, and shall, if necessary, be deferred to and paid (with interest using 120% of the applicable federal long-term rate, with compounding, as prescribed under Code Section 1274(d)) on the first day of the seventh month following the date on which the Executive experiences a separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)).

(6) to the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive pursuant to this Agreement or otherwise under any plan, program, policy or practice or contract or agreement of the Company and its Affiliated Companies, but excluding solely for purposes of this Section 8(a)(6) (and subsequent sections hereof which make reference to payments of amounts or benefits described in this Section 8(a)(6)) amounts waived by the Executive pursuant to Section 8(a)(1)(ii); and

(7) the Company shall provide the Executive with the following benefits consistent with the Company's Expense Reimbursement Policy, which is intended to comply with the requirements of Code Section 409A and Treasury Regulation Section 1.409A-3(i)(1)(iv):

(A) If the Executive is required to move his primary residence in order to pursue other business opportunities during the Continuation Period, the Company shall reimburse the Executive for all such relocation expenses incurred during the Employment Period (not in excess of $10,000) that are not reimbursed by another employer, including, without limitation, assistance in selling the Executive's home and all other assistance and benefits that were customarily provided by the Company to transferred executives prior to the Effective Date;

(B) If the Executive retains counsel or an accounting firm in connection with the taxation of payments made pursuant to Section 11 of this Agreement, the Company shall reimburse the Executive for such reasonable legal and/or accounting fees and disbursements (not in excess of $15,000);

(C) The Company shall continue to pay the Executive's Annual Base Salary during the pendency of a dispute over his termination. However,

such amounts shall not be paid to the Executive prior to, and shall, if necessary, be deferred to and paid (with interest at 120% of the applicable federal long-term rate, with compounding as prescribed under Code Section 1274(d)) on the first day of the seventh month following the date on which the Executive experiences a separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)). Amounts paid under this subsection are in addition to all other amounts due under this Agreement (other than those due under Section 5(a) hereof) and shall not be offset against or reduce any other amounts due under this Agreement; and

(D) The Company shall provide the Executive with outplacement services commensurate with those provided to terminated executives of comparable level made available through and at the facilities of a reputable and experienced vendor.

Notwithstanding the foregoing, the benefits described in paragraphs (A),(B) and (D) above are limited to expenses incurred no later than the end of the second calendar year following the Executive's termination, and the reimbursements will be made timely upon receipt of the Executive's request for payment (but in no event later than the third year following such termination).

(b) Following An Effective Date and Prior to a Change of Control: Good Reason; Other Than for Cause or Disability. If, following an actual Effective Date (i.e., not a Deemed Effective Date) and prior to a Change of Control, the Company terminates the Executive's employment during the Employment Period other than for Cause or Disability or death or the Executive terminates employment for Good Reason, then:

(1) the Company shall provide the Executive with the payments and benefits described under Sections 8(a)(1), (4), (5), (6) and (7);

(2) the Company shall provide the Executive with the benefits the Executive would have received under Section 6(a) hereof as if a Change of Control had occurred immediately prior to the Date of Termination, except that, for purposes of Section 6(a)(1), (i) 100% of each outstanding performance stock-based award granted to the Executive which is outstanding immediately prior to the Date of Termination shall become fully vested and earned and (ii) payment shall be made in the form contemplated by the terms of the award.

(c) Deemed Effective Date. If the Executive's employment terminates under circumstances described in the second sentence of Section 1 hereof, then:

(1) the Company shall provide the Executive with the payments and benefits described under Sections 8(a)(1), (4), (5), (6) and (7); and

(2) a pro rata portion of each outstanding performance stock-based award granted to the Executive shall be fully vested and earned at a deemed achievement level equal to the higher of (x) the targeted level of performance for such award or (y) the average level (expressed as a percentage of target) of achievement in respect of similar performance stock-based awards which matured over the three fiscal years immediately preceding the year in which the Date of Termination occurs; payment in

respect of such award shall be made at the time and in the manner provided under the plan pursuant to which such award was granted; and the remainder of the award shall be cancelled, subject, however, to the provisions of this paragraph (c);

(3) a pro rata portion of each other outstanding stock-based award granted to the Executive shall be fully vested and earned; payment in respect of such award shall be made at the time and in the manner provided under the plan pursuant to which such award was granted; and the remainder of the award shall be cancelled, subject, however, to the provisions of this paragraph (c);

(4) a pro rata portion of each outstanding option, stock appreciation right, and each other outstanding award in the nature of a right that may be exercised that was granted to the Executive and which was not previously exercisable and vested shall become fully exercisable and vested; and the remainder of each such award shall be cancelled, subject, however, to the provisions of this paragraph (c); and

(5) the restrictions and forfeiture conditions applicable to a pro rata portion of any outstanding award granted to the Executive under an incentive compensation plan, practice, policy or program shall lapse; such portion shall be deemed fully vested; and the remainder of each such award shall be cancelled, subject, however, to the provisions of this paragraph (c).

For purposes of this Section 8 (c), pro ration of the foregoing awards shall be determined in accordance with the past practice of the Company generally applicable to peer executives whose employment had been involuntarily terminated.

Notwithstanding cancellation of awards hereunder, if a Change of Control occurs following the Date of Termination and the Board determines in good faith prior to the Change of Control that there is a reasonable relationship between the Change of Control and the events or circumstances surrounding the Executive's termination, then the Company shall pay to the Executive, on the 60th day following the Change of Control, a lump sum cash amount (determined by the Board in good faith) which, when added to the value received by the Executive under the provisions of clauses (2)-(5) above, will provide to Executive an aggregate value equal to the aggregate value that would have been provided to the Executive under Section 6(a) and Section 8(a)(2) hereof had the Executive remained employed to the date of the Change of Control and been involuntarily terminated without Cause immediately thereafter.

Notwithstanding anything in Section 8(b) or in this Section 8(c) to the contrary, if (A) the Executive was at any time during a Performance Period which has not ended prior to the Date of Termination, a "Covered Employee" as defined by Code Section 162(m) and (B) Code Section 162(m) remains in effect as of the Date of Termination and as of such date is applicable to the element of compensation (including, without limitation, annual cash bonus, performance shares and restricted stock) contemplated for payment or vesting, in each case, as described in Section 8(b) or in this Section 8(c), no such element of compensation to which the Executive shall otherwise be entitled pursuant to Section 8(b) or this Section 8(c) that is intended to constitute and, in the opinion of a nationally reputable law firm having significant experience with Code Section 162(m), absent the Executive's termination, would have constituted, qualified performance-based compensation for purposes of Code Section 162(m) (assuming, solely for this purpose, that the Corporate Performance

Objective to which the payment or vesting of such element of compensation is subject had been achieved) shall be paid or shall vest unless and until the earlier of (i) the date on which a Change of Control occurs, but only if such delay in payment or vesting of such element of compensation is necessary for prior payments or vesting of compensation to or for the benefit of the Executive to continue to constitute qualified performance-based compensation for purposes of Code Section 162(m), or (ii) the date on which the Compensation Committee of the Board shall have certified achievement of the Corporate Performance Objective to which the payment or vesting of such element of compensation is subject, but only if such delay in payment or vesting of such element of compensation is necessary for prior payments or vesting of compensation to or for the benefit of the Executive to continue to constitute qualified performance-based compensation for purposes of Code Section 162(m). For purposes of this Section 8(c), "Performance Period" means a period of service for which the Compensation Committee of the Board has established a Corporate Performance Objective and for which the Company intends to pay qualified performance-based compensation for purposes of Code Section 162(m) if such Corporate Performance Objective is achieved.

(d) Death. Upon the Executive's death during the Employment Period, this Agreement shall terminate without further obligations to the Executive's legal representatives under this Agreement, other than for payment of Accrued Obligations, the Payment in Lieu of Lost Future Benefits described in Annex A, and the timely payment or provision of the benefits described in Sections 8(a)(4) and 8(a)(6) (the "Other Benefits"). All Accrued Obligations shall be paid to the Executive's estate or beneficiary, as applicable, in a lump sum in cash within 30 days of the Date of Termination. The Payment in Lieu of Lost Future Benefits shall be paid to the Executive's Beneficiary (within the meaning of the SERP) under the terms set forth in, and pursuant to the elections made under, the SERP. The term "Other Benefits" as utilized in this Section 8(d) shall include, without limitation, and the Executive's family shall be entitled to receive, benefits at least equal to the most favorable benefits provided by the Company and any of its Affiliated Companies to surviving families of peer executives of the Company and such Affiliated Companies under such plans, programs, practices and policies relating to family death benefits, if any, as in effect with respect to other peer executives and their families at any time during the 90-day period immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect on the date of the Executive's death with respect to other peer executives of the Company and its Affiliated Companies and their families.

(e) Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations to the Executive, other than for payment of Accrued Obligations, the Payment in Lieu of Lost Future Benefits described in Annex A, and the timely payment or provision of Other Benefits (as defined in Section 8(d)). All Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. The Payment in Lieu of Lost Future Benefits shall be paid to the Executive or his Beneficiary (within the meaning of the SERP), as the case may be, under the terms set forth in, and pursuant to the elections made under, the SERP. The term "Other Benefits" as utilized in this Section 8(e) shall also include, and the Executive shall be entitled after the Disability Effective Date to receive, disability and other benefits at least equal to the most favorable of those generally provided by the Company and its Affiliated Companies to disabled executives and/or their families in accordance with such plans, programs, practices and policies relating to disability, if any, as in effect generally with respect to other peer executives and their families at any time during the 90-day period

immediately preceding the Effective Date or, if more favorable to the Executive and/or the Executive's family, as in effect at any time thereafter generally with respect to other peer executives of the Company and its Affiliated Companies and their families.

(f) Cause; Other Than for Good Reason. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations to the Executive other than the obligation to pay to the Executive Annual Base Salary through the Date of Termination plus the amount of any compensation previously deferred by the Executive (under the terms set forth in, and pursuant to the elections made under, the applicable deferred compensation plan or arrangement), in each case to the extent theretofore unpaid. If the Executive terminates employment during the Employment Period, excluding a termination for Good Reason, this Agreement shall terminate without further obligations to the Executive, other than for Accrued Obligations, the Payment in Lieu of Lost Future Benefits, if any, described in Annex A to the extent the Executive is vested in his benefits under the Pension Plan, and the timely payment or provision of benefits pursuant to the last sentence of Section 8(a)(4) and Section 8(a)(6). In such case, all Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. The Payment in Lieu of Lost Future Benefits, if any, shall be paid to the Executive or his Beneficiary (within the meaning of the SERP), as the case may be, under the terms set forth in, and pursuant to the elections made under, the SERP.

(g) Payment Schedule. Notwithstanding anything to the contrary in this Agreement, to the extent required to comply with Code Section 409A(a)(2)(B), (i) if the Executive's termination of employment does not constitute a "separation from service" within the meaning of Code Section 409A, any taxable payment or benefit which becomes due under this Agreement as a result of such termination of employment shall be deferred to the earliest date on which the Executive has a "separation from service" within the meaning of Code Section 409A; and (ii) if the Executive is deemed to be a "specified employee" for purposes of Code Section 409A(a)(2)(B), payments due to him that would otherwise have been payable at any time during the six-month period immediately following separation from service (as defined for purposes of Code Section 409A) shall not be paid prior to, and shall instead be payable in a lump sum as soon as practicable following, the expiration of such six-month period. Any amounts deferred under this Section 8(g) shall bear interest from the date originally scheduled to be paid through and including the date of actual payment at 120% of the applicable federal long-term rate (as prescribed under Code Section 1274(d)) per annum, compounded quarterly. In addition to the foregoing, payments that are or become due on account of a Deemed Effective Date shall be made at the time otherwise provided in this Agreement or, if later, the earlier of the second anniversary of the Date of Termination and the date of occurrence of a "change of control" (within the meaning of Code Section 409A and the regulations thereunder).

9. Non-Exclusivity of Rights.

Except as otherwise expressly provided for in this Agreement, nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its Affiliated Companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its Affiliated Companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice

or program of or any contract or agreement with the Company or any of its Affiliated Companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement and consistent with Code Section 409A.

10. Full Settlement.

The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and, except as otherwise expressly provided for in this Agreement, such amounts shall not be reduced whether or not the Executive obtains other employment. The Company agrees to pay, to the fullest extent permitted by law (but only to the extent consistent with Code Section 409A), all legal fees and expenses which the Executive may reasonably incur at all stages of proceedings, including, without limitation, preparation and appellate review, as a result of any contest (regardless of whether formal legal proceedings are ever commenced and regardless of the outcome thereof) by the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Code Section 7872(f)(2)(A).

11. Parachute Payments.

(a) Anything in any section of this Agreement other than this Section 11 to the contrary notwithstanding, in the event it shall be determined that any Payment (as hereinafter defined) would be subject to the Excise Tax (as hereinafter defined), the right to receive any Payment under this Agreement shall be reduced if but only if:

(i) such right to such Payment, taking into account all other Payments to or for Participant, would cause any Payment to the Participant under this Agreement to be considered a "parachute payment" within the meaning of Section 280G(b)(2) of the Code as then in effect; and

(ii) as a result of receiving a parachute payment and paying any applicable tax (including Excise Tax) thereon, the aggregate after-tax amounts received by the Participant from the Company under this Agreement and all Payments would be less than the maximum after-tax amount that could be received by Participant without causing any such Payment to be considered a parachute payment.

In the event that the receipt of any such right to Payment under this Agreement, in conjunction with all other Payments, would cause the Participant to be considered to have received a parachute payment under this Agreement that would have the effect of decreasing the after-tax amount received by the Participant as described in clause (ii) of the preceding sentence, then the amounts payable under this Agreement shall be reduced so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount.

To the extent that the payment of any compensation or benefits to Executive from the Company is required to be reduced by this Section 11, such reduction shall be implemented by determining the "Parachute Payment Ratio" (as hereinafter defined) for each parachute payment and then reducing the parachute payments in order beginning with the parachute payment with the highest Parachute Payment Ratio. For parachute payments with the same Parachute Payment Ratio, such parachute payments shall be reduced based on the time of payment of such parachute payments, with amounts having later payment dates being reduced first. For parachute payments with the same Parachute Payment Ratio and the same time of payment, such parachute payments shall be reduced on a pro rata basis (but not below zero) prior to reducing parachute payments with a lower Parachute Payment Ratio.

(b) Definitions. The following terms shall have the following meanings for purposes of this Section 11.

(i) "Excise Tax" shall mean the excise tax imposed by Section 4999 of the Code, together with any interest or penalties imposed with respect to such excise tax.

(ii) "Parachute Payment Ratio" shall mean a fraction the numerator of which is the value of the applicable parachute payment for purposes of Section 280G of the Code and the denominator of which is the intrinsic value of such parachute payment.

(iii) "Parachute Value" of a Payment shall mean the present value as of the date of the change of control for purposes of Section 280G of the Code of the portion of such Payment that constitutes a "parachute payment" under Section 280G(b)(2), as determined for purposes of determining whether and to what extent the Excise Tax will apply to such Payment.

(iv) A "Payment" shall mean any payment or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Executive, whether paid or payable pursuant to this Agreement or otherwise.

(v) The "Safe Harbor Amount" means 2.99 times the Executive's "base amount," within the meaning of Section 280G(b)(3) of the Code.

12. Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its Affiliated Companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its Affiliated Companies and which shall not be or become public knowledge (other than by acts of the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this Section 12 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

13. Indemnification. The Company will, to the fullest extent permitted by law, indemnify the Executive in accordance with the terms of Article VI of the Company's bylaws as in effect on the

date hereof, a copy of which Article VI is attached to this Agreement as Annex B and made a part hereof by this reference. This indemnification provision shall survive the expiration or other termination of this Agreement.

14. Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive other than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

15. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified other than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

John W. Ketchum
[Home Address]

If to the Company:

NextEra Energy, Inc.
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Chairman & Chief Executive Officer

or such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The Company may withhold from any amounts payable under this Agreement such Federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) The Executive's or the Company's failure to insist upon strict compliance with any provision hereof or any other provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section 7(c)(1)-(5) of this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(f) The Executive and the Company acknowledge that, except as may otherwise be provided under this Agreement or any other written agreement between the Executive and the Company, the employment of the Executive by the Company is "at will" and, prior to the Effective Date, the Executive's employment may be terminated by either the Executive or the Company at any time. Moreover, except as provided herein in the case of a Deemed Effective Date, if prior to the Effective Date, (i) the Executive's employment with the Company terminates, or (ii) there is a diminution in the Executive's position (including status, offices, titles, and reporting requirements), authority, duties, and responsibilities with the Company or its Affiliated Companies, then the Executive shall have no rights under this Agreement. From and after the Effective Date, this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof, and in furtherance but not in limitation of this, the Executive hereby waives the right to receive any amount of severance relating to salary or bonus continuation to be received by the Executive upon termination of employment of the Executive under the circumstances contemplated hereby under any severance plan, policy or arrangement of the Company.

(g) The Executive and the Company acknowledge that this Agreement contains the full and complete expression of the rights and obligations of the parties with respect to the matters contained in the Agreement. This Agreement supersedes any and all other agreements, written or oral, made by the parties with respect to the matters contained in the Agreement.

Notwithstanding anything herein to the contrary, and except in the case of death, it shall be a condition to the Executive receiving any payments or benefits under this Agreement that the Executive shall have (a) executed and delivered to the Company a release of claims against the Company, such release to be in the Company's then standard form of release; and (b) executed and delivered to the Company resignations of all officer and director positions the Executive holds with the Company or its Affiliated Companies, in each case no later than forty-five (45) days after the Date of Termination unless there is a genuine dispute as to the Executive's substantive rights under this Agreement within the meaning of Treasury Regulation 1.409A-3(g) (or any successor provision). If the Executive's

timing of the delivery of the release of claims in accordance with this paragraph could result in the payments that are treated as deferred compensation under Code Section 409A either being paid in the then current calendar year or the calendar year following the Executive's Date of Termination, then, notwithstanding any contrary provision of this Agreement, the affected payments instead shall automatically and mandatorily be paid in the calendar year following the calendar year in which the Date of Termination occurs.

The Executive and the Company acknowledge that the benefits and payments provided under this Agreement are intended to comply fully with the requirements of Code Section 409A. This Agreement shall be construed and administered as necessary to comply with Code Section 409A and shall be subject to amendment in the future, in such a manner as the Company may deem necessary or appropriate to attain compliance; provided, however, that any such amendment shall provide the Executive with benefits and payments that are substantially economically equivalent to the benefits and payments that would have been made to the Executive absent such amendment and the requirements of Code Section 409A.

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and the Company has caused Executive Retention Employment Agreement to be executed in its name on its behalf, all as of March 4, 2016.

EXECUTIVE

By JOHN W. KETCHUM
John W. Ketchum

NEXTERA ENERGY, INC.

By JAMES L. ROBO
James L. Robo
Chairman and Chief Executive Officer

ANNEX A
TO THE
EXECUTIVE RETENTION EMPLOYMENT AGREEMENT

PAYMENT IN LIEU OF LOST FUTURE BENEFITS

(1) Payment in Lieu of Lost Future Benefits.

(a) In General. The Payment in Lieu of Lost Future Benefits to which the Executive shall be entitled under this Agreement shall be (i) the supplemental pension benefit described in Paragraph 1(b) of this Annex A, and (ii) the supplemental matching contribution account described in Paragraph 1(c) of this Annex A.

(b) Supplemental Pension Benefit. The "supplemental pension benefit" shall be the greater of (i) the supplemental cash balance accrued benefit described in Paragraph 1(b)(1) of this Annex A, or (ii) the supplemental unit credit accrued benefit described in Paragraph 1(b)(2) of this Annex A.

(1) The "supplemental cash balance accrued benefit" is the difference, if any, between (A) and (B) where:

(A) is the benefit to which the Executive would be entitled under the Pension Plan as in effect immediately prior to the Change of Control or, if more favorable to the Executive, as in effect generally at any time thereafter during the Employment Period with respect to other peer executives of the Company and its Affiliated Companies, expressed in the normal form of benefit, if such benefit was computed (i) as if benefits under such plan were based upon the Executive's Bonus Compensation (within the meaning of the SERP as in effect immediately prior to the Change of Control), (ii) without the annual compensation limitation imposed by Code Section 401(a)(17), and (iii) without the restrictions or the limitations imposed by Code Section 415(b); and

(B) is the sum of the benefits payable to the Executive under the Pension Plan and the Supplemental Retirement Plans, expressed in the normal form of benefit.

(2) The "supplemental unit credit accrued benefit" is the difference, if any, between (A) and (B) where:

(A) is the benefit to which the Executive would be entitled under the Prior Pension Plan (within the meaning of the Supplemental Retirement Plans as in effect immediately prior to the Change of Control) (provided that the Executive was actually a

participant in the Prior Pension Plan), expressed in the normal form of benefit, if such benefit was computed (i) as if benefits under such plan were based upon the Executive's Bonus Compensation, (ii) without the annual compensation limitation imposed by Code Section 401(a)(17), and (iii) without the restrictions or the limitations imposed by Code Section 415(b); and

(B) is the sum of the benefits payable to the Executive under the Pension Plan and the Supplemental Retirement Plans, expressed in the normal form of benefit.

(c) Supplemental Matching Contribution Account. The "supplemental matching contribution account" shall be an account that is credited annually with (i) supplemental matching contributions described in Paragraph 1(c)(1) of this Annex A, and (ii) theoretical earnings described in Paragraph 1(c)(2) of this Annex A.

(1) "Supplemental matching contributions" shall be for each year ending on or prior to the Effective Date in which the Executive participated in the Supplemental Retirement Plans and for each year ending after the Effective Date in which the Executive performs services for the Company or its Affiliated Companies the difference, if any, between (A) and (B) where:

(A) is the matching contribution allocation for such year to which the Executive would be entitled under the Retirement Savings Plan as in effect immediately prior to the Change of Control or, if more favorable to the Executive, as in effect generally at any time thereafter during the Employment Period with respect to other peer executives of the Company and its Affiliated Companies if such allocation were computed (i) as if the matching contribution allocation under such plan was based upon the Executive's Bonus Compensation, (ii) without the annual compensation limitation imposed by Code Section 401(a)(17), (iii) without the restrictions or the limitations imposed by Code Section 415(c), and (iv) as if he made After Tax Contributions (within the meaning of the Retirement Savings Plan) and Pretax Contributions (within the meaning of the Retirement Savings Plan) at the same percentage of Bonus Compensation as he made such contributions to the Retirement Savings Plan for such years; and

(B) is the sum of the matching contributions allocated or credited to the Executive under the Retirement Savings Plan and the Supplemental Retirement Plans for such year.

(2) "Theoretical earnings" shall be the income, gains and losses which would have been credited on the Executive's supplemental matching contribution account balance if such account were invested in the Company Stock Fund

(within the meaning of the Retirement Savings Plan) offered as a part of the Retirement Savings Plan.

(2) Construction and Definitions.

Unless defined below or otherwise in this Annex A, all of the capitalized terms used in this Annex A shall have the meanings assigned to them in this Agreement:

(a) "Projected Years of Service" shall mean the Years of Service (within the meaning of the SERP as in effect immediately prior to the Change of Control). Notwithstanding the foregoing and except in the event the Executive terminates employment during the Employment Period other than for Good Reason, in determining the Executive's Years of Service, in addition to his actual Years of Service he shall be treated as if his employment terminated on the later of the second anniversary of the Date of Termination or the last day of the Employment Period.

(b) "Projected Age" shall mean the age that the Executive will have attained on the later of the second anniversary of the Date of Termination or the last day of the Employment Period, except that in the event the Executive terminates employment during the Employment Period other than for Good Reason, "Projected Age" shall mean the age of the Executive on the Date of Termination.

ANNEX B
TO THE
EXECUTIVE RETENTION EMPLOYMENT AGREEMENT

NEXTERA ENERGY, INC. AMENDED AND RESTATED BYLAWS

ARTICLE VI. INDEMNIFICATION/ADVANCEMENT OF EXPENSES

Section 1. Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or was or is called as a witness or was or is otherwise involved in any Proceeding in connection with his or her status as an Indemnified Person, shall be indemnified and held harmless by the Company to the fullest extent permitted under the Florida Business Corporation Act (the "Act"), as the same now exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than the Act permitted the Company to provide prior to such amendment). Such indemnification shall cover all expenses incurred by an Indemnified Person (including, but not limited to, attorneys' fees and other expenses of litigation) and all liabilities and losses (including, but not limited to, judgments, fines, ERISA or other excise taxes or penalties and amounts paid or to be paid in settlement) incurred by such person in connection therewith.

Notwithstanding the foregoing, except with respect to indemnification specified in Section 3 of this Article VI, the Company shall indemnify an Indemnified Person in connection with a Proceeding (or part thereof) initiated by such person only if authorization for such Proceeding (or part thereof) was not denied by the board of directors of the Company prior to 60 days after receipt of notice thereof from such person.

For purposes of this Article VI:

(i) a "Proceeding" is an action, suit or proceeding, whether civil, criminal, administrative or investigative, and any appeal therefrom;

(ii) an "Indemnified Person" is a person who is, or who was (whether at the time the facts or circumstances underlying the Proceeding occurred or were alleged to have occurred or at any other time), (A) a director or officer of the Company, (B) a director, officer or other employee of the Company serving as a trustee or fiduciary of an employee benefit plan of the Company, (C) an agent or non-officer employee of the Company as to whom the Company has agreed to grant such indemnity, or (D) serving at the request of the Company in any capacity with any entity or enterprise other than the Company and as to whom the Company has agreed to grant such indemnity.

Section 2. Expenses. Expenses, including attorneys' fees, incurred by an Indemnified Person in defending or otherwise being involved in a Proceeding in connection with his or her status as an Indemnified Person shall be paid by the Company in advance of the final disposition

of such Proceeding, including any appeal therefrom, (i) in the case of (A) a director or officer, or former director or officer, of the Company or (B) a director, officer or other employee, or former director, officer or other employee, of the Company serving as a trustee or fiduciary of any employee benefit plan of the Company, upon receipt of an undertaking ("Undertaking") by or on behalf of such person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Company; or (ii) in the case of any other Indemnified Person, upon such terms and as the board of directors, the chairman of the board or the president of the Company deems appropriate.

Notwithstanding the foregoing, in connection with a Proceeding (or part thereof) initiated by such person, except a Proceeding authorized by Section 3 of this Article VI, the Company shall pay said expenses in advance of final disposition only if authorization for such Proceeding (or part thereof) was not denied by the board of directors of the Company prior to 60 days after receipt of a request for such advancement accompanied by an Undertaking.

A person to whom expenses are advanced pursuant to this Section 2 shall not be obligated to repay such expenses pursuant to an Undertaking until the final determination of any pending Proceeding in a court of competent jurisdiction concerning the right of such person to be indemnified or the obligation of such person to repay pursuant to such Undertaking.

Section 3. Protection of Rights. If a claim for indemnification under Section 1 of this Article VI is not promptly paid in full by the Company after a written claim has been received by the Company or if expenses pursuant to Section 2 of this Article VI have not been promptly advanced after a written request for such advancement accompanied by an Undertaking has been received by the Company (in each case, except if authorization thereof was denied by the board of directors of the Company as provided in Article VI, Section 1 and Section 2, as applicable), the Indemnified Person may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim or the advancement of expenses. If successful, in whole or in part, in such suit, such Indemnified Person shall also be entitled to be paid the reasonable expense thereof. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the required Undertaking has been tendered to the Company) that indemnification of the Indemnified Person is prohibited by law, but the burden of proving such defense shall be on the Company. Neither the failure of the Company (including its board of directors, independent legal counsel, or its shareholders) to have made a determination, if required, prior to the commencement of such action that indemnification of the Indemnified Person is proper in the circumstances, nor an actual determination by the Company (including its board of directors, independent legal counsel, or its shareholders) that indemnification of the Indemnified Person is prohibited, shall be a defense to the action or create a presumption that indemnification of the Indemnified Person is prohibited.

Section 4. Miscellaneous.

(i) Power to Request Service and to Grant Indemnification. The chairman of the board or the president or the board of directors may request any director, officer, agent or employee of the Company to serve as its representative in the position of a director or officer (or in a substantially similar capacity) of an entity or enterprise other than the Company, and may grant to such person indemnification by the Company as described in Section 1 of this Article VI.

(ii) Non-Exclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Charter, bylaw, agreement, vote of shareholders or disinterested directors or otherwise. The board of directors shall have the authority, by resolution, to provide for such indemnification of employees or agents of the Company or others and for such other indemnification of directors, officers, employees or agents as it shall deem appropriate.

(iii) Insurance Contracts and Funding. The Company may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of or person serving in any other capacity with, the Company or another corporation, partnership, joint venture, trust or other enterprise (including serving as a trustee or fiduciary of any employee benefit plan) against any expenses, liabilities or losses, whether or not the Company would have the power to indemnify such person against such expenses, liabilities or losses under the Act. The Company may enter into contracts with any director, officer, agent or employee of the Company in furtherance of the provisions of this Article VI, and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect the advancing of expenses and indemnification as provided in this Article VI.

(iv) Contractual Nature. The provisions of this Article VI shall continue in effect as to a person who has ceased to be a director, officer, agent or employee and shall inure to the benefit of the heirs, executors and administrators of such person. This Article VI shall be deemed to be a contract between the Company and each person who, at any time that this Article VI is in effect, serves or served in any capacity which entitles him or her to indemnification hereunder and any repeal or other modification of this Article VI or any repeal or modification of the Act, or any other applicable law shall not limit any rights of indemnification with respect to Proceedings in connection with which he or she is an Indemnified Person, or advancement of expenses in connection with such Proceedings, then existing or arising out of events, acts or omissions occurring prior to such repeal or modification, including without limitation, the right to indemnification for Proceedings, and advancement of expenses with respect to such Proceedings, commenced after such repeal or modification to enforce this Article VI with regard to Proceedings arising out of acts, omissions or events arising prior to such repeal or modification.

(v) Savings Clause. If this Article VI or any portion hereof shall be invalidated or held to be unenforceable on any ground by any court of competent jurisdiction, the decision of which

shall not have been reversed on appeal, the Company shall nevertheless (A) indemnify each Indemnified Person as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement and (B) advance expenses in accordance with Section 2 of this Article VI, in each case with respect to any Proceeding in connection with which he or she is an Indemnified Person, including an action by or in the right of the Company, to the fullest extent permitted by any applicable portion of this Article VI that shall not have been invalidated or held to be unenforceable and as permitted by applicable law.

Exhibit 12(a)

NEXTERA ENERGY, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Three Months Ended March 31, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 637
Income taxes	259
Fixed charges included in the determination of net income, as below	531
Amortization of capitalized interest	9
Distributed income of equity method investees	21
Less equity in earnings of equity method investees	32
Total earnings, as defined	$ 1,425
Fixed charges, as defined:	
Interest expense	$ 509
Rental interest factor	15
Allowance for borrowed funds used during construction	7
Fixed charges included in the determination of net income	531
Capitalized interest	28
Total fixed charges, as defined	$ 559
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	2.55

(a) NextEra Energy, Inc. has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Three Months Ended March 31, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 393.1
Income taxes	233.8
Fixed charges, as below	122.3
Total earnings, as defined	$ 749.2
Fixed charges, as defined:	
Interest expense	$ 112.0
Rental interest factor	3.1
Allowance for borrowed funds used during construction	7.2
Total fixed charges, as defined	$ 122.3
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	6.13

(a) Florida Power & Light Company has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, James L. Robo, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended March 31, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended March 31, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and Chief Financial Officer
of NextEra Energy, Inc.

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Eric E. Silagy, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended March 31, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended March 31, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

Exhibit 32(a)

Section 1350 Certification

We, James L. Robo and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of NextEra Energy, Inc. (the registrant) for the quarterly period ended March 31, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: April 28, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and
Chief Financial Officer
of NextEra Energy, Inc.

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Eric E. Silagy and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of Florida Power & Light Company (the registrant) for the quarterly period ended March 31, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: April 28, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 3 (b)

Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **June 30, 2016**

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**NEXTERA ENERGY, INC.**	59-2449419
2-27612	**FLORIDA POWER & LIGHT COMPANY**	59-0247775

700 Universe Boulevard
Juno Beach, Florida 33408
(561) 694-4000

State or other jurisdiction of incorporation or organization: Florida

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

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months.

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants are a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934.

NextEra Energy, Inc.	Large Accelerated Filer ☑	Accelerated Filer ☐	Non-Accelerated Filer ☐	Smaller Reporting Company ☐
Florida Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-Accelerated Filer ☑	Smaller Reporting Company ☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ☐ No ☑

Number of shares of NextEra Energy, Inc. common stock, $0.01 par value, outstanding as of June 30, 2016: 461,972,920

Number of shares of Florida Power & Light Company common stock, without par value, outstanding as of June 30, 2016, all of which were held, beneficially and of record, by NextEra Energy, Inc.: 1,000

This combined Form 10-Q represents separate filings by NextEra Energy, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to NextEra Energy, Inc.'s other operations.

Florida Power & Light Company meets the conditions set forth in General Instruction H.(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

DEFINITIONS

Acronyms and defined terms used in the text include the following:

Term	Meaning
AFUDC	allowance for funds used during construction
AFUDC - equity	equity component of AFUDC
AOCI	accumulated other comprehensive income
capacity clause	capacity cost recovery clause, as established by the FPSC
Duane Arnold	Duane Arnold Energy Center
EPA	U.S. Environmental Protection Agency
FASB	Financial Accounting Standards Board
FERC	U.S. Federal Energy Regulatory Commission
Florida Southeast Connection	Florida Southeast Connection, LLC, a wholly owned NEER subsidiary
FPL	Florida Power & Light Company
FPL FiberNet	fiber-optic telecommunications business
FPSC	Florida Public Service Commission
fuel clause	fuel and purchased power cost recovery clause, as established by the FPSC
GAAP	generally accepted accounting principles in the U.S.
ITC	investment tax credit
kWh	kilowatt-hour(s)
Management's Discussion	Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
MMBtu	One million British thermal units
MW	megawatt(s)
MWh	megawatt-hour(s)
NEE	NextEra Energy, Inc.
NEECH	NextEra Energy Capital Holdings, Inc.
NEER	NextEra Energy Resources, LLC
NEET	NextEra Energy Transmission, LLC
NEP	NextEra Energy Partners, LP
NEP OpCo	NextEra Energy Operating Partners, LP
Note __	Note __ to condensed consolidated financial statements
NRC	U.S. Nuclear Regulatory Commission
O&M expenses	other operations and maintenance expenses in the condensed consolidated statements of income
OCI	other comprehensive income
OTC	over-the-counter
OTTI	other than temporary impairment
PTC	production tax credit
PV	photovoltaic
Recovery Act	American Recovery and Reinvestment Act of 2009, as amended
regulatory ROE	return on common equity as determined for regulatory purposes
Sabal Trail	Sabal Trail Transmission, LLC, an entity in which a wholly owned NEER subsidiary has a 42.5% ownership interest
Seabrook	Seabrook Station
SEC	U.S. Securities and Exchange Commission
U.S.	United States of America

NEE, FPL, NEECH and NEER each has subsidiaries and affiliates with names that may include NextEra Energy, FPL, NextEra Energy Resources, NextEra, FPL Group, FPL Group Capital, FPL Energy, FPLE and similar references. For convenience and simplicity, in this report the terms NEE, FPL, NEECH and NEER are sometimes used as abbreviated references to specific subsidiaries, affiliates or groups of subsidiaries or affiliates. The precise meaning depends on the context.

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FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, strategies, future events or performance (often, but not always, through the use of words or phrases such as may result, are expected to, will continue, is anticipated, aim, believe, will, could, should, would, estimated, may, plan, potential, future, projection, goals, target, outlook, predict and intend or words of similar meaning) are not statements of historical facts and may be forward looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could have a significant impact on NEE's and/or FPL's operations and financial results, and could cause NEE's and/or FPL's actual results to differ materially from those contained or implied in forward-looking statements made by or on behalf of NEE and/or FPL in this combined Form 10-Q, in presentations, on their respective websites, in response to questions or otherwise.

Regulatory, Legislative and Legal Risks

- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected by the extensive regulation of their business.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if they are unable to recover in a timely manner any significant amount of costs, a return on certain assets or a reasonable return on invested capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise.
- Regulatory decisions that are important to NEE and FPL may be materially adversely affected by political, regulatory and economic factors.
- FPL's use of derivative instruments could be subject to prudence challenges and, if found imprudent, could result in disallowances of cost recovery for such use by the FPSC.
- Any reductions to, or the elimination of, governmental incentives or policies that support utility scale renewable energy, including, but not limited to, tax incentives, renewable portfolio standards, feed-in tariffs or the EPA's final rule under Section 111(d) of the Clean Air Act, or the imposition of additional taxes or other assessments on renewable energy, could result in, among other items, the lack of a satisfactory market for the development of new renewable energy projects, NEER abandoning the development of renewable energy projects, a loss of NEER's investments in renewable energy projects and reduced project returns, any of which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected as a result of new or revised laws, regulations, interpretations or other regulatory initiatives.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if the rules implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act broaden the scope of its provisions regarding the regulation of OTC financial derivatives and make certain provisions applicable to NEE and FPL.
- NEE and FPL are subject to numerous environmental laws, regulations and other standards that may result in capital expenditures, increased operating costs and various liabilities, and may require NEE and FPL to limit or eliminate certain operations.
- NEE's and FPL's business could be negatively affected by federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions.
- Extensive federal regulation of the operations of NEE and FPL exposes NEE and FPL to significant and increasing compliance costs and may also expose them to substantial monetary penalties and other sanctions for compliance failures.
- Changes in tax laws, as well as judgments and estimates used in the determination of tax-related asset and liability amounts, could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected due to adverse results of litigation.

Operational Risks

- NEE's and FPL's business, financial condition, results of operations and prospects could suffer if NEE and FPL do not proceed with projects under development or are unable to complete the construction of, or capital improvements to, electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget.
- NEE and FPL may face risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements that may impede their development and operating activities.

- The operation and maintenance of NEE's and FPL's electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities are subject to many operational risks, the consequences of which could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be negatively affected by a lack of growth or slower growth in the number of customers or in customer usage.
- NEE's and FPL's business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather.
- Threats of terrorism and catastrophic events that could result from terrorism, cyber attacks, or individuals and/or groups attempting to disrupt NEE's and FPL's business, or the businesses of third parties, may materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- The ability of NEE and FPL to obtain insurance and the terms of any available insurance coverage could be materially adversely affected by international, national, state or local events and company-specific events, as well as the financial condition of insurers. NEE's and FPL's insurance coverage does not provide protection against all significant losses.
- NEE invests in gas and oil producing and transmission assets through NEER's gas infrastructure business. The gas infrastructure business is exposed to fluctuating market prices of natural gas, natural gas liquids, oil and other energy commodities. A prolonged period of low gas and oil prices could impact NEER's gas infrastructure business and cause NEER to delay or cancel certain gas infrastructure projects and for certain existing projects to be impaired, which could materially adversely affect NEE's results of operations.
- If supply costs necessary to provide NEER's full energy and capacity requirement services are not favorable, operating costs could increase and materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Due to the potential for significant volatility in market prices for fuel, electricity and renewable and other energy commodities, NEER's inability or failure to manage properly or hedge effectively the commodity risks within its portfolios could materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Sales of power on the spot market or on a short-term contractual basis may cause NEE's results of operations to be volatile.
- Reductions in the liquidity of energy markets may restrict the ability of NEE to manage its operational risks, which, in turn, could negatively affect NEE's results of operations.
- NEE's and FPL's hedging and trading procedures and associated risk management tools may not protect against significant losses.
- If price movements significantly or persistently deviate from historical behavior, NEE's and FPL's risk management tools associated with their hedging and trading procedures may not protect against significant losses.
- If power transmission or natural gas, nuclear fuel or other commodity transportation facilities are unavailable or disrupted, FPL's and NEER's ability to sell and deliver power or natural gas may be limited.
- NEE and FPL are subject to credit and performance risk from customers, hedging counterparties and vendors.
- NEE and FPL could recognize financial losses or a reduction in operating cash flows if a counterparty fails to perform or make payments in accordance with the terms of derivative contracts or if NEE or FPL is required to post margin cash collateral under derivative contracts.
- NEE and FPL are highly dependent on sensitive and complex information technology systems, and any failure or breach of those systems could have a material adverse effect on their business, financial condition, results of operations and prospects.
- NEE's and FPL's retail businesses are subject to the risk that sensitive customer data may be compromised, which could result in a material adverse impact to their reputation and/or the results of operations of the retail business.
- NEE and FPL could recognize financial losses as a result of volatility in the market values of derivative instruments and limited liquidity in OTC markets.
- NEE and FPL may be materially adversely affected by negative publicity.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected if FPL is unable to maintain, negotiate or renegotiate franchise agreements on acceptable terms with municipalities and counties in Florida.
- Increasing costs associated with health care plans may materially adversely affect NEE's and FPL's results of operations.
- NEE's and FPL's business, financial condition, results of operations and prospects could be negatively affected by the lack of a qualified workforce or the loss or retirement of key employees.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected by work strikes or stoppages and increasing personnel costs.

- NEE's ability to successfully identify, complete and integrate acquisitions is subject to significant risks, including, but not limited to, the effect of increased competition for acquisitions resulting from the consolidation of the power industry.
- NEP's acquisitions may not be completed and, even if completed, NEE may not realize the anticipated benefits of any acquisitions, which could materially adversely affect NEE's business, financial condition, results of operations and prospects.

Nuclear Generation Risks

- The construction, operation and maintenance of NEE's and FPL's nuclear generation facilities involve environmental, health and financial risks that could result in fines or the closure of the facilities and in increased costs and capital expenditures.
- In the event of an incident at any nuclear generation facility in the U.S. or at certain nuclear generation facilities in Europe, NEE and FPL could be assessed significant retrospective assessments and/or retrospective insurance premiums as a result of their participation in a secondary financial protection system and nuclear insurance mutual companies.
- NRC orders or new regulations related to increased security measures and any future safety requirements promulgated by the NRC could require NEE and FPL to incur substantial operating and capital expenditures at their nuclear generation facilities.
- The inability to operate any of NEER's or FPL's nuclear generation units through the end of their respective operating licenses could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- Various hazards posed to nuclear generation facilities, along with increased public attention to and awareness of such hazards, could result in increased nuclear licensing or compliance costs which are difficult or impossible to predict and could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's nuclear units are periodically removed from service to accommodate normal refueling and maintenance outages, and for other purposes. If planned outages last longer than anticipated or if there are unplanned outages, NEE's and FPL's results of operations and financial condition could be materially adversely affected.

Liquidity, Capital Requirements and Common Stock Risks

- Disruptions, uncertainty or volatility in the credit and capital markets may negatively affect NEE's and FPL's ability to fund their liquidity and capital needs and to meet their growth objectives, and can also materially adversely affect the results of operations and financial condition of NEE and FPL.
- NEE's, NEECH's and FPL's inability to maintain their current credit ratings may materially adversely affect NEE's and FPL's liquidity and results of operations, limit the ability of NEE and FPL to grow their business, and increase interest costs.
- NEE's and FPL's liquidity may be impaired if their credit providers are unable to fund their credit commitments to the companies or to maintain their current credit ratings.
- Poor market performance and other economic factors could affect NEE's defined benefit pension plan's funded status, which may materially adversely affect NEE's and FPL's business, financial condition, liquidity and results of operations and prospects.
- Poor market performance and other economic factors could adversely affect the asset values of NEE's and FPL's nuclear decommissioning funds, which may materially adversely affect NEE's and FPL's liquidity and results of operations.
- Certain of NEE's investments are subject to changes in market value and other risks, which may materially adversely affect NEE's liquidity, financial results and results of operations.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if its subsidiaries are unable to pay upstream dividends or repay funds to NEE.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if NEE is required to perform under guarantees of obligations of its subsidiaries.
- NEP may not be able to access sources of capital on commercially reasonable terms, which would have a material adverse effect on its ability to consummate future acquisitions and on the value of NEE's limited partner interest in NEP OpCo.
- Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of NEE's common stock.

These factors should be read together with the risk factors included in Part I, Item 1A. Risk Factors in NEE's and FPL's Annual Report on Form 10-K for the year ended December 31, 2015 (2015 Form 10-K), and investors should refer to that section of the 2015 Form 10-K. Any forward-looking statement speaks only as of the date on which such statement is made, and NEE and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances, including, but not limited to, unanticipated events, after the date on which such statement is made, unless otherwise required by law. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on

the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement.

Website Access to SEC Filings. NEE and FPL make their SEC filings, including the annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, available free of charge on NEE's internet website, www.nexteraenergy.com, as soon as reasonably practicable after those documents are electronically filed with or furnished to the SEC. The information and materials available on NEE's website (or any of its subsidiaries' websites) are not incorporated by reference into this combined Form 10-Q. The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC at www.sec.gov.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016 *	2015	**2016 ***	2015
OPERATING REVENUES	**$ 3,817**	$ 4,358	**$ 7,651**	$ 8,463
OPERATING EXPENSES				
Fuel, purchased power and interchange	**960**	1,316	**1,888**	2,679
Other operations and maintenance	**843**	800	**1,642**	1,534
Merger-related	**2**	9	**6**	13
Depreciation and amortization	**742**	737	**1,279**	1,284
Taxes other than income taxes and other - net	**101**	350	**433**	677
Total operating expenses	**2,648**	3,212	**5,248**	6,187
OPERATING INCOME	**1,169**	1,146	**2,403**	2,276
OTHER INCOME (DEDUCTIONS)				
Interest expense	**(602)**	(280)	**(1,111)**	(601)
Benefits associated with differential membership interests - net	**77**	54	**161**	111
Equity in earnings of equity method investees	**44**	27	**76**	36
Allowance for equity funds used during construction	**17**	16	**42**	27
Interest income	**20**	22	**39**	43
Gains on disposal of assets - net	**12**	5	**27**	27
Other - net	**26**	4	**22**	12
Total other deductions - net	**(406)**	(152)	**(744)**	(345)
INCOME BEFORE INCOME TAXES	**763**	994	**1,659**	1,931
INCOME TAXES	**219**	274	**461**	560
NET INCOME	**544**	720	**1,198**	1,371
LESS NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**4**	4	**5**	5
NET INCOME ATTRIBUTABLE TO NEE	**$ 540**	$ 716	**$ 1,193**	$ 1,366
Earnings per share attributable to NEE				
Basic	**$ 1.17**	$ 1.61	**$ 2.59**	$ 3.08
Assuming dilution	**$ 1.16**	$ 1.59	**$ 2.57**	$ 3.04
Dividends per share of common stock	**$ 0.87**	$ 0.77	**$ 1.74**	$ 1.54
Weighted-average number of common shares outstanding:				
Basic	**461.3**	445.5	**460.9**	443.9
Assuming dilution	**464.6**	449.2	**464.0**	449.0

* Reflects the adoption in the second quarter of 2016 of an accounting standards update. See Note 6 - Stock-Based Compensation.

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
NET INCOME	**$ 544**	* $ 720	**$ 1,198**	* $ 1,371
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX				
Net unrealized gains (losses) on cash flow hedges:				
Effective portion of net unrealized gains (losses) (net of $26 tax expense and less than $1 tax benefit, respectively)	**—**	40	**—**	(11)
Reclassification from accumulated other comprehensive loss to net income (net of $10, $12, $23 and $16 tax expense, respectively)	**13**	22	**36**	39
Net unrealized gains (losses) on available for sale securities:				
Net unrealized gains (losses) on securities still held (net of $12 tax expense, $5 tax benefit, $19 and $4 tax expense, respectively)	**17**	(7)	**25**	5
Reclassification from accumulated other comprehensive loss to net income (net of $3, $2, $4 and $9 tax benefit, respectively)	**(5)**	(3)	**(6)**	(13)
Defined benefit pension and other benefits plans (net of $4 and $10 tax benefit, respectively)	**—**	—	**(7)**	(16)
Net unrealized gains on foreign currency translation (net of $1, $9, $1 and $17 tax expense, respectively)	**8**	15	**28**	29
Other comprehensive income (loss) related to equity method investee (net of $1 tax benefit, $1 tax expense, $3 tax benefit and less than $1 tax expense, respectively)	**(1)**	3	**(4)**	1
Total other comprehensive income, net of tax	**32**	70	**72**	34
COMPREHENSIVE INCOME	**576**	790	**1,270**	1,405
LESS COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**5**	5	**(8)**	3
COMPREHENSIVE INCOME ATTRIBUTABLE TO NEE	**$ 571**	$ 785	**$ 1,278**	$ 1,402

* Reflects the adoption in the second quarter of 2016 of an accounting standards update. See Note 6 - Stock-Based Compensation.

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except par value)
(unaudited)

	June 30, 2016	December 31, 2015
PROPERTY, PLANT AND EQUIPMENT		
Electric plant in service and other property	$ 75,082	$ 72,606
Nuclear fuel	2,073	2,067
Construction work in progress	6,585	5,657
Accumulated depreciation and amortization	(19,583)	(18,944)
Total property, plant and equipment - net ($12,072 and $7,966 related to VIEs, respectively)	64,157	61,386
CURRENT ASSETS		
Cash and cash equivalents	730	571
Customer receivables, net of allowances of $10 and $13, respectively	1,816	1,784
Other receivables	857	481
Materials, supplies and fossil fuel inventory	1,254	1,259
Regulatory assets:		
Derivatives	—	218
Other	289	285
Derivatives	572	712
Assets held for sale	525	1,009
Other	469	476
Total current assets	6,512	6,795
OTHER ASSETS		
Special use funds	5,290	5,138
Other investments ($483 related to a VIE at June 30, 2016)	2,114	1,786
Prepaid benefit costs	1,202	1,155
Regulatory assets:		
Purchased power agreement termination	681	726
Other ($103 and $128 related to a VIE, respectively)	1,149	1,052
Derivatives	1,246	1,202
Other	3,069	3,239
Total other assets	14,751	14,298
TOTAL ASSETS	$ 85,420	$ 82,479
CAPITALIZATION		
Common stock ($0.01 par value, authorized shares - 800; outstanding shares - 462 and 461, respectively)	$ 5	$ 5
Additional paid-in capital	8,703	8,596
Retained earnings	14,548	14,140
Accumulated other comprehensive loss	(82)	(167)
Total common shareholders' equity	23,174	22,574
Noncontrolling interests	708	538
Total equity	23,882	23,112
Long-term debt ($5,336 and $684 related to VIEs, respectively)	27,001	26,681
Total capitalization	50,883	49,793
CURRENT LIABILITIES		
Commercial paper	1,382	374
Notes payable	800	412
Current maturities of long-term debt	3,125	2,220
Accounts payable	1,774	2,529
Customer deposits	472	473
Accrued interest and taxes	666	449
Derivatives	457	882
Accrued construction-related expenditures	1,005	921
Liabilities associated with assets held for sale	465	992
Other	1,190	855
Total current liabilities	11,336	10,107
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	2,556	2,469

Deferred income taxes	**10,121**	9,827
Regulatory liabilities:		
Accrued asset removal costs	**1,769**	1,930
Asset retirement obligation regulatory expense difference	**2,225**	2,182
Other	**538**	494
Derivatives	**913**	530
Deferral related to differential membership interests - VIEs	**3,232**	3,142
Other	**1,847**	2,005
Total other liabilities and deferred credits	**23,201**	22,579
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 85,420**	$ 82,479

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Six Months Ended June 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 1,198**	$ 1,371
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**1,279**	1,284
Nuclear fuel and other amortization	**188**	178
Unrealized losses (gains) on marked to market derivative contracts - net	**452**	(129)
Foreign currency transaction losses	**90**	—
Deferred income taxes	**406**	517
Cost recovery clauses and franchise fees	**137**	58
Benefits associated with differential membership interests - net	**(161)**	(111)
Allowance for equity funds used during construction	**(42)**	(27)
Gains on sale and disposal of assets - net	**(279)**	(25)
Other - net	**78**	53
Changes in operating assets and liabilities:		
Customer and other receivables	**(40)**	(8)
Materials, supplies and fossil fuel inventory	**(3)**	14
Other current assets	**31**	(61)
Other assets	**(74)**	(12)
Accounts payable and customer deposits	**(25)**	(55)
Margin cash collateral	**(73)**	(300)
Income taxes	**11**	21
Interest and other taxes	**239**	249
Other current liabilities	**(105)**	(35)
Other liabilities	**(37)**	(48)
Net cash provided by operating activities	**3,270**	2,934
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	**(2,129)**	(1,549)
Independent power and other investments of NEER	**(3,719)**	(2,042)
Nuclear fuel purchases	**(115)**	(185)
Other capital expenditures and other investments	**(103)**	(33)
Sale of independent power and other investments of NEER	**396**	34
Proceeds from sale or maturity of securities in special use funds and other investments	**1,609**	3,004
Purchases of securities in special use funds and other investments	**(1,654)**	(3,090)
Proceeds from sale of a noncontrolling interest in subsidiaries	**303**	106
Other - net	**(25)**	1
Net cash used in investing activities	**(5,437)**	(3,754)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	**2,509**	1,706
Retirements of long-term debt	**(996)**	(1,403)
Proceeds from differential membership investors	**219**	41
Payments to differential membership investors	**(63)**	(47)
Proceeds from notes payable	**500**	950
Repayments of notes payable	**(12)**	—
Net change in commercial paper	**1,008**	(321)
Issuances of common stock - net	**43**	630
Dividends on common stock	**(803)**	(683)
Other - net	**(79)**	(79)
Net cash provided by financing activities	**2,326**	794
Net increase (decrease) in cash and cash equivalents	**159**	(26)
Cash and cash equivalents at beginning of period	**571**	577

Cash and cash equivalents at end of period	$ 730	$ 551
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	$ 1,930	$ 1,195
Decrease (increase) in property, plant and equipment as a result of a settlement	$ (70)	$ 26
Proceeds from differential membership investors used to reduce debt	$ 100	$ —

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(millions)
(unaudited)

	Common Stock								
	Shares	Aggregate Par Value	Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
Balances, December 31, 2015	461	$ 5	$ 8,597	$ (1)	$ (167)	$ 14,140	$ 22,574	$ 538	$ 23,112
Net income	—	—	—	—	—	1,193	1,193	5	
Issuances of common stock, net of issuance cost of less than $1	—	—	16	—	—	—	16	—	
Exercise of stock options and other incentive plan activity	1	—	37	—	—	—	37	—	
Dividends on common stock	—	—	—	—	—	(803)	(803)	—	
Earned compensation under ESOP	—	—	26	1	—	—	27	—	
Other comprehensive income(loss)	—	—	—	—	85	—	85	(13)	
Sale of NEER assets to NEP	—	—	27	—	—	—	27	199	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(23)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	2	
Adoption of accounting standards update	—	—	—	—	—	18	18	—	
Balances, June 30, 2016	462	$ 5	$ 8,703	$ —	$ (82)	$ 14,548	$ 23,174	$ 708	$ 23,882

	Common Stock								
	Shares	Aggregate Par Value	Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
Balances, December 31, 2014	443	$ 4	$ 7,193	$ (14)	$ (40)	$ 12,773	$ 19,916	$ 252	$ 20,168
Net income	—	—	—	—	—	1,366	1,366	5	
Issuances of common stock, net of issuance cost of less than $1	8	1	626	2	—	—	629	—	
Exercise of stock options and other incentive plan activity	1	—	17	—	—	—	17	—	
Dividends on common stock	—	—	—	—	—	(683)	(683)	—	
Earned compensation under ESOP	—	—	20	3	—	—	23	—	
Other comprehensive income (loss)	—	—	—	—	36	—	36	(2)	
Sale of NEER assets to NEP	—	—	34	—	—	—	34	17	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(7)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	(2)	
Balances, June 30, 2015	452	$ 5	$ 7,890	$ (9)	$ (4)	$ 13,456	$ 21,338	$ 263	$ 21,601

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
OPERATING REVENUES	**$ 2,750**	$ 2,996	**$ 5,054**	$ 5,538
OPERATING EXPENSES				
Fuel, purchased power and interchange	**811**	1,098	**1,511**	2,103
Other operations and maintenance	**410**	385	**800**	738
Depreciation and amortization	**400**	428	**620**	669
Taxes other than income taxes and other - net	**301**	305	**581**	581
Total operating expenses	**1,922**	2,216	**3,512**	4,091
OPERATING INCOME	**828**	780	**1,542**	1,447
OTHER INCOME (DEDUCTIONS)				
Interest expense	**(117)**	(112)	**(229)**	(227)
Allowance for equity funds used during construction	**14**	16	**38**	26
Other - net	**3**	1	**3**	2
Total other deductions - net	**(100)**	(95)	**(188)**	(199)
INCOME BEFORE INCOME TAXES	**728**	685	**1,354**	1,248
INCOME TAXES	**280**	250	**513**	454
NET INCOME[a]	**$ 448**	$ 435	**$ 841**	$ 794

(a) FPL's comprehensive income is the same as reported net income.

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except share amount)
(unaudited)

	June 30, 2016	December 31, 2015
ELECTRIC UTILITY PLANT		
Plant in service and other property	$ 43,166	$ 41,227
Nuclear fuel	1,282	1,306
Construction work in progress	2,631	2,850
Accumulated depreciation and amortization	(12,167)	(11,862)
Total electric utility plant - net	34,912	33,521
CURRENT ASSETS		
Cash and cash equivalents	14	23
Customer receivables, net of allowances of $3 and $3, respectively	904	849
Other receivables	112	123
Materials, supplies and fossil fuel inventory	836	826
Regulatory assets:		
Derivatives	—	218
Other	288	284
Other	145	184
Total current assets	2,299	2,507
OTHER ASSETS		
Special use funds	3,610	3,504
Prepaid benefit costs	1,272	1,243
Regulatory assets:		
Purchased power agreement termination	681	726
Other ($103 and $128 related to a VIE, respectively)	892	787
Other	204	235
Total other assets	6,659	6,495
TOTAL ASSETS	$ 43,870	$ 42,523
CAPITALIZATION		
Common stock (no par value, 1,000 shares authorized, issued and outstanding)	$ 1,373	$ 1,373
Additional paid-in capital	7,733	7,733
Retained earnings	6,388	6,447
Total common shareholder's equity	15,494	15,553
Long-term debt ($176 and $210 related to a VIE, respectively)	9,925	9,956
Total capitalization	25,419	25,509
CURRENT LIABILITIES		
Commercial paper	363	56
Notes payable	600	100
Current maturities of long-term debt	66	64
Accounts payable	692	664
Customer deposits	467	469
Accrued interest and taxes	478	279
Derivatives	9	222
Accrued construction-related expenditures	203	240
Other	403	355
Total current liabilities	3,281	2,449
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,867	1,822
Deferred income taxes	8,255	7,730
Regulatory liabilities:		
Accrued asset removal costs	1,759	1,921
Asset retirement obligation regulatory expense difference	2,225	2,182
Other	535	492
Other	529	418

Total other liabilities and deferred credits	**15,170**	14,565
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 43,870**	$ 42,523

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Six Months Ended June 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 841**	$ 794
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**620**	669
Nuclear fuel and other amortization	**112**	105
Deferred income taxes	**493**	84
Cost recovery clauses and franchise fees	**137**	58
Allowance for equity funds used during construction	**(38)**	(26)
Other - net	**35**	22
Changes in operating assets and liabilities:		
Customer and other receivables	**(56)**	(151)
Materials, supplies and fossil fuel inventory	**(10)**	(25)
Other current assets	**42**	(55)
Other assets	**14**	(29)
Accounts payable and customer deposits	**28**	54
Income taxes	**(13)**	349
Interest and other taxes	**221**	224
Other current liabilities	**(25)**	(16)
Other liabilities	**(78)**	(25)
Net cash provided by operating activities	**2,323**	2,032
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(2,129)**	(1,549)
Nuclear fuel purchases	**(70)**	(79)
Proceeds from sale or maturity of securities in special use funds	**1,079**	2,538
Purchases of securities in special use funds	**(1,120)**	(2,570)
Other - net	**28**	(8)
Net cash used in investing activities	**(2,212)**	(1,668)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	**—**	85
Retirements of long-term debt	**(33)**	(31)
Proceeds from notes payable	**500**	—
Net change in commercial paper	**307**	(948)
Capital contribution from NEE	**—**	550
Dividends to NEE	**(900)**	—
Other - net	**6**	4
Net cash used in financing activities	**(120)**	(340)
Net increase (decrease) in cash and cash equivalents	**(9)**	24
Cash and cash equivalents at beginning of period	**23**	14
Cash and cash equivalents at end of period	**$ 14**	$ 38
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	**$ 435**	$ 329

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

The accompanying condensed consolidated financial statements should be read in conjunction with the 2015 Form 10-K. In the opinion of NEE and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's condensed consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period generally will not give a true indication of results for the year.

1. Employee Retirement Benefits

NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries and sponsors a contributory postretirement plan for other benefits for retirees of NEE and its subsidiaries meeting certain eligibility requirements.

The components of net periodic (income) cost for the plans are as follows:

	Pension Benefits		Postretirement Benefits		Pension Benefits		Postretirement Benefits	
	Three Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	(millions)							
Service cost	**$ 15**	$ 18	**$ —**	$ —	**$ 31**	$ 36	**$ 1**	$ 1
Interest cost	**26**	25	**4**	4	**52**	49	**7**	7
Expected return on plan assets	**(65)**	(64)	**—**	(1)	**(130)**	(127)	**—**	(1)
Amortization of prior service cost (benefit)	**1**	1	**(1)**	(1)	**1**	1	**(2)**	(1)
Amortization of losses	**—**	—	**—**	1	**—**	—	**—**	1
Net periodic (income) cost at NEE	**$ (23)**	$ (20)	**$ 3**	$ 3	**$ (46)**	$ (41)	**$ 6**	$ 7
Net periodic (income) cost at FPL	**$ (14)**	$ (13)	**$ 3**	$ 2	**$ (29)**	$ (27)	**$ 5**	$ 5

2. Derivative Instruments

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity, as well as interest rate and foreign currency exchange rate risk associated primarily with outstanding and expected future debt issuances and borrowings, and to optimize the value of NEER's power generation and gas infrastructure assets.

With respect to commodities related to NEE's competitive energy business, NEER employs risk management procedures to conduct its activities related to optimizing the value of its power generation and gas infrastructure assets, providing full energy and capacity requirements services primarily to distribution utilities, and engaging in power and gas marketing and trading activities to take advantage of expected future favorable price movements and changes in the expected volatility of prices in the energy markets. These risk management activities involve the use of derivative instruments executed within prescribed limits to manage the risk associated with fluctuating commodity prices. Transactions in derivative instruments are executed on recognized exchanges or via the OTC markets, depending on the most favorable credit terms and market execution factors. For NEER's power generation and gas infrastructure assets, derivative instruments are used to hedge the commodity price risk associated with the fuel requirements of the assets, where applicable, as well as to hedge all or a portion of the expected output of these assets. These hedges are designed to reduce the effect of adverse changes in the wholesale forward commodity markets associated with NEER's power generation and gas infrastructure assets. With regard to full energy and capacity requirements services, NEER is required to vary the quantity of energy and related services based on the load demands of the customers served. For this type of transaction, derivative instruments are used to hedge the anticipated electricity quantities required to serve these customers and reduce the effect of unfavorable changes in the forward energy markets. Additionally, NEER takes positions in the energy markets based on differences between actual forward market levels and management's view of fundamental market conditions, including supply/demand imbalances, changes in traditional flows of energy, changes in short- and long-term weather patterns and anticipated regulatory and legislative outcomes. NEER uses derivative instruments to realize value from these market dislocations, subject to strict risk management limits around market, operational and credit exposure.

Derivative instruments, when required to be marked to market, are recorded on NEE's and FPL's condensed consolidated balance sheets as either an asset or liability measured at fair value. At FPL, substantially all changes in the derivatives' fair value are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. For NEE's non-rate regulated operations, predominantly NEER, essentially all changes in the derivatives' fair value for power purchases and sales, fuel sales and trading activities are recognized on a net basis in operating revenues; fuel purchases

used in the production of electricity are recognized in fuel, purchased power and interchange expense; and the equity method investees' related activity is recognized in equity in earnings of equity method investees in NEE's condensed consolidated statements of income. Settlement gains and losses are included within the line items in the condensed consolidated statements of income to which they relate. Transactions for which physical delivery is deemed not to have occurred are presented on a net basis in the condensed consolidated statements of income. For commodity derivatives, NEE believes that, where offsetting positions exist at the same location for the same time, the transactions are considered to have been netted and therefore physical delivery has been deemed not to have occurred for financial reporting purposes. Settlements related to derivative instruments are primarily recognized in net cash provided by operating activities in NEE's and FPL's condensed consolidated statements of cash flows.

In January 2016, NEE discontinued hedge accounting for its cash flow and fair value hedges related to interest rate and foreign currency derivative instruments and, therefore, all changes in the derivatives' fair value, as well as the transaction gain or loss on foreign denominated debt, are recognized in interest expense in NEE's condensed consolidated statements of income. In addition, for the six months ended June 30, 2016, NEE reclassified approximately $15 million ($9 million after tax) from AOCI to interest expense because it became probable that the related future transaction being hedged would not occur. At June 30, 2016, NEE's AOCI included amounts related to the discontinued interest rate cash flow hedges with expiration dates through October 2036 and foreign currency cash flow hedges with expiration dates through September 2030. Approximately $87 million of net losses included in AOCI at June 30, 2016 is expected to be reclassified into earnings within the next 12 months as the principal and/or interest payments are made. Such amounts assume no change in scheduled principal payments.

Fair Value of Derivative Instruments - The tables below present NEE's and FPL's gross derivative positions at June 30, 2016 and December 31, 2015, as required by disclosure rules. However, the majority of the underlying contracts are subject to master netting agreements and generally would not be contractually settled on a gross basis. Therefore, the tables below also present the derivative positions on a net basis, which reflect the offsetting of positions of certain transactions within the portfolio, the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral (see Note 3 - Recurring Fair Value Measurements for netting information), as well as the location of the net derivative position on the condensed consolidated balance sheets.

	June 30, 2016			
	Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Net Basis	
	Assets	Liabilities	Assets	Liabilities
	(millions)			
NEE:				
Commodity contracts	$ 5,042	$ 3,548	$ 1,753	$ 573
Interest rate contracts	74	761	65	755
Foreign currency swaps	—	45	—	42
Total fair values	$ 5,116	$ 4,354	$ 1,818	$ 1,370
FPL:				
Commodity contracts	$ 67	$ 28	$ 48	$ 9
Net fair value by NEE balance sheet line item:				
Current derivative assets[a]			$ 572	
Noncurrent derivative assets[b]			1,246	
Current derivative liabilities				$ 457
Noncurrent derivative liabilities[c]				913
Total derivatives			$ 1,818	$ 1,370
Net fair value by FPL balance sheet line item:				
Current other assets			$ 24	
Noncurrent other assets			24	
Current derivative liabilities				$ 9
Total derivatives			$ 48	$ 9

(a) Reflects the netting of approximately $164 million in margin cash collateral received from counterparties.

(b) Reflects the netting of approximately $167 million in margin cash collateral received from counterparties.

(c) Reflects the netting of approximately $17 million in margin cash collateral paid to counterparties.

	December 31, 2015					
	Fair Values of Derivatives Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Total Derivatives Combined - Net Basis	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	(millions)					
NEE:						
Commodity contracts	$ —	$ —	$ 5,906	$ 4,580	$ 1,937	$ 982
Interest rate contracts	33	155	2	160	34	319
Foreign currency swaps	—	132	—	—	—	127
Total fair values	$ 33	$ 287	$ 5,908	$ 4,740	$ 1,971	$ 1,428
FPL:						
Commodity contracts	$ —	$ —	$ 7	$ 225	$ 4	$ 222
Net fair value by NEE balance sheet line item:						
Current derivative assets[a]					$ 712	
Assets held for sale					57	
Noncurrent derivative assets[b]					1,202	
Current derivative liabilities[c]						$ 882
Liabilities associated with assets held for sale						16
Noncurrent derivative liabilities[d]						530
Total derivatives					$ 1,971	$ 1,428
Net fair value by FPL balance sheet line item:						
Current other assets					$ 3	
Noncurrent other assets					1	
Current derivative liabilities						$ 222
Total derivatives					$ 4	$ 222

(a) Reflects the netting of approximately $279 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $151 million in margin cash collateral received from counterparties.
(c) Reflects the netting of approximately $46 million in margin cash collateral paid to counterparties.
(d) Reflects the netting of approximately $13 million in margin cash collateral paid to counterparties.

At June 30, 2016 and December 31, 2015, NEE had approximately $21 million and $27 million (none at FPL), respectively, in margin cash collateral received from counterparties that was not offset against derivative assets in the above presentation. These amounts are included in current other liabilities on NEE's condensed consolidated balance sheets. Additionally, at June 30, 2016 and December 31, 2015, NEE had approximately $127 million and $116 million (none at FPL), respectively, in margin cash collateral paid to counterparties that was not offset against derivative assets or liabilities in the above presentation. These amounts are included in current other assets on NEE's condensed consolidated balance sheets.

Income Statement Impact of Derivative Instruments - Gains (losses) related to NEE's cash flow hedges, which were previously designated as hedging instruments, are recorded in NEE's condensed consolidated financial statements (none at FPL) as follows:

	Three Months Ended June 30, 2015			Six Months Ended June 30, 2015		
	Interest Rate Contracts	Foreign Currency Swaps	Total	Interest Rate Contracts	Foreign Currency Swaps	Total
	(millions)					
Gains (losses) recognized in OCI	$ 73	$ (7)	$ 66	$ 4	$ (15)	$ (11)
Losses reclassified from AOCI to net income	$ (19) [a]	$ (15) [b]	$ (34)	$ (38) [a]	$ (17) [b]	$ (55)

(a) Included in interest expense.
(b) For the three and six months ended June 30, 2015, losses of approximately $3 million and $6 million, respectively, are included in interest expense and the balances are included in other - net.

Gains (losses) related to NEE's derivatives not designated as hedging instruments are recorded in NEE's condensed consolidated statements of income as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
	(millions)			
Commodity contracts:(a)				
Operating revenues	**$ (92)**	$ 178	**$ 238**	$ 415
Fuel, purchased power and interchange	**(4)**	—	**(2)**	2
Foreign currency swaps - interest expense	**52**	—	**81**	—
Foreign currency swaps - other - net	**1**	—	**3**	—
Interest rate contracts - interest expense	**(278)**	24	**(457)**	11
Losses reclassified from AOCI to interest expense:				
Interest rate contracts	**(25)**	—	**(53)**	—
Foreign currency swaps	**(3)**	—	**(6)**	—
Total	**$ (349)**	$ 202	**$ (196)**	$ 428

(a) For the three and six months ended June 30, 2016, FPL recorded gains of approximately $178 million and $70 million, respectively, related to commodity contracts as regulatory liabilities on its condensed consolidated balance sheets. For the three and six months ended June 30, 2015, FPL recorded approximately $23 million of gains and $63 million of losses, respectively, related to commodity contracts as regulatory liabilities and regulatory assets, respectively, on its condensed consolidated balance sheets.

Notional Volumes of Derivative Instruments - The following table represents net notional volumes associated with derivative instruments that are required to be reported at fair value in NEE's and FPL's condensed consolidated financial statements. The table includes significant volumes of transactions that have minimal exposure to commodity price changes because they are variably priced agreements. These volumes are only an indication of the commodity exposure that is managed through the use of derivatives. They do not represent net physical asset positions or non-derivative positions and their hedges, nor do they represent NEE's and FPL's net economic exposure, but only the net notional derivative positions that fully or partially hedge the related asset positions. NEE and FPL had derivative commodity contracts for the following net notional volumes:

	June 30, 2016				December 31, 2015			
Commodity Type	**NEE**		**FPL**		NEE		FPL	
	(millions)							
Power	**(75)**	**MWh**	**—**		(112)	MWh	—	
Natural gas	**1,408**	**MMBtu**	**789**	**MMBtu**	1,321	MMBtu	833	MMBtu
Oil	**(9)**	**barrels**	**—**		(9)	barrels	—	

At June 30, 2016 and December 31, 2015, NEE had interest rate contracts with notional amounts totaling approximately $13.7 billion and $8.3 billion, respectively, and foreign currency swaps with notional amounts totaling approximately $705 million and $715 million, respectively.

Credit-Risk-Related Contingent Features - Certain derivative instruments contain credit-risk-related contingent features including, among other things, the requirement to maintain an investment grade credit rating from specified credit rating agencies and certain financial ratios, as well as credit-related cross-default and material adverse change triggers. At June 30, 2016 and December 31, 2015, the aggregate fair value of NEE's derivative instruments with credit-risk-related contingent features that were in a liability position was approximately $1.6 billion ($27 million for FPL) and $2.2 billion ($224 million for FPL), respectively.

If the credit-risk-related contingent features underlying these agreements and other commodity-related contracts were triggered, certain subsidiaries of NEE, including FPL, could be required to post collateral or settle contracts according to contractual terms which generally allow netting of contracts in offsetting positions. Certain contracts contain multiple types of credit-related triggers. To the extent these contracts contain a credit ratings downgrade trigger, the maximum exposure is included in the following credit ratings collateral posting requirements. If FPL's and NEECH's credit ratings were downgraded to BBB/Baa2 (a two level downgrade for FPL and a one level downgrade for NEECH from the current lowest applicable rating), applicable NEE subsidiaries would be required to post collateral such that the total posted collateral would be approximately $185 million (none at FPL) as of June 30, 2016 and $250 million ($20 million at FPL) as of December 31, 2015. If FPL's and NEECH's credit ratings were downgraded to below investment grade, applicable NEE subsidiaries would be required to post additional collateral such that the total posted

collateral would be approximately $2.0 billion ($0.3 billion at FPL) as of June 30, 2016 and $2.5 billion ($0.6 billion at FPL) as of December 31, 2015. Some contracts do not contain credit ratings downgrade triggers, but do contain provisions that require certain financial measures to be maintained and/or have credit-related cross-default triggers. In the event these provisions were triggered, applicable NEE subsidiaries could be required to post additional collateral of up to approximately $500 million ($100 million at FPL) as of June 30, 2016 and $660 million ($120 million at FPL) as of December 31, 2015.

Collateral related to derivatives may be posted in the form of cash or credit support in the normal course of business. At June 30, 2016 and December 31, 2015, applicable NEE subsidiaries have posted approximately $61 million (none at FPL) and $123 million ($3 million at FPL), respectively, in the form of letters of credit which could be applied toward the collateral requirements described above. FPL and NEECH have credit facilities generally in excess of the collateral requirements described above that would be available to support, among other things, derivative activities. Under the terms of the credit facilities, maintenance of a specific credit rating is not a condition to drawing on these credit facilities, although there are other conditions to drawing on these credit facilities.

Additionally, some contracts contain certain adequate assurance provisions where a counterparty may demand additional collateral based on subjective events and/or conditions. Due to the subjective nature of these provisions, NEE and FPL are unable to determine an exact value for these items and they are not included in any of the quantitative disclosures above.

3. Fair Value Measurements

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. NEE and FPL use several different valuation techniques to measure the fair value of assets and liabilities, relying primarily on the market approach of using prices and other market information for identical and/or comparable assets and liabilities for those assets and liabilities that are measured at fair value on a recurring basis. NEE's and FPL's assessment of the significance of any particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels. Non-performance risk, including the consideration of a credit valuation adjustment, is also considered in the determination of fair value for all assets and liabilities measured at fair value.

Cash Equivalents and Restricted Cash - NEE primarily holds investments in money market funds. The fair value of these funds is calculated using current market prices.

Special Use Funds and Other Investments - NEE and FPL hold primarily debt and equity securities directly, as well as indirectly through commingled funds. Substantially all directly held equity securities are valued at their quoted market prices. For directly held debt securities, multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validations. A primary price source is identified based on asset type, class or issue of each security. Commingled funds, which are similar to mutual funds, are maintained by banks or investment companies and hold certain investments in accordance with a stated set of objectives. The fair value of commingled funds is primarily derived from the quoted prices in active markets of the underlying securities. Because the fund shares are offered to a limited group of investors, they are not considered to be traded in an active market.

Derivative Instruments - NEE and FPL measure the fair value of commodity contracts using prices observed on commodities exchanges and in the OTC markets, or through the use of industry-standard valuation techniques, such as option modeling or discounted cash flows techniques, incorporating both observable and unobservable valuation inputs. The resulting measurements are the best estimate of fair value as represented by the transfer of the asset or liability through an orderly transaction in the marketplace at the measurement date.

Most exchange-traded derivative assets and liabilities are valued directly using unadjusted quoted prices. For exchange-traded derivative assets and liabilities where the principal market is deemed to be inactive based on average daily volumes and open interest, the measurement is established using settlement prices from the exchanges, and therefore considered to be valued using other observable inputs.

NEE, through its subsidiaries, including FPL, also enters into OTC commodity contract derivatives. The majority of these contracts are transacted at liquid trading points, and the prices for these contracts are verified using quoted prices in active markets from exchanges, brokers or pricing services for similar contracts.

NEE, through NEER, also enters into full requirements contracts, which, in most cases, meet the definition of derivatives and are measured at fair value. These contracts typically have one or more inputs that are not observable and are significant to the valuation of the contract. In addition, certain exchange and non-exchange traded derivative options at NEE have one or more significant inputs that are not observable, and are valued using industry-standard option models.

In all cases where NEE and FPL use significant unobservable inputs for the valuation of a commodity contract, consideration is given to the assumptions that market participants would use in valuing the asset or liability. The primary input to the valuation models for commodity contracts is the forward commodity curve for the respective instruments. Other inputs include, but are not limited to, assumptions about market liquidity, volatility, correlation and contract duration as more fully described below in Significant Unobservable Inputs Used in Recurring Fair Value Measurements. In instances where the reference markets are deemed to be inactive or do not have transactions for a similar contract, the derivative assets and liabilities may be valued using significant other observable inputs and potentially significant unobservable inputs. In such instances, the valuation for these contracts is established using techniques including extrapolation from or interpolation between actively traded contracts, or estimated basis adjustments from liquid trading points. NEE and FPL regularly evaluate and validate the inputs used to determine fair value by a number of methods, consisting of various market price verification procedures, including the use of pricing services and multiple broker quotes to support the market price of the various commodities. In all cases where there are assumptions and models used to generate inputs for valuing derivative assets and liabilities, the review and verification of the assumptions, models and changes to the models are undertaken by individuals that are independent of those responsible for estimating fair value.

NEE uses interest rate contracts and foreign currency swaps to mitigate and adjust interest rate and foreign currency exchange exposure related primarily to certain outstanding and expected future debt issuances and borrowings when deemed appropriate based on market conditions or when required by financing agreements. NEE estimates the fair value of these derivatives using a discounted cash flows valuation technique based on the net amount of estimated future cash inflows and outflows related to the agreements.

Recurring Fair Value Measurements - NEE's and FPL's financial assets and liabilities and other fair value measurements made on a recurring basis by fair value hierarchy level are as follows:

	June 30, 2016				
	Level 1	Level 2	Level 3	Netting[a]	Total
			(millions)		
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 303	$ —	$ —		$ 303
FPL - equity securities	$ 24	$ —	$ —		$ 24
Special use funds:[c]					
NEE:					
Equity securities	$ 1,325	$ 1,394 [d]	$ —		$ 2,719
U.S. Government and municipal bonds	$ 318	$ 143	$ —		$ 461
Corporate debt securities	$ —	$ 861	$ —		$ 861
Mortgage-backed securities	$ —	$ 502	$ —		$ 502
Other debt securities	$ —	$ 88	$ —		$ 88
FPL:					
Equity securities	$ 352	$ 1,275 [d]	$ —		$ 1,627
U.S. Government and municipal bonds	$ 222	$ 126	$ —		$ 348
Corporate debt securities	$ —	$ 651	$ —		$ 651
Mortgage-backed securities	$ —	$ 393	$ —		$ 393
Other debt securities	$ —	$ 74	$ —		$ 74
Other investments:					
NEE:					
Equity securities	$ 25	$ 9	$ —		$ 34
Debt securities	$ 17	$ 153	$ —		$ 170
Derivatives:					
NEE:					
Commodity contracts	$ 1,742	$ 2,037	$ 1,263	$ (3,289)	$ 1,753 [e]
Interest rate contracts	$ —	$ 74	$ —	$ (9)	$ 65 [e]
FPL - commodity contracts	$ —	$ 63	$ 4	$ (19)	$ 48 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 1,695	$ 1,240	$ 613	$ (2,975)	$ 573 [e]
Interest rate contracts	$ —	$ 643	$ 118	$ (6)	$ 755 [e]
Foreign currency swaps	$ —	$ 45	$ —	$ (3)	$ 42 [e]
FPL - commodity contracts	$ —	$ 23	$ 5	$ (19)	$ 9 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $89 million ($24 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

	December 31, 2015				
	Level 1	Level 2	Level 3	Netting[a]	Total
			(millions)		
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 312	$ —	$ —		$ 312
FPL - equity securities	$ 36	$ —	$ —		$ 36
Special use funds:[c]					
NEE:					
Equity securities	$ 1,320	$ 1,354 [d]	$ —		$ 2,674
U.S. Government and municipal bonds	$ 446	$ 166	$ —		$ 612
Corporate debt securities	$ —	$ 713	$ —		$ 713
Mortgage-backed securities	$ —	$ 412	$ —		$ 412
Other debt securities	$ —	$ 52	$ —		$ 52
FPL:					
Equity securities	$ 364	$ 1,234 [d]	$ —		$ 1,598
U.S. Government and municipal bonds	$ 335	$ 145	$ —		$ 480
Corporate debt securities	$ —	$ 531	$ —		$ 531
Mortgage-backed securities	$ —	$ 327	$ —		$ 327
Other debt securities	$ —	$ 40	$ —		$ 40
Other investments:					
NEE:					
Equity securities	$ 30	$ 10	$ —		$ 40
Debt securities	$ 39	$ 132	$ —		$ 171
Derivatives:					
NEE:					
Commodity contracts	$ 2,187	$ 2,540	$ 1,179	$ (3,969)	$ 1,937 [e]
Interest rate contracts	$ —	$ 35	$ —	$ (1)	$ 34 [e]
FPL - commodity contracts	$ —	$ 1	$ 6	$ (3)	$ 4 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 2,153	$ 1,887	$ 540	$ (3,598)	$ 982 [e]
Interest rate contracts	$ —	$ 214	$ 101	$ 4	$ 319 [e]
Foreign currency swaps	$ —	$ 132	$ —	$ (5)	$ 127 [e]
FPL - commodity contracts	$ —	$ 219	$ 6	$ (3)	$ 222 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $61 million ($36 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

Significant Unobservable Inputs Used in Recurring Fair Value Measurements - The valuation of certain commodity contracts requires the use of significant unobservable inputs. All forward price, implied volatility, implied correlation and interest rate inputs used in the valuation of such contracts are directly based on third-party market data, such as broker quotes and exchange settlements, when that data is available. If third-party market data is not available, then industry standard methodologies are used to develop inputs that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs, including some forward prices, implied volatilities and interest rates used for determining fair value are updated daily to reflect the best available market information. Unobservable inputs which are related to observable inputs, such as illiquid portions of forward price or volatility curves, are updated daily as well, using industry standard techniques such as interpolation and extrapolation, combining observable forward inputs supplemented by historical market and other relevant data. Other unobservable inputs, such as implied

correlations, customer migration rates from full requirements contracts and some implied volatility curves, are modeled using proprietary models based on historical data and industry standard techniques.

All price, volatility, correlation and customer migration inputs used in valuation are subject to validation by the Trading Risk Management group. The Trading Risk Management group performs a risk management function responsible for assessing credit, market and operational risk impact, reviewing valuation methodology and modeling, confirming transactions, monitoring approval processes and developing and monitoring trading limits. The Trading Risk Management group is separate from the transacting group. For markets where independent third-party data is readily available, validation is conducted daily by directly reviewing this market data against inputs utilized by the transacting group, and indirectly by critically reviewing daily risk reports. For markets where independent third-party data is not readily available, additional analytical reviews are performed on at least a quarterly basis. These analytical reviews are designed to ensure that all price and volatility curves used for fair valuing transactions are adequately validated each quarter, and are reviewed and approved by the Trading Risk Management group. In addition, other valuation assumptions such as implied correlations and customer migration rates are reviewed and approved by the Trading Risk Management group on a periodic basis. Newly created models used in the valuation process are also subject to testing and approval by the Trading Risk Management group prior to use and established models are reviewed annually, or more often as needed, by the Trading Risk Management group.

On a monthly basis, the Exposure Management Committee (EMC), which is comprised of certain members of senior management, meets with representatives from the Trading Risk Management group and the transacting group to discuss NEE's and FPL's energy risk profile and operations, to review risk reports and to discuss fair value issues as necessary. The EMC develops guidelines required for an appropriate risk management control infrastructure, which includes implementation and monitoring of compliance with Trading Risk Management policy. The EMC executes its risk management responsibilities through direct oversight and delegation of its responsibilities to the Trading Risk Management group, as well as to other corporate and business unit personnel.

The significant unobservable inputs used in the valuation of NEE's commodity contracts categorized as Level 3 of the fair value hierarchy at June 30, 2016 are as follows:

Transaction Type	Fair Value at June 30, 2016		Valuation Technique(s)	Significant Unobservable Inputs	Range
	Assets	Liabilities			
	(millions)				
Forward contracts - power	$ 644	$ 237	Discounted cash flow	Forward price (per MWh)	$— — $109
Forward contracts - gas	33	12	Discounted cash flow	Forward price (per MMBtu)	$1 — $5
Forward contracts - other commodity related	7	1	Discounted cash flow	Forward price (various)	$(6) — $51
Options - power	57	38	Option models	Implied correlations	(5)% — 99%
				Implied volatilities	8% — 320%
Options - primarily gas	230	278	Option models	Implied correlations	(5)% — 99%
				Implied volatilities	1% — 94%
Full requirements and unit contingent contracts	292	47	Discounted cash flow	Forward price (per MWh)	$(25) — $318
				Customer migration rate[a]	—% — 20%
Total	$ 1,263	$ 613			

(a) Applies only to full requirements contracts.

The sensitivity of NEE's fair value measurements to increases (decreases) in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Impact on Fair Value Measurement
Forward price	Purchase power/gas	Increase (decrease)
	Sell power/gas	Decrease (increase)
Implied correlations	Purchase option	Decrease (increase)
	Sell option	Increase (decrease)
Implied volatilities	Purchase option	Increase (decrease)
	Sell option	Decrease (increase)
Customer migration rate	Sell power[a]	Decrease (increase)

(a) Assumes the contract is in a gain position.

In addition, the fair value measurement of interest rate swap liabilities related to the solar projects in Spain of approximately $118 million at June 30, 2016 includes a significant credit valuation adjustment. The credit valuation adjustment, considered an

unobservable input, reflects management's assessment of non-performance risk of the subsidiaries related to the solar projects in Spain that are party to the swap agreements.

The reconciliation of changes in the fair value of derivatives that are based on significant unobservable inputs is as follows:

	Three Months Ended June 30,			
	2016		2015	
	NEE	FPL	NEE	FPL
	(millions)			
Fair value of net derivatives based on significant unobservable inputs at March 31	$ 649	$ (8)	$ 451	$ (1)
Realized and unrealized gains (losses):				
Included in earnings[a]	(34)	—	224	—
Included in other comprehensive income (loss)[b]	3	—	(7)	—
Included in regulatory assets and liabilities	3	3	5	5
Purchases	75	—	61	—
Settlements	(95)	4	(80)	—
Issuances	(69)	—	(112)	—
Transfers in[c]	—	—	1	—
Transfers out[c]	—	—	1	—
Fair value of net derivatives based on significant unobservable inputs at June 30	$ 532	$ (1)	$ 544	$ 4
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[d]	$ (38)	$ —	$ 206	$ —

(a) For the three months ended June 30, 2016 and 2015, realized and unrealized gains (losses) of approximately $(28) million and $202 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.
(b) Reflected in net unrealized gains on foreign currency translation on the condensed consolidated statements of comprehensive income.
(c) Transfers into Level 3 were a result of decreased observability of market data and transfers from Level 3 to Level 2 were a result of increased observability of market data. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.
(d) For the three months ended June 30, 2016 and 2015, unrealized gains (losses) of approximately $(32) million and $184 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.

	Six Months Ended June 30,			
	2016		2015	
	NEE	FPL	NEE	FPL
	(millions)			
Fair value of net derivatives based on significant unobservable inputs at December 31 of prior period	$ 538	$ —	$ 622	$ 5
Realized and unrealized gains (losses):				
Included in earnings[a]	220	—	254	—
Included in other comprehensive income (loss)[b]	(3)	—	8	—
Included in regulatory assets and liabilities	—	—	4	4
Purchases	175	—	83	—
Settlements	(228)	(1)	(267)	(5)
Issuances	(143)	—	(132)	—
Transfers in[c]	3	—	(18)	—
Transfers out[c]	(30)	—	(10)	—
Fair value of net derivatives based on significant unobservable inputs at June 30	$ 532	$ (1)	$ 544	$ 4
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[d]	$ 125	$ —	$ 224	$ —

(a) For the six months ended June 30, 2016 and 2015, realized and unrealized gains of approximately $246 million and $248 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is primarily reflected in interest expense.
(b) Reflected in net unrealized gains on foreign currency translation on the condensed consolidated statements of comprehensive income.
(c) Transfers into Level 3 were a result of decreased observability of market data and transfers from Level 3 to Level 2 were a result of increased observability of market data. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.
(d) For the six months ended June 30, 2016 and 2015, unrealized gains of approximately $151 million and $219 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.

Contingent Consideration - NEE recorded a liability related to a contingent holdback as part of the 2015 acquisition of a portfolio of seven long-term contracted natural gas pipeline assets located in Texas (Texas pipelines). See Note 9 - Contracts.

Fair Value of Financial Instruments Recorded at Other than Fair Value - The carrying amounts of cash equivalents, commercial paper and notes payable approximate their fair values. The carrying amounts and estimated fair values of other financial instruments recorded at other than fair value, are as follows:

	June 30, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Special use funds[a]	$ 659	$ 659	$ 675	$ 675
Other investments - primarily notes receivable	$ 520	$ 781 [b]	$ 512	$ 722 [b]
Long-term debt, including current maturities	$ 30,122 [c]	$ 32,747 [d]	$ 28,897 [c]	$ 30,412 [d]
FPL:				
Special use funds[a]	$ 517	$ 517	$ 528	$ 528
Long-term debt, including current maturities	$ 9,991	$ 11,894 [d]	$ 10,020	$ 11,028 [d]

(a) Primarily represents investments accounted for under the equity method and loans not measured at fair value on a recurring basis.
(b) Primarily classified as held to maturity. Fair values are primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower (Level 3). Notes receivable bear interest primarily at fixed rates and mature by 2029. Notes receivable are considered impaired and placed in non-accrual status when it becomes probable that all amounts due cannot be collected in accordance with the contractual terms of the agreement. The assessment to place notes receivable in non-accrual status considers various credit indicators, such as credit ratings and market-related information.
(c) Excludes debt totaling $443 million and $938 million, respectively, reflected in liabilities associated with assets held for sale on NEE's condensed consolidated balance sheet for which the carrying amount approximates fair value. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.
(d) As of June 30, 2016 and December 31, 2015, for NEE, approximately $20,036 million and $18,031 million, respectively, is estimated using quoted market prices for the same or similar issues (Level 2); the balance is estimated using a discounted cash flow valuation technique, considering the current credit spread of the debtor (Level 3). For FPL, primarily estimated using quoted market prices for the same or similar issues (Level 2).

Special Use Funds - The special use funds noted above and those carried at fair value (see Recurring Fair Value Measurements above) consist of FPL's storm fund assets of approximately $75 million and $74 million at June 30, 2016 and December 31, 2015, respectively, and NEE's nuclear decommissioning fund assets of $5,215 million and $5,064 million at June 30, 2016 and December 31, 2015 ($3,535 million and $3,430 million, respectively, for FPL). The investments held in the special use funds consist of equity and debt securities which are primarily classified as available for sale and carried at estimated fair value. The amortized cost of debt and equity securities is approximately $1,874 million and $1,512 million, respectively, at June 30, 2016 and $1,823 million and $1,505 million, respectively, at December 31, 2015 ($1,443 million and $743 million, respectively, at June 30, 2016 and $1,409 million and $732 million, respectively, at December 31, 2015 for FPL). For FPL's special use funds, consistent with regulatory treatment, changes in fair value, including any other than temporary impairment losses, result in a corresponding adjustment to the related regulatory liability accounts. For NEE's non-rate regulated operations, changes in fair value result in a corresponding adjustment to OCI, except for unrealized losses associated with marketable securities considered to be other than temporary, including any credit losses, which are recognized as other than temporary impairment losses on securities held in nuclear decommissioning funds and included in other - net in NEE's condensed consolidated statements of income. Debt securities included in the nuclear decommissioning funds have a weighted-average maturity at June 30, 2016 of approximately nine years at both NEE and FPL. FPL's storm fund primarily consists of debt securities with a weighted-average maturity at June 30, 2016 of approximately three years. The cost of securities sold is determined using the specific identification method.

Realized gains and losses and proceeds from the sale or maturity of available for sale securities are as follows:

	NEE		FPL		NEE		FPL	
	Three Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015	2016	2015	2016	2015
	(millions)							
Realized gains	$ 33	$ 50	$ 16	$ 34	$ 55	$ 91	$ 26	$ 45
Realized losses	$ 20	$ 19	$ 12	$ 9	$ 38	$ 32	$ 22	$ 15
Proceeds from sale or maturity of securities	$ 727	$ 2,201	$ 551	$ 1,949	$ 1,428	$ 2,930	$ 1,081	$ 2,538

The unrealized gains on available for sale securities are as follows:

	NEE		FPL	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
	(millions)			
Equity securities	$ 1,225	$ 1,166	$ 900	$ 863
Debt securities	$ 60	$ 17	$ 45	$ 14

The unrealized losses on available for sale debt securities and the fair value of available for sale debt securities in an unrealized loss position are as follows:

	NEE		FPL	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
	(millions)			
Unrealized losses[a]	$ 22	$ 51	$ 21	$ 45
Fair value	$ 292	$ 1,129	$ 259	$ 861

(a) Unrealized losses on available for sale debt securities in an unrealized loss position for greater than twelve months at June 30, 2016 and December 31, 2015 were not material to NEE or FPL.

Regulations issued by the FERC and the NRC provide general risk management guidelines to protect nuclear decommissioning funds and to allow such funds to earn a reasonable return. The FERC regulations prohibit, among other investments, investments in any securities of NEE or its subsidiaries, affiliates or associates, excluding investments tied to market indices or mutual funds. Similar restrictions applicable to the decommissioning funds for NEER's nuclear plants are included in the NRC operating licenses for those facilities or in NRC regulations applicable to NRC licensees not in cost-of-service environments. With respect to the decommissioning fund for Seabrook, decommissioning fund contributions and withdrawals are also regulated by the Nuclear Decommissioning Financing Committee pursuant to New Hampshire law.

The nuclear decommissioning reserve funds are managed by investment managers who must comply with the guidelines of NEE and FPL and the rules of the applicable regulatory authorities. The funds' assets are invested giving consideration to taxes, liquidity, risk, diversification and other prudent investment objectives.

4. Income Taxes

NEE's effective income tax rates for the three months ended June 30, 2016 and 2015 were approximately 29% and 28%, respectively. The rates for both periods reflect the benefit of PTCs of approximately $31 million and $37 million, respectively, related to NEER's wind projects, as well as ITCs and deferred income tax benefits associated with grants under the Recovery Act (convertible ITCs) totaling approximately $43 million and $34 million, respectively, related to solar and certain wind projects at NEER, including, in 2015, the effect of a state income tax law change that extended the ITC carryforward period for certain wind projects.

NEE's effective income tax rates for the six months ended June 30, 2016 and 2015 were approximately 28% and 29%, respectively. The rates for both periods reflect the benefit of PTCs of approximately $73 million and $75 million, respectively, related to NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs totaling approximately $79 million and $52 million, respectively, related to solar and certain wind projects at NEER, including, in 2015, the effect of a state income tax law change that extended the ITC carryforward period for certain wind projects.

NEE recognizes PTCs as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes, which may differ significantly from amounts computed, on a quarterly basis, using an overall effective income tax rate anticipated for the full year. NEE uses this method of recognizing PTCs for specific reasons, including that PTCs are an integral part of the financial viability of most wind projects and a fundamental component of such wind projects' results of operations. PTCs, as well as ITCs and deferred income tax benefits associated with convertible ITCs, can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by the roll off of PTCs after ten years of production (PTC roll off).

In April 2016, a court decision was issued approving a reorganization of certain Canadian assets that provided for tax bases in certain of these assets (Canadian tax restructuring). NEE recorded approximately $30 million of the associated income tax benefits during the three and six months ended June 30, 2016, which effectively reversed a portion of the income tax charge NEE recorded in the second quarter of 2014 associated with structuring Canadian assets. In addition, consolidating income tax adjustments for the three and six months ended June 30, 2016 include an approximately $58 million income tax charge related to the sale of NEER's

ownership interest in merchant natural gas generation facilities located in Texas with a total generating capacity of 2,884 MW (Texas natural gas generation facilities). See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.

5. Variable Interest Entities (VIEs)

In February 2015, the FASB issued an accounting standards update that modified consolidation guidance. The standard makes changes to both the variable interest entity model and the voting interest entity model, including modifying the evaluation of whether limited partnerships or similar legal entities are VIEs or voting interest entities and amending the guidance for assessing how relationships of related parties affect the consolidation analysis of VIEs. The standard was effective for NEE and FPL beginning January 1, 2016, and the modified retrospective approach was adopted. The adoption of the standard did not result in any changes to the previous consolidation conclusions; however, it did result in a limited number of entities being considered VIEs and the related disclosure was provided for the current period.

As of June 30, 2016, NEE has twenty-eight VIEs which it consolidates and has interests in certain other VIEs which it does not consolidate.

FPL - FPL is considered the primary beneficiary of, and therefore consolidates, a VIE that is a wholly owned bankruptcy remote special purpose subsidiary that it formed in 2007 for the sole purpose of issuing storm-recovery bonds pursuant to the securitization provisions of the Florida Statutes and a financing order of the FPSC. FPL is considered the primary beneficiary because FPL has the power to direct the significant activities of the VIE, and its equity investment, which is subordinate to the bondholder's interest in the VIE, is at risk. Storm restoration costs incurred by FPL during 2005 and 2004 exceeded the amount in FPL's funded storm and property insurance reserve, resulting in a storm reserve deficiency. In 2007, the VIE issued $652 million aggregate principal amount of senior secured bonds (storm-recovery bonds), primarily for the after-tax equivalent of the total of FPL's unrecovered balance of the 2004 storm restoration costs, the 2005 storm restoration costs and to reestablish FPL's storm and property insurance reserve. In connection with this financing, net proceeds, after debt issuance costs, to the VIE (approximately $644 million) were used to acquire the storm-recovery property, which includes the right to impose, collect and receive a storm-recovery charge from all customers receiving electric transmission or distribution service from FPL under rate schedules approved by the FPSC or under special contracts, certain other rights and interests that arise under the financing order issued by the FPSC and certain other collateral pledged by the VIE that issued the bonds. The storm-recovery bonds are payable only from and are secured by the storm-recovery property. The bondholders have no recourse to the general credit of FPL. The assets of the VIE were approximately $200 million and $230 million at June 30, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery property, which are included in noncurrent other regulatory assets on NEE's and FPL's condensed consolidated balance sheets. The liabilities of the VIE were approximately $245 million and $278 million at June 30, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery bonds, which are included in long-term debt on NEE's and FPL's condensed consolidated balance sheets.

FPL entered into a purchased power agreement effective in 1995 with a 330 MW coal-fired facility to purchase substantially all of the facility's capacity and electrical output over a substantial portion of its estimated useful life. The facility is considered a VIE because FPL absorbs a portion of the facility's variability related to changes in the market price of coal through the price it pays per MWh (energy payment). Since FPL does not control the most significant activities of the facility, including operations and maintenance, FPL is not the primary beneficiary and does not consolidate this VIE. The energy payments paid by FPL will fluctuate as coal prices change. This fluctuation does not expose FPL to losses since the energy payments paid by FPL to the facility are recovered through the fuel clause as approved by the FPSC. See Note 9 - Contracts for a discussion of FPL's pending purchase of the 330 MW coal-fired facility.

NEER - NEE consolidates twenty-six NEER VIEs. NEER is considered the primary beneficiary of these VIEs since NEER controls the most significant activities of these VIEs, including operations and maintenance, as well as construction, and has the obligation to absorb expected losses of these VIEs.

A subsidiary of NEER is the primary beneficiary of, and therefore consolidates, NEP, which consolidates NEP OpCo because of NEP's controlling interest in the general partner of NEP OpCo. NEP is a limited partnership formed to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NEP OpCo. NEE owns a controlling non-economic general partner interest in NEP and a limited partner interest in NEP OpCo, and presents NEP's limited partner interest as a noncontrolling interest in NEE's consolidated financial statements. At June 30, 2016, NEE owns common units of NEP OpCo representing noncontrolling interest in NEP's operating projects of approximately 70.6%. The assets and liabilities of NEP were approximately $6.7 billion and $5.0 billion, respectively, at June 30, 2016, and primarily consisted of property, plant and equipment and long-term debt.

A NEER VIE consolidates two entities which own and operate natural gas/oil electric generation facilities with the capability of producing 110 MW. These entities sell their electric output under power sales contracts to a third party, with expiration dates in 2018 and 2020. The power sales contracts provide the offtaker the ability to dispatch the facilities and require the offtaker to absorb the

cost of fuel. The entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of the VIE were approximately $87 million and $47 million, respectively, at June 30, 2016 and $84 million and $47 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

Two indirect subsidiaries of NEER each contributed, to a NEP subsidiary, an approximately 50% ownership interest in three entities which own and operate solar PV facilities with the capability of producing a total of approximately 277 MW. Each of the two indirect subsidiaries of NEER is considered a VIE since the non-managing members have no substantive rights over the managing members, and is consolidated by NEER. These three entities sell their electric output to third parties under power sales contracts with expiration dates in 2035 and 2036. The three entities have third-party debt which is secured by liens against the assets of the entities. The debt holders have no recourse to the general credit of NEER. The assets and liabilities of these VIEs were approximately $760 million and $696 million, respectively, at June 30, 2016 and $657 million and $626 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

The other twenty-two NEER VIEs consolidate a number of entities which own and operate wind electric generation facilities with the capability of producing a total of approximately 5,522 MW and own solar PV facilities that, upon completion of construction, which is anticipated in the third quarter of 2016, are expected to have a total generating capacity of 178 MW. These entities sell, or will sell, their electric output either under power sales contracts to third parties with expiration dates ranging from 2018 through 2046 or in the spot market. Certain investors that hold no equity interest in the VIEs hold differential membership interests, which give them the right to receive a portion of the economic attributes of the generation facilities, including certain tax attributes. The entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities or by pledges of NEER's ownership interest in these entities. The entity which owns assets under construction uses third-party debt and equity to finance its development and construction activities and requires subordinated financing from NEER to complete the facilities under construction. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of these VIEs totaled approximately $7.9 billion and $4.3 billion, respectively, at June 30, 2016. Twenty of the twenty-two were VIEs at December 31, 2015 and were consolidated; the assets and liabilities of those VIEs totaled approximately $7.6 billion and $5.0 billion, respectively, at December 31, 2015. At June 30, 2016 and December 31, 2015, the assets and liabilities of the VIEs consisted primarily of property, plant and equipment, deferral related to differential membership interests and long-term debt.

NEECH - NEECH consolidates a special purpose entity that has insufficient equity at risk and is considered a VIE. The entity provided a loan in the form of a note receivable (see Note 3 - Fair Value of Financial Instruments Recorded at Other than Fair Value) to an unrelated third party, and also issued senior secured bonds which are collateralized by the note receivable. The assets and liabilities of the VIE were approximately $501 million and $511 million, respectively, at June 30, 2016, and consisted primarily of notes receivables (included in other investments) and long-term debt.

Other - As of June 30, 2016 and December 31, 2015, several NEE subsidiaries have investments totaling approximately $2,368 million ($1,937 million at FPL) and $602 million ($476 million at FPL), respectively, in certain entities which invest mainly in mortgage-backed securities, and also at June 30, 2016, in common collective trusts. These investments are included in special use funds and other investments on NEE's condensed consolidated balance sheets and in special use funds on FPL's condensed consolidated balance sheets. As of June 30, 2016, NEE subsidiaries, including FPL, are not the primary beneficiary and therefore do not consolidate any of these entities because they have no power over activities, do not control any of the ongoing activities of these entities, were not involved in the initial design of these entities and do not have a controlling financial interest in these entities.

Certain subsidiaries of NEE have noncontrolling interests in entities accounted for under the equity method. These entities are limited partnerships or similar entity structures in which the limited partners or nonmanaging members do not have substantive rights, and therefore are considered VIEs. NEE is not the primary beneficiary because it does not have a controlling financial interest in these entities, and therefore does not consolidate any of these entities. NEE's investment in these entities totaled approximately $245 million at June 30, 2016, which are included in other investments on NEE's condensed consolidated balance sheet. Subsidiaries of NEE have committed to invest an additional approximately $35 million in two of the entities.

6. Common Shareholders' Equity

Stock-Based Compensation - On March 30, 2016, the FASB issued an accounting standards update related to the accounting for employee share-based payment awards including simplification in areas such as (i) income tax consequences; (ii) classification of awards as either equity or liabilities; and (iii) classification on the statement of cash flows. The standards update was effective for NEE beginning January 1, 2017, however, NEE early adopted the provisions of the standard update during the three months ended June 30, 2016 with an effective date of January 1, 2016. Upon adoption, NEE recorded approximately $18 million primarily related to previously unrecognized excess tax benefits in deferred income taxes with a resulting increase to retained earnings as of January 1, 2016. During the three and six months ended June 30, 2016, the impact of the accounting standards update resulted in approximately $7 million and $24 million, respectively, of excess tax benefits being recorded in NEE's condensed consolidated statements of income; the three months ended March 31, 2016 impact was approximately $17 million, or $0.04 per share after tax for basic and assuming dilution. All other provisions of the standards update did not have a material impact to NEE's condensed consolidated financial statements. The accounting standards update had no effect on FPL.

Earnings Per Share - The reconciliation of NEE's basic and diluted earnings per share attributable to NEE is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
	(millions, except per share amounts)			
Numerator - net income attributable to NEE	**$ 540**	$ 716	**$ 1,193**	$ 1,366
Denominator:				
Weighted-average number of common shares outstanding - basic	**461.3**	445.5	**460.9**	443.9
Equity units, performance share awards, stock options and restricted stock[a]	**3.3**	3.7	**3.1**	5.1
Weighted-average number of common shares outstanding - assuming dilution	**464.6**	449.2	**464.0**	449.0
Earnings per share attributable to NEE:				
Basic	**$ 1.17**	$ 1.61	**$ 2.59**	$ 3.08
Assuming dilution	**$ 1.16**	$ 1.59	**$ 2.57**	$ 3.04

(a) Calculated using the treasury stock method. Performance share awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award.

Common shares issuable pursuant to equity units, stock options, performance share awards and restricted stock which were not included in the denominator above due to their antidilutive effect were approximately 0.3 million and 5.5 million for the three months ended June 30, 2016 and 2015, respectively, and 0.2 million and 2.8 million for the six months ended June 30, 2016 and 2015, respectively.

Accumulated Other Comprehensive Income (Loss) - The components of AOCI, net of tax, are as follows:

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Three Months Ended June 30, 2016						
Balances, March 31, 2016	$ (146)	$ 181	$ (69)	$ (52)	$ (27)	$ (113)
Other comprehensive income (loss) before reclassifications	—	17	—	8	(1)	24
Amounts reclassified from AOCI	13 [a]	(5) [b]	—	—	—	8
Net other comprehensive income (loss)	13	12	—	8	(1)	32
Less other comprehensive income attributable to noncontrolling interests	1	—	—	—	—	1
Balances, June 30, 2016	$ (134)	$ 193	$ (69)	$ (44)	$ (28)	$ (82)

(a) Reclassified to interest expense in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Three Months Ended June 30, 2015						
Balances, March 31, 2015	$ (189)	$ 220	$ (36)	$ (42)	$ (26)	$ (73)
Other comprehensive income (loss) before reclassifications	40	(7)	—	15	3	51
Amounts reclassified from AOCI	22 (a)	(3) (b)	—	—	—	19
Net other comprehensive income (loss)	62	(10)	—	15	3	70
Less other comprehensive income attributable to noncontrolling interests	1	—	—	—	—	1
Balances, June 30, 2015	$ (128)	$ 210	$ (36)	$ (27)	$ (23)	$ (4)

(a) Reclassified to interest expense and other - net in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Six Months Ended June 30, 2016						
Balances, December 31, 2015	$ (170)	$ 174	$ (62)	$ (85)	$ (24)	$ (167)
Other comprehensive income (loss) before reclassifications	—	25	(7)	28	(4)	42
Amounts reclassified from AOCI	36 (a)	(6) (b)	—	—	—	30
Net other comprehensive income (loss)	36	19	(7)	28	(4)	72
Less other comprehensive loss attributable to noncontrolling interests	—	—	—	(13)	—	(13)
Balances, June 30, 2016	$ (134)	$ 193	$ (69)	$ (44)	$ (28)	$ (82)

(a) Reclassified to interest expense in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Six Months Ended June 30, 2015						
Balances, December 31, 2014	$ (156)	$ 218	$ (20)	$ (58)	$ (24)	$ (40)
Other comprehensive income (loss) before reclassifications	(11)	5	(16)	29	1	8
Amounts reclassified from AOCI	39 (a)	(13) (b)	—	—	—	26
Net other comprehensive income (loss)	28	(8)	(16)	29	1	34
Less other comprehensive loss attributable to noncontrolling interests	—	—	—	(2)	—	(2)
Balances, June 30, 2015	$ (128)	$ 210	$ (36)	$ (27)	$ (23)	$ (4)

(a) Reclassified to interest expense and other - net in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

7. Debt

Significant long-term debt issuances and borrowings by subsidiaries of NEE during the six months ended June 30, 2016 were as follows:

	Principal Amount	Interest Rate	Maturity Date
	(millions)		
NEECH:			
Debentures	$ 500	2.30%	2019
Junior subordinated debentures	$ 570	5.25%	2076
Other long-term debt	$ 100	1.00%	2021
NEER:			
Senior secured limited-recourse term loans	$ 556	Variable (a)	2027 - 2035
Other long-term debt	$ 725	Variable (a)	2018 - 2022

(a) Variable rate is based on an underlying index plus a margin. Interest rate swap agreements have been entered into with respect to certain of these issuances. See Note 2.

8. Summary of Significant Accounting and Reporting Policies

NextEra Energy Partners, LP - In February and March 2016, NEP completed the sale of 11,155,000 common units representing limited partnership interests in NEP in a public offering for an aggregate purchase price of approximately $287 million, or $25.76 per common unit. This offering, together with issuances of additional common units under NEP's at-the-market equity issuance program during the six months ended June 30, 2016, resulted in a decrease of NEE's interest in NEP's operating projects to approximately 70.6% at June 30, 2016.

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability, initially measured at the present value of the future lease payments; and a right-of-use asset for all leases (with the exception of short-term leases). The standards update will be effective for NEE and FPL beginning January 1, 2019. Early adoption is permitted. Lessees and lessors must apply a modified retrospective approach for all leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. NEE and FPL are currently evaluating the effect the adoption of this standards update will have on their consolidated financial statements.

Assets and Liabilities Associated with Assets Held for Sale - In April 2016, a subsidiary of NEER completed the sale of the Texas natural gas generation facilities for net cash proceeds of approximately $456 million, after transaction costs and working capital adjustments. A NEER affiliate will continue to operate the facilities included in the sale for an initial period of up to one year. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($106 million after tax) was recorded in NEE's condensed consolidated statements of income for the three and six months ended June 30, 2016 and is included in taxes other than income taxes and other - net. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's condensed consolidated balance sheet as of December 31, 2015 primarily represent property, plant and equipment and the related long-term debt.

In May 2016, NEER initiated a plan and received internal authorization to pursue the sale of its ownership interests in its natural gas generation facilities located primarily in Pennsylvania, which have a total generating capacity of 840 MW at June 30, 2016. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's condensed consolidated balance sheet at June 30, 2016 primarily represent property, plant and equipment and the related long-term debt.

Merger Termination - On July 15, 2016, the Hawaii Public Utilities Commission issued an order dismissing NEE's and Hawaiian Electric Company, Inc.'s (HECO) merger application. As a result, on July 16, 2016, NEE terminated the agreement and plan of merger dated as of December 3, 2014 (merger agreement), by and among NEE, Hawaiian Electric Industries, Inc. (HEI), and two wholly owned direct subsidiaries of NEE, NEE Acquisition Sub I, LLC and NEE Acquisition Sub II, Inc., under which HECO, a wholly owned subsidiary of HEI, was to become a subsidiary of NEE. Pursuant to the terms of the merger agreement, NEE paid HEI a termination fee of $90 million plus reimbursement to HEI for out-of-pocket expenses incurred in connection with the merger agreement of $5 million, which NEE will record as a merger expense during the third quarter of 2016.

9. Commitments and Contingencies

Commitments - NEE and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL include, among other things, the cost for construction or acquisition of additional facilities and equipment

to meet customer demand, as well as capital improvements to and maintenance of existing facilities and the procurement of nuclear fuel. At NEER, capital expenditures include, among other things, the cost, including capitalized interest, for construction and development of wind and solar projects and the procurement of nuclear fuel, as well as the investment in the development and construction of its natural gas pipeline assets. Capital expenditures for Corporate and Other primarily include the cost to meet customer-specific requirements and maintain the fiber-optic network for FPL FiberNet and the cost to maintain existing transmission facilities at NEET.

At June 30, 2016, estimated capital expenditures for the remainder of 2016 through 2020 for which applicable internal approvals (and also FPSC approvals for FPL, if required) have been received were as follows:

	Remainder of 2016	2017	2018	2019	2020	Total
			(millions)			
FPL:						
Generation:[a]						
New[b][c]	$ 395	$ 645	$ 270	$ 105	$ 10	$ 1,425
Existing	385	955	675	520	540	3,075
Transmission and distribution	915	2,060	1,985	2,485	2,335	9,780
Nuclear fuel	100	125	190	170	210	795
General and other	190	265	240	185	185	1,065
Total	$ 1,985	$ 4,050	$ 3,360	$ 3,465	$ 3,280	$ 16,140
NEER:						
Wind[d]	$ 1,190	$ 50	$ 35	$ 30	$ 30	$ 1,335
Solar[e]	305	25	—	—	—	330
Nuclear, including nuclear fuel	175	235	265	255	250	1,180
Natural gas pipelines[f]	740	820	620	85	25	2,290
Other	215	45	50	55	45	410
Total	$ 2,625	$ 1,175	$ 970	$ 425	$ 350	$ 5,545
Corporate and Other	$ 110	$ 215	$ 175	$ 190	$ 125	$ 815

(a) Includes AFUDC of approximately $39 million, $44 million, $63 million and $27 million for the remainder of 2016 through 2019, respectively.
(b) Includes land, generation structures, transmission interconnection and integration and licensing.
(c) Excludes capital expenditures for the construction costs for the two additional nuclear units at FPL's Turkey Point site beyond what is required to receive and maintain an NRC license for each unit.
(d) Consists of capital expenditures for new wind projects and related transmission totaling approximately 1,465 MW.
(e) Includes capital expenditures for new solar projects and related transmission totaling approximately 720 MW.
(f) Includes capital expenditures for construction of three natural gas pipelines, including equity contributions associated with equity investments in joint ventures for two pipelines and AFUDC associated with the third pipeline. The natural gas pipelines are subject to certain conditions. See Contracts below.

The above estimates are subject to continuing review and adjustment and actual capital expenditures may vary significantly from these estimates.

Contracts - In addition to the commitments made in connection with the estimated capital expenditures included in the table in Commitments above, FPL has commitments under long-term purchased power and fuel contracts. As of June 30, 2016, FPL is obligated under a take-or-pay purchased power contract to pay for 375 MW annually through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 444 MW from certain cogenerators and small power producers with expiration dates ranging from 2025 through 2034. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts. Capacity payments for the pay-for-performance contracts are subject to the facilities meeting certain contract conditions. FPL has contracts with expiration dates through 2036 for the purchase and transportation of natural gas and coal, and storage of natural gas. In addition, FPL has entered into 25-year natural gas transportation agreements with each of Sabal Trail and Florida Southeast Connection, each of which will build, own and operate a pipeline that will be part of a natural gas pipeline system, for a quantity of 400,000 MMBtu/day beginning on May 1, 2017 and increasing to 600,000 MMBtu/day on May 1, 2020. These agreements contain firm commitments that are contingent upon the occurrence of certain events, including the completion of construction of the pipeline system to be built by Sabal Trail and Florida Southeast Connection. On April 1, 2016, a wholly owned NEER subsidiary purchased an additional 9.5% interest in Sabal Trail, resulting in a 42.5% total ownership interest. See Commitments above.

As of June 30, 2016, NEER has entered into contracts with expiration dates ranging from late July 2016 through 2032 primarily for the purchase of wind turbines, wind towers and solar modules and related construction and development activities, as well as for the supply of uranium, conversion, enrichment and fabrication of nuclear fuel and has made commitments for the construction of

the natural gas pipelines. Approximately $4.0 billion of related commitments are included in the estimated capital expenditures table in Commitments above. In addition, NEER has contracts primarily for the purchase, transportation and storage of natural gas and firm transmission service with expiration dates ranging from late July 2016 through 2019.

The required capacity and/or minimum payments under the contracts discussed above as of June 30, 2016 were estimated as follows:

	Remainder of 2016	2017	2018	2019	2020	Thereafter
			(millions)			
FPL:						
Capacity charges[a]	$ 85	$ 170	$ 155	$ 135	$ 110	$ 690
Minimum charges, at projected prices:[b]						
Natural gas, including transportation and storage[c]	$ 635	$ 1,010	$ 870	$ 860	$ 910	$ 12,970
Coal, including transportation	$ 50	$ 45	$ 5	$ 5	$ —	$ —
NEER	$ 2,040	$ 835	$ 775	$ 180	$ 85	$ 350
Corporate and Other[d][e]	$ 85	$ 5	$ 5	$ —	$ 5	$ —

(a) Capacity charges under these contracts, substantially all of which are recoverable through the capacity clause, totaled approximately $46 million and $117 million for the three months ended June 30, 2016 and 2015, respectively, and approximately $93 million and $236 million for the six months ended June 30, 2016 and 2015, respectively. Energy charges under these contracts, which are recoverable through the fuel clause, totaled approximately $31 million and $78 million for the three months ended June 30, 2016 and 2015, respectively, and approximately $47 million and $122 million for the six months ended June 30, 2016 and 2015, respectively.
(b) Recoverable through the fuel clause.
(c) Includes approximately $200 million, $295 million, $290 million, $360 million and $7,885 million in 2017, 2018, 2019 , 2020 and thereafter, respectively, of firm commitments, subject to certain conditions as noted above, related to the natural gas transportation agreements with Sabal Trail and Florida Southeast Connection.
(d) Includes an approximately $35 million commitment to invest primarily in clean power and technology businesses through 2021.
(e) Excludes approximately $495 million in 2016 of joint obligations of NEECH and NEER which are included in the NEER amounts above.

In addition, FPL has entered into a purchase agreement under which it will assume ownership of a 330 MW coal-fired generation facility located in Indiantown, Florida for a purchase price of $451 million (including existing debt of approximately $218 million). The purchase agreement is contingent upon, among other things, FPSC approval, which FPL has requested by December 2016. FPL currently has a long-term purchased power agreement with this facility for substantially all of its capacity and energy. The remaining payments under the long-term purchased power agreement, which total approximately $833 million (including $47 million for the remainder of 2016) are included in the table above under capacity charges. Upon taking ownership of this facility, FPL expects to reduce the plant's operations with the intention of eventually phasing the plant out of service.

In October 2015, a subsidiary of NEP completed the acquisition of the Texas pipelines. The purchase price is subject to (i) a $200 million holdback payable, in whole or in part, upon satisfaction of financial performance and capital expenditure thresholds relating to planned expansion projects (contingent holdback) and (ii) a $200 million holdback retained to satisfy any indemnification obligations of the sellers through April 2017. The carrying amount of such holdbacks totaled $170 million and $194 million, respectively, and are included in other current liabilities on NEE's condensed consolidated balance sheets at June 30, 2016. At December 31, 2015, the carrying amount of such holdbacks totaled $186 million and $188 million, respectively, and were included in other liabilities on NEE's condensed consolidated balance sheets. During the three and six months ended June 30, 2016, NEE recorded an approximately $17 million fair value adjustment to decrease the contingent holdback based on updated estimates associated with management's probability assessment. The fair value adjustment is included in other - net in NEE's condensed consolidated statements of income.

Insurance - Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, NEE maintains $375 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $13.0 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, NEE is subject to retrospective assessments of up to $1.0 billion ($509 million for FPL), plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed $152 million ($76 million for FPL) per incident per year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $15 million, $38 million and $19 million, plus any applicable taxes, per incident, respectively.

NEE participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. NEE also participates in an insurance program that provides limited

coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of NEE's or another participating insured's nuclear plants, NEE could be assessed up to $187 million ($113 million for FPL), plus any applicable taxes, in retrospective premiums in a policy year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $3 million, $5 million and $4 million, plus any applicable taxes, respectively.

Due to the high cost and limited coverage available from third-party insurers, NEE does not have property insurance coverage for a substantial portion of either its transmission and distribution property or natural gas pipeline assets, and has no property insurance coverage for FPL FiberNet's fiber-optic cable. Should FPL's future storm restoration costs exceed the reserve amount established through the issuance of storm-recovery bonds by a VIE in 2007, FPL may recover storm restoration costs, subject to prudence review by the FPSC, either through surcharges approved by the FPSC or through securitization provisions pursuant to Florida law.

In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered from customers in the case of FPL or Lone Star Transmission, LLC, would be borne by NEE and/or FPL and/or their affiliates, as the case may be, and could have a material adverse effect on NEE's and FPL's financial condition, results of operations and liquidity.

Spain Solar Projects - In March 2013 and May 2013, events of default occurred under the project-level financing agreements for the solar thermal facilities in Spain (Spain solar projects) as a result of changes of law that occurred in December 2012 and February 2013. These changes of law negatively affected the projected economics of the projects and caused the project-level financing to be unsupportable by expected future project cash flows. Under the project-level financing, events of default (including those discussed below) provide for, among other things, a right by the lenders (which they have not exercised) to accelerate the payment of the project-level debt. Accordingly, in 2013, the project-level debt and the associated derivative liabilities related to interest rate swaps were classified as current maturities of long-term debt and current derivative liabilities, respectively, on NEE's condensed consolidated balance sheets, and totaled $564 million and $118 million, respectively, as of June 30, 2016. In July 2013, the Spanish government published a new law that created a new economic framework for the Spanish renewable energy sector. Additional regulatory pronouncements from the Spanish government needed to complete and implement the framework were finalized in June 2014. Based on NEE's assessment, the regulatory pronouncements do not indicate a further impairment of the Spain solar projects. Since the third quarter of 2014, events of default have occurred under the project-level financing agreements related to certain debt service coverage ratio covenants not being met. The project-level subsidiaries have requested the lenders to waive the events of default related to the debt service coverage ratio.

Impairments recorded due to the changes of law caused the project-level subsidiaries in Spain to have a negative net equity position on their balance sheets, which requires them under Spanish law to commence liquidation proceedings if the net equity position is not restored to specified levels. Prior to 2015, Spanish law had provided an exemption applicable to the project-level subsidiaries that enabled the exclusion of asset-related impairments in the equity calculation. Such exemption was not granted for 2015, and therefore the project-level subsidiaries commenced liquidation on April 23, 2015. The liquidators are reviewing the liquidation balance sheets and inventory schedules and will make recommendations to NextEra Energy España, S.L. (NEE España), the NEER subsidiary in Spain that is the direct shareholder of the project-level subsidiaries, to either restructure the project-level debt or file for insolvency. The liquidation event could cause the lenders to seek to accelerate the payment of the project-related debt and/or foreclose on the project assets, which they have not done to date. However, as part of a settlement agreement reached in December 2013 between NEECH, NEE España, the project-level subsidiaries and the lenders, the future recourse of the lenders under the project-level financing is effectively limited to the letters of credit described below and to the assets of the project-level subsidiaries. Under the settlement agreement, the lenders, among other things, irrevocably waived events of default related to changes of law that existed at the time of the settlement as described above, and NEECH affiliates provided for the project-level subsidiaries to post approximately €37 million (approximately $41 million as of June 30, 2016) in letters of credit to fund operating and debt service reserves under the project-level financing, of which €14 million (approximately $16 million) has been drawn as of June 30, 2016. NEE España, the project-level subsidiaries and the lenders have been in negotiations to seek to restructure the project-level financing; however, there can be no assurance that the project-level financing will be successfully restructured or that the lenders will not exercise remedies available to them under the project financing agreements for, among other things, current and future events of default, if any, or for the commencement of liquidation by the project-level subsidiaries.

Legal Proceedings - In 1995 and 1996, NEE, through an indirect subsidiary, purchased from Adelphia Communications Corporation (Adelphia) 1,091,524 shares of Adelphia common stock and 20,000 shares of Adelphia preferred stock (convertible into 2,358,490 shares of Adelphia common stock) for an aggregate price of approximately $35,900,000. On January 29, 1999, Adelphia repurchased all of these shares for $149,213,130 in cash. In June 2004, Adelphia, Adelphia Cablevision, L.L.C. and the Official Committee of Unsecured Creditors of Adelphia filed a complaint against NEE and its indirect subsidiary in the U.S. Bankruptcy Court, Southern District of New York. The complaint alleges that the repurchase of these shares by Adelphia was a fraudulent transfer, in that at the time of the transaction Adelphia (i) was insolvent or was rendered insolvent, (ii) did not receive reasonably equivalent value in exchange for the cash it paid, and (iii) was engaged or about to engage in a business or transaction for which any property remaining with Adelphia had unreasonably small capital. The complaint seeks the recovery for the benefit of Adelphia's bankruptcy estate of

the cash paid for the repurchased shares, plus interest from January 29, 1999. NEE filed an answer to the complaint. NEE believes that the complaint is without merit because, among other reasons, Adelphia will be unable to demonstrate that (i) Adelphia's repurchase of shares from NEE, which repurchase was at the market value for those shares, was not for reasonably equivalent value, (ii) Adelphia was insolvent at the time of the stock repurchase, or (iii) the stock repurchase left Adelphia with unreasonably small capital. The trial was completed in May 2012 and closing arguments were heard in July 2012. In May 2014, the U.S. Bankruptcy Court, Southern District of New York, issued its decision after trial, finding, among other things, that Adelphia was not insolvent, or rendered insolvent, at the time of the stock repurchase. The bankruptcy court further ruled that Adelphia was not left with inadequate capital or equitably insolvent at the time of the stock repurchase. The decision after trial represented proposed findings of fact and conclusions of law which were subject to de novo review by the U.S. District Court for the Southern District of New York. In March 2015, the U.S. District Court issued a final order which effectively affirmed the findings of the U.S. Bankruptcy Court in NEE's favor. In April 2015, Adelphia filed an appeal of the final order to the U.S. Court of Appeals for the Second Circuit. In June 2016, the U.S. Court of Appeals for the Second Circuit affirmed the March 2015 judgment of the U.S. District Court.

NEE and FPL are vigorously defending, and believe that they or their affiliates have meritorious defenses to, the lawsuit described above. In addition to the legal proceeding discussed above, NEE and its subsidiaries, including FPL, are involved in other legal and regulatory proceedings, actions and claims in the ordinary course of their businesses. Entities in which subsidiaries of NEE, including FPL, have a partial ownership interest are also involved in legal and regulatory proceedings, actions and claims, the liabilities from which, if any, would be shared by such subsidiary. In the event that NEE and FPL, or their affiliates, do not prevail in the lawsuit described above or these other legal and regulatory proceedings, actions and claims, there may be a material adverse effect on their financial statements. While management is unable to predict with certainty the outcome of the lawsuit described above or these other legal and regulatory proceedings, actions and claims, based on current knowledge it is not expected that their ultimate resolution, individually or collectively, will have a material adverse effect on the financial statements of NEE or FPL.

10. Segment Information

NEE's reportable segments are FPL, a rate-regulated electric utility, and NEER, a competitive energy business. NEER's segment information includes an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs. Corporate and Other represents other business activities and includes eliminating entries. NEE's segment information is as follows:

	Three Months Ended June 30,							
	2016				2015			
	FPL	NEER[a]	Corporate and Other	NEE Consolidated	FPL	NEER[a][b]	Corporate and Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ 2,750	$ 970	$ 97	$ 3,817	$ 2,996	$ 1,267	$ 95	$ 4,358
Operating expenses	$ 1,922	$ 654	$ 72	$ 2,648	$ 2,216	$ 917	$ 79	$ 3,212
Net income (loss) attributable to NEE	$ 448	$ 234 [c]	$ (142) [d]	$ 540	$ 435	$ 276 [c]	$ 5	$ 716

	Six Months Ended June 30,							
	2016				2015			
	FPL	NEER[a]	Corporate and Other	NEE Consolidated	FPL	NEER[a][b]	Corporate and Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ 5,054	$ 2,411	$ 186	$ 7,651	$ 5,538	$ 2,729	$ 196	$ 8,463
Operating expenses	$ 3,512	$ 1,600	$ 136	$ 5,248	$ 4,091	$ 1,946	$ 150	$ 6,187
Net income (loss) attributable to NEE	$ 841	$ 458 [c]	$ (106) [d]	$ 1,193	$ 794	$ 556 [c]	$ 16	$ 1,366

(a) Interest expense allocated from NEECH is based on a deemed capital structure of 70% debt. For this purpose, the deferred credit associated with differential membership interests sold by NEER subsidiaries is included with debt. Residual NEECH corporate interest expense is included in Corporate and Other.
(b) Amounts were adjusted to reflect the fourth quarter 2015 segment change related to natural gas pipeline projects.
(c) See Note 4 for a discussion of NEER's tax benefits related to PTCs.
(d) Reflects the adoption in the second quarter of 2016 of an accounting standards update. See Note 6 - Stock-Based Compensation.

	June 30, 2016				December 31, 2015			
	FPL	NEER	Corporate and Other	NEE Consolidated	FPL	NEER	Corporate and Other	NEE Consolidated
	(millions)							
Total assets	$ 43,870	$ 39,052	$ 2,498	$ 85,420	$ 42,523	$ 37,647	$ 2,309	$ 82,479

11. Summarized Financial Information of NEECH

NEECH, a 100% owned subsidiary of NEE, provides funding for, and holds ownership interests in, NEE's operating subsidiaries other than FPL. NEECH's debentures and junior subordinated debentures including those that were registered pursuant to the Securities Act of 1933, as amended, are fully and unconditionally guaranteed by NEE. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended June 30,							
	2016				2015			
	NEE (Guarantor)[a]	NEECH	Other[b]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ —	$ 1,070	$ 2,747	$ 3,817	$ —	$ 1,366	$ 2,992	$ 4,358
Operating expenses	(5)	(720)	(1,923)	(2,648)	(5)	(984)	(2,223)	(3,212)
Interest expense	—	(485)	(117)	(602)	(1)	(167)	(112)	(280)
Equity in earnings of subsidiaries	586	—	(586)	—	716	—	(716)	—
Other income - net	—	180	16	196	—	111	17	128
Income (loss) before income taxes	581	45	137	763	710	326	(42)	994
Income tax expense (benefit)	41	(100)	278	219	(6)	33	247	274
Net income (loss)	540	145	(141)	544	716	293	(289)	720
Less net income attributable to noncontrolling interests	—	4	—	4	—	4	—	4
Net income (loss) attributable to NEE	$ 540	$ 141	$ (141)	$ 540	$ 716	$ 289	$ (289)	$ 716

	Six Months Ended June 30,							
	2016				2015			
	NEE (Guarantor)[a]	NEECH	Other[b]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ —	$ 2,605	$ 5,046	$ 7,651	$ —	$ 2,932	$ 5,531	$ 8,463
Operating expenses	(10)	(1,725)	(3,513)	(5,248)	(9)	(2,078)	(4,100)	(6,187)
Interest expense	(1)	(882)	(228)	(1,111)	(2)	(372)	(227)	(601)
Equity in earnings of subsidiaries	1,224	—	(1,224)	—	1,361	—	(1,361)	—
Other income - net	1	327	39	367	1	227	28	256
Income (loss) before income taxes	1,214	325	120	1,659	1,351	709	(129)	1,931
Income tax expense (benefit)	21	(70)	510	461	(15)	125	450	560
Net income (loss)	1,193	395	(390)	1,198	1,366	584	(579)	1,371
Less net income attributable to noncontrolling interests	—	5	—	5	—	5	—	5
Net income (loss) attributable to NEE	$ 1,193	$ 390	$ (390)	$ 1,193	$ 1,366	$ 579	$ (579)	$ 1,366

(a) Reflects the adoption in the second quarter of 2016 of an accounting standards update. See Note 6 - Stock-Based Compensation.
(b) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Comprehensive Income

	Three Months Ended June 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Comprehensive income (loss) attributable to NEE	$ 571	$ 172	$ (172)	$ 571	$ 785	$ 358	$ (358)	$ 785

	Six Months Ended June 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Comprehensive income (loss) attributable to NEE	$ 1,278	$ 482	$ (482)	$ 1,278	$ 1,402	$ 631	$ (631)	$ 1,402

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	June 30, 2016				December 31, 2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric plant in service and other property	$ 27	$ 36,633	$ 47,080	$ 83,740	$ 27	$ 34,921	$ 45,382	$ 80,330
Accumulated depreciation and amortization	(17)	(7,399)	(12,167)	(19,583)	(16)	(7,067)	(11,861)	(18,944)
Total property, plant and equipment - net	10	29,234	34,913	64,157	11	27,854	33,521	61,386
CURRENT ASSETS								
Cash and cash equivalents	—	714	16	730	—	546	25	571
Receivables	73	1,824	776	2,673	90	1,510	665	2,265
Other	4	1,839	1,266	3,109	4	2,443	1,512	3,959
Total current assets	77	4,377	2,058	6,512	94	4,499	2,202	6,795
OTHER ASSETS								
Investment in subsidiaries	22,966	—	(22,966)	—	22,544	—	(22,544)	—
Other	869	8,102	5,780	14,751	823	7,790	5,685	14,298
Total other assets	23,835	8,102	(17,186)	14,751	23,367	7,790	(16,859)	14,298
TOTAL ASSETS	$ 23,922	$ 41,713	$ 19,785	$ 85,420	$ 23,472	$ 40,143	$ 18,864	$ 82,479
CAPITALIZATION								
Common shareholders' equity	$ 23,174	$ 7,465	$ (7,465)	$ 23,174	$ 22,574	$ 6,990	$ (6,990)	$ 22,574
Noncontrolling interests	—	708	—	708	—	538	—	538
Long-term debt	—	17,076	9,925	27,001	—	16,725	9,956	26,681
Total capitalization	23,174	25,249	2,460	50,883	22,574	24,253	2,966	49,793
CURRENT LIABILITIES								
Debt due within one year	—	4,279	1,028	5,307	—	2,786	220	3,006
Accounts payable	1	1,118	655	1,774	4	1,919	606	2,529
Other	188	2,717	1,350	4,255	252	3,003	1,317	4,572
Total current liabilities	189	8,114	3,033	11,336	256	7,708	2,143	10,107
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	—	689	1,867	2,556	—	647	1,822	2,469
Deferred income taxes	84	2,304	7,733	10,121	157	2,396	7,274	9,827
Other	475	5,357	4,692	10,524	485	5,139	4,659	10,283
Total other liabilities and deferred credits	559	8,350	14,292	23,201	642	8,182	13,755	22,579
COMMITMENTS AND CONTINGENCIES								

TOTAL CAPITALIZATION AND LIABILITIES	$ 23,922	$ 41,713	$ 19,785	$ 85,420	$ 23,472	$ 40,143	$ 18,864	$ 82,479

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Six Months Ended June 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 809	$ 1,084	$ 1,377	$ 3,270	$ 678	$ 851	$ 1,405	$ 2,934
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures, independent power and other investments and nuclear fuel purchases	—	(3,866)	(2,200)	(6,066)	(1)	(2,180)	(1,628)	(3,809)
Capital contributions from NEE	(13)	—	13	—	(569)	—	569	—
Sale of independent power and other investments of NEER	—	396	—	396	—	34	—	34
Proceeds from the sale of a noncontrolling interest in subsidiaries	—	303	—	303	—	106	—	106
Other - net	—	(54)	(16)	(70)	—	(31)	(54)	(85)
Net cash used in investing activities	(13)	(3,221)	(2,203)	(5,437)	(570)	(2,071)	(1,113)	(3,754)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	—	2,509	—	2,509	—	1,621	85	1,706
Retirements of long-term debt	—	(963)	(33)	(996)	—	(1,373)	(30)	(1,403)
Proceeds from sale of differential membership interests	—	219	—	219	—	41	—	41
Payments to differential membership investors	—	(63)	—	(63)	—	(47)	—	(47)
Proceeds from notes payable	—	—	500	500	—	950	—	950
Repayments of notes payable	—	(12)	—	(12)	—	—	—	—
Net change in commercial paper	—	701	307	1,008	—	627	(948)	(321)
Issuances of common stock	43	—	—	43	630	—	—	630
Dividends on common stock	(803)	—	—	(803)	(683)	—	—	(683)
Contributions from (dividends to) NEE	—	(33)	33	—	—	(615)	615	—
Other - net	(36)	(53)	10	(79)	(55)	(42)	18	(79)
Net cash provided by (used in) financing activities	(796)	2,305	817	2,326	(108)	1,162	(260)	794
Net increase (decrease) in cash and cash equivalents	—	168	(9)	159	—	(58)	32	(26)
Cash and cash equivalents at beginning of period	—	546	25	571	—	562	15	577
Cash and cash equivalents at end of period	$ —	$ 714	$ 16	$ 730	$ —	$ 504	$ 47	$ 551

(a) Represents primarily FPL and consolidating adjustments.

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

OVERVIEW

NEE's operating performance is driven primarily by the operations of its two principal subsidiaries, FPL, which serves approximately 4.8 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the U.S., and NEER, which together with affiliated entities is the largest generator in North America of renewable energy from the wind and sun based on MWh produced. The table below presents net income (loss) attributable to NEE and earnings (loss) per share attributable to NEE, assuming dilution, by reportable segment, FPL and NEER, and by Corporate and Other, which is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as other income and expense items, including interest expense, income taxes and eliminating entries (see Note 10 for additional segment information). The following discussions should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing in the 2015 Form 10-K. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussions, all comparisons are with the corresponding items in the prior year period.

	Net Income (Loss) Attributable to NEE		Earnings (Loss) Per Share, assuming dilution		Net Income (Loss) Attributable to NEE		Earnings (Loss) Per Share, assuming dilution	
	Three Months Ended June 30,		Three Months Ended June 30,		Six Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	(millions)				(millions)			
FPL	**$ 448**	$ 435	**$ 0.96**	$ 0.97	**$ 841**	$ 794	**$ 1.81**	$ 1.77
NEER[a][b]	**234**	276	**0.50**	0.61	**458**	556	**0.99**	1.24
Corporate and Other[b][c]	**(142)**	5	**(0.30)**	0.01	**(106)**	16	**(0.23)**	0.03
NEE	**$ 540**	$ 716	**$ 1.16**	$ 1.59	**$ 1,193**	$ 1,366	**$ 2.57**	$ 3.04

(a) NEER's results reflect an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs.
(b) NEER's and Corporate and Other's results for 2015 were retrospectively adjusted to reflect the fourth quarter segment change related to natural gas pipeline projects.
(c) Reflects the adoption in the second quarter of 2016 of an accounting standards update; the six-months ended June 30, 2016 period also reflects the first-quarter 2016 impact of such adoption. See Note 6 - Stock-Based Compensation.

Adjusted Earnings

NEE prepares its financial statements under GAAP. However, management uses earnings excluding certain items (adjusted earnings), a non-GAAP financial measure, internally for financial planning, for analysis of performance, for reporting of results to the Board of Directors and as an input in determining performance-based compensation under NEE's employee incentive compensation plans. NEE also uses adjusted earnings when communicating its financial results and earnings outlook to analysts and investors. NEE's management believes adjusted earnings provides a more meaningful representation of NEE's fundamental earnings power. Although the excluded amounts are properly included in the determination of net income under GAAP, management believes that the amount and/or nature of such items make period to period comparisons of operations difficult and potentially confusing. Adjusted earnings do not represent a substitute for net income, as prepared under GAAP.

Adjusted earnings exclude the unrealized mark-to-market effect of non-qualifying hedges (as described below) and OTTI losses on securities held in NEER's nuclear decommissioning funds, net of the reversal of previously recognized OTTI losses on securities sold and losses on securities where price recovery was deemed unlikely (collectively, OTTI reversals). However, other adjustments may be made from time to time with the intent to provide more meaningful and comparable results of ongoing operations.

NEE, through NEER and Corporate and Other, segregate into two categories unrealized mark-to-market gains and losses on derivative transactions. The first category, referred to as non-qualifying hedges, represents certain energy derivative, interest rate derivative and foreign currency transactions entered into as economic hedges, which do not meet the requirements for hedge accounting, or for which hedge accounting treatment is not elected or has been discontinued. Changes in the fair value of those transactions are marked to market and reported in the consolidated statements of income, resulting in earnings volatility because the economic offset to certain of the positions are generally not marked to market. As a consequence, NEE's net income reflects only the movement in one part of economically-linked transactions. For example, a gain (loss) in the non-qualifying hedge category for certain energy derivatives is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under GAAP. For this reason, NEE's management views results expressed excluding the unrealized mark-to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. The second category, referred to as trading activities, which is included in adjusted earnings, represents the net unrealized effect of actively traded positions entered into to take advantage of expected market price movements and all other commodity hedging activities. In January 2016, NEE discontinued hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, which could result in increased volatility in the non-qualifying hedge category. In connection with discontinuing hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, in May 2016, NEE also began recording changes in the fair value of interest rate derivatives entered into as economic hedges to offset expected future debt issuances as

non-qualifying hedges. At FPL, substantially all changes in the fair value of energy derivative transactions are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. See Note 2.

In order to make period to period comparisons more meaningful, adjusted earnings also exclude the costs incurred associated with the proposed merger between NEE, HEI and two wholly owned direct subsidiaries of NEE, which was terminated effective July 16, 2016 (see Note 8 - Merger Termination), the after-tax operating results associated with the Spain solar projects, and the resolution of contingencies related to a previous asset sale which was recorded in the first quarter of 2016 as gains on disposal of assets - net in NEE's condensed consolidated statements of income. In April 2016, a subsidiary of NEER completed the sale of its ownership interest in the Texas natural gas generation facilities. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($106 million after tax) was recorded in NEE's condensed consolidated statements of income during the three and six months ended June 30, 2016 and is included in taxes other than income taxes and other - net.

The following table provides details of the adjustments to net income considered in computing NEE's adjusted earnings discussed above.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
	(millions)			
Net unrealized mark-to-market after-tax gains (losses) from non-qualifying hedge activity[a]	**$ (341)**	$ 25	**$ (416)**	$ 52
Income (loss) from OTTI after-tax losses on securities held in NEER's nuclear decommissioning funds, net of OTTI reversals	**$ 1**	$ (2)	**$ (4)**	$ (1)
After-tax operating results of NEER's Spain solar projects	**$ (1)**	$ 1	**$ (4)**	$ (3)
After-tax merger-related expenses - Corporate and Other	**$ (2)**	$ (7)	**$ (4)**	$ (10)
After-tax gain on sale of the Texas natural gas generation facilities[b]	**$ 106**	$ —	**$ 106**	$ —
Resolution of contingencies related to a previous asset sale - NEER	**$ —**	$ —	**$ 5**	$ —

(a) For the three months ended June 30, 2016 and 2015, approximately $242 million of losses and $23 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other. For the six months ended June 30, 2016 and 2015, approximately $323 million of losses and $45 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other.

(b) Approximately $164 million of the gain was recorded in NEER's net income; the balance is included in Corporate and Other. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale and Note 4.

The change in unrealized mark-to-market activity from non-qualifying hedges is primarily attributable to changes in forward power and natural gas prices, interest rates and foreign currency exchange rates, as well as the reversal of previously recognized unrealized mark-to-market gains or losses as the underlying transactions were realized.

RESULTS OF OPERATIONS

Summary

Net income attributable to NEE for the three months ended June 30, 2016 was lower than the prior period by $176 million, reflecting lower results at NEER and Corporate and Other, partly offset by higher results at FPL. Net income attributable to NEE for the six months ended June 30, 2016 was lower than the prior period by $173 million, reflecting lower results at NEER and Corporate and Other, partly offset by higher results at FPL.

FPL's increase in net income for the three and six months ended June 30, 2016 was primarily driven by continued investments in plant in service and other property while earning an 11.50% regulatory ROE on its retail rate base.

NEER's results decreased for the three and six months ended June 30, 2016 reflecting net unrealized losses from non-qualifying hedge activity compared to the results of such hedges in the prior year periods, lower earnings on existing assets and higher interest and general and administrative expenses. These decreases were partly offset by the gain on the sale of the Texas natural gas generation facilities and contributions from new investments. The net unrealized losses from non-qualifying hedge activity includes approximately $50 million and $133 million for the three and six months ended June 30, 2016, respectively, of after-tax losses related to interest rate derivative instruments for which hedge accounting was discontinued in January 2016.

Corporate and Other's results decreased for the three and six months ended June 30, 2016 primarily due to net unrealized losses from non-qualifying hedge activity primarily associated with interest rate and foreign currency derivative instruments, as hedge accounting was discontinued in January 2016.

NEE's effective income tax rates for the three months ended June 30, 2016 and 2015 were approximately 29% and 28%, respectively. NEE's effective income tax rates for the six months ended June 30, 2016 and 2015 were approximately 28% and 29%, respectively. The rates for all periods reflect the benefit of PTCs for NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs for solar and certain wind projects at NEER. PTCs, ITCs and deferred income tax benefits associated

with convertible ITCs can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by PTC roll off. PTCs for the three months ended June 30, 2016 and 2015 were approximately $31 million and $37 million, respectively, and $73 million and $75 million for the comparable six-month periods. ITCs and deferred income tax benefits associated with convertible ITCs for the three months ended June 30, 2016 and 2015 were approximately $43 million and $34 million, respectively, and $79 million and $52 million for the comparable six-month periods. In addition, the rates for the three and six months ended June 30, 2016 reflect a consolidating income tax adjustment of approximately $58 million related to the sale of the Texas natural gas generation facilities and noncash income tax benefits of approximately $30 million ($26 million attributable to NEE) related to the Canadian tax restructuring. See Note 4.

FPL: Results of Operations

FPL's net income for the three months ended June 30, 2016 and 2015 was $448 million and $435 million, respectively, representing an increase of $13 million. FPL's net income for the six months ended June 30, 2016 and 2015 was $841 million and $794 million, respectively, representing an increase of $47 million.

The use of reserve amortization is permitted by a January 2013 FPSC final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2012 rate agreement). In order to earn a targeted regulatory ROE, subject to limitations associated with the 2012 rate agreement, reserve amortization is calculated using a trailing thirteen-month average of retail rate base and capital structure in conjunction with the trailing twelve months regulatory retail base net operating income, which primarily includes the retail base portion of base and other revenues, net of O&M, depreciation and amortization, interest and tax expenses. In certain periods, reserve amortization must be reversed so as not to exceed the targeted ROE. The drivers of FPL's net income not reflected in the reserve amortization calculation typically include wholesale and transmission service revenues and expenses, cost recovery clause revenues and expenses, AFUDC - equity and costs not allowed to be recovered from retail customers by the FPSC. During the three months ended June 30, 2016 and 2015, FPL recorded reserve amortization of approximately $16 million and the reversal of reserve amortization of $66 million, respectively. During the six months ended June 30, 2016 and 2015, FPL recorded reserve amortization of approximately $193 million and $33 million, respectively.

The $13 million increase in FPL's net income for the three months ended June 30, 2016 was primarily driven by:

- higher earnings from investments in plant in service and other property of approximately $38 million. Such investments grew FPL's average retail rate base for the three months ended June 30, 2016 by approximately $2.4 billion, when compared to the same period last year, reflecting, among other things, the modernized Port Everglades power plant and ongoing transmission and distribution additions,

partly offset by,

- a decrease of approximately $13 million related to a provision for refund associated with FPL's investment in the Woodford Shale wells (see Cost Recovery Clauses).

The $47 million increase in FPL's net income for the six months ended June 30, 2016 was primarily driven by:

- higher earnings from investments in plant in service and other property of approximately $55 million. Such investments grew FPL's average retail rate base for the six months ended June 30, 2016 by approximately $2.0 billion when compared to the same period last year, reflecting, among other things, the modernized Port Everglades power plant and ongoing transmission and distribution additions,
- higher AFUDC - equity of $12 million, and
- higher cost recovery clause earnings of $12 million primarily related to FPL's acquisition of Cedar Bay in September 2015,

partly offset by,

- a decrease of approximately $13 million related to a provision for refund associated with FPL's investment in the Woodford Shale wells (see Cost Recovery Clauses), and
- higher nonrecoverable expenses of $11 million.

FPL's operating revenues consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
		(millions)		
Retail base	**$ 1,517**	$ 1,487	**$ 2,708**	$ 2,671
Fuel cost recovery	**737**	972	**1,478**	1,853
Net recognition of deferred retail fuel revenues	**6**	—	**—**	—
Net deferral of retail fuel revenues	**—**	—	**(75)**	—
Other cost recovery clauses and pass-through costs, net of any deferrals	**372**	417	**714**	780
Other, primarily wholesale and transmission sales, customer-related fees and pole attachment rentals	**118**	120	**229**	234
Total	**$ 2,750**	$ 2,996	**$ 5,054**	$ 5,538

Retail Base

Retail base revenues increased approximately $56 million and $64 million during the three and six months ended June 30, 2016, respectively, related to the modernized Port Everglades power plant that was placed in service on April 1, 2016; the annualized effect of such retail base rate increase assuming normal weather is approximately $216 million.

Retail Customer Usage and Growth

In the three and six months ended June 30, 2016, FPL experienced a 3.8% and 2.6% decrease, respectively, in average usage per retail customer and a 1.4% increase for both periods in the average number of customer accounts which collectively, together with other factors, resulted in a decrease in revenues of approximately $26 million and $27 million, respectively. Mild weather as compared to the same periods in 2015 contributed to the decreased revenues.

Cost Recovery Clauses

Revenues from fuel and other cost recovery clauses and pass-through costs, such as franchise fees, revenue taxes and storm-related surcharges, are largely a pass-through of costs. Such revenues also include a return on investment allowed to be recovered through the cost recovery clauses on certain assets, primarily related to solar and environmental projects, the unamortized balance of the regulatory asset associated with FPL's acquisition of Cedar Bay in September 2015 and nuclear capacity. The decrease in fuel cost recovery revenues for the three months ended June 30, 2016 is primarily due to a decrease of approximately $218 million related to a lower average fuel factor and a decrease of $21 million related to lower retail energy sales. The decrease in fuel cost recovery revenues for the six months ended June 30, 2016 is primarily due to a decrease of approximately $346 million related to a lower average fuel factor and lower revenues from interchange power sales of $24 million. Net recognition of deferred retail fuel revenues totaled $6 million during the three months ended June 30, 2016 due to the underrecovery of costs through rates largely due to an adjustment to the fuel factor in April 2016, partly offset by the provision for refund described below. Net deferral of retail fuel revenues totaled approximately $75 million during the six months ended June 30, 2016 due to the overrecovery of costs through rates prior to the April 2016 adjustment to the fuel factor largely related to lower natural gas costs than previously estimated, as well as the provision for refund described below.

Declines in revenues from other cost recovery clauses and pass-through costs were largely due to reductions in purchased power and capacity expenses associated with the capacity clause. Cost recovery clauses contributed approximately $20 million and $16 million to FPL's net income for the three months ended June 30, 2016 and 2015, respectively, and $47 million and $35 million for the comparable six-month periods. The increase in both periods primarily relates to the acquisition of Cedar Bay in September 2015.

Provision for Refund

In March 2015, after receiving FPSC approval, a wholly owned subsidiary of FPL partnered with a third party to develop up to 38 natural gas production wells in the Woodford Shale region in southeastern Oklahoma and in return began receiving its ownership share of the natural gas produced from these wells. In May 2016, the Florida Supreme Court (Court) reversed the FPSC's order approving FPL's investment in the Woodford Shale wells because the Court concluded that the FPSC exceeded its statutory authority when approving recovery of FPL's costs and investment in these wells. As of June 30, 2016, FPL recorded a provision for refund of approximately $21 million ($13 million after tax) associated with the Court's decision. FPL's wholly owned subsidiary, which is not subject to FPSC authority, plans to sell its future share of the natural gas produced from the Woodford Shale wells to third parties at market price. Also, in response to the Court's decision on the Woodford Shale order, the FPSC is currently in the process of vacating its July 2015 order approving a set of guidelines under which FPL could participate in additional natural gas production projects.

Other Items Impacting FPL's Condensed Consolidated Statements of Income

Fuel, Purchased Power and Interchange Expense
The major components of FPL's fuel, purchased power and interchange expense are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
		(millions)		
Fuel and energy charges during the period	**$ 761**	$ 968	**$ 1,372**	$ 1,744
Net recognition of deferred retail fuel costs	**—**	5	**37**	110
Other, primarily capacity charges, net of any capacity deferral	**50**	125	**102**	249
Total	**$ 811**	$ 1,098	**$ 1,511**	$ 2,103

The decrease in fuel and energy charges for the three and six months ended June 30, 2016 primarily reflects approximately $195 million and $350 million, respectively, of lower fuel and energy prices and $8 million and $18 million, respectively, related to lower energy sales. In addition, FPL recognized approximately $37 million of deferred retail fuel costs during the six months ended June 30, 2016 compared to recognition of $110 million of deferred retail fuel costs in the six months ended June 30, 2015. The decrease in other is primarily due to lower capacity fees in part related to the termination of certain long-term purchased power agreements, including the Cedar Bay purchased power agreement after FPL assumed ownership of Cedar Bay in September 2015.

O&M Expenses
FPL's O&M expenses increased $25 million and $62 million for the three and six months ended June 30, 2016, respectively, reflecting higher cost recovery clause costs of approximately $5 million and $18 million, respectively, which, as discussed above, do not have a significant impact on net income. Also, FPL's O&M expenses for the three months ended June 30, 2016 reflect higher fossil generation costs and weather-related restoration costs, while FPL's O&M expenses for the six months ended June 30, 2016 reflect higher fossil generation costs, scheduled maintenance costs primarily due to timing, weather-related restoration costs and employee-related costs.

Depreciation and Amortization Expense
The major components of FPL's depreciation and amortization expense are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
		(millions)		
Reserve reversal (amortization) recorded under the 2012 rate agreement	**$ (16)**	$ 66	**$ (193)**	$ (33)
Other depreciation and amortization recovered under base rates	**340**	314	**669**	622
Depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization	**76**	48	**144**	80
Total	**$ 400**	$ 428	**$ 620**	$ 669

The reserve amortization, or reversal of such amortization, reflects adjustments to the depreciation and fossil dismantlement reserve provided under the 2012 rate agreement in order to achieve the targeted regulatory ROE. At June 30, 2016, approximately $71 million of the reserve remains available for future amortization over the term of the 2012 rate agreement. Reserve amortization is recorded as a reduction to (or when reversed as an increase to) regulatory liabilities - accrued asset removal costs on the condensed consolidated balance sheets. The increase in other depreciation and amortization expense recovered under base rates for the three and six months ended June 30, 2016 is due to higher plant in service and other property balances. The increase in depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization for the three and six months ended June 30, 2016 primarily relates to the amortization of a regulatory asset associated with the 2015 acquisition of Cedar Bay.

AFUDC - Equity
AFUDC - equity for the three and six months ended June 30, 2016 reflects additional AFUDC - equity recorded on construction expenditures associated with the peaker upgrade project and three solar PV projects. The additional AFUDC - equity was more than offset for the three months ended June 30, 2016 and partly offset for the six months ended June 30, 2016 by lower AFUDC - equity associated with the modernized Port Everglades power plant which was placed in service in April 2016.

FPL Rate Case

On March 15, 2016, FPL filed a petition with the FPSC requesting, among other things, an increase to base annual revenue requirements of (i) $866 million effective January 2017, (ii) $262 million effective January 2018, and (iii) $209 million effective when FPL's proposed natural gas-fired combined-cycle unit in Okeechobee County, Florida becomes operational, which is expected to occur in mid-2019. Under the proposed rate plan, FPL commits that if its requested adjustments to base annual revenue requirements are approved, it will not request a general increase in base rates that would be effective before January 1, 2021. FPL's requested increases are based on a regulatory ROE of 11.50%, which includes a 50 basis point performance adder. Hearings on the base rate proceeding are scheduled during the third quarter of 2016 and a final decision is scheduled in the fourth quarter of 2016. The rate agreement currently in effect for FPL will expire at the end of December 2016, which coincides with FPL's request for new rates to be effective at the beginning of January 2017.

Capital Initiatives

During the six months ended June 30, 2016, FPL began construction on three solar PV projects that are each expected to provide approximately 74 MW and received final approval to begin construction on a new approximately 1,600 MW natural gas-fired combine-cycle unit in Okeechobee County, Florida. In April 2016, FPL placed in service the modernized natural gas-fired combined-cycle unit at its Port Everglades power plant with approximately 1,237 MW of capacity. In addition, FPL has entered into a purchase agreement under which it will assume ownership of a 330 MW coal-fired generation facility located in Indiantown, Florida (see Note 9 - Contracts).

NEER: Results of Operations

NEER's net income less net income attributable to noncontrolling interests for the three months ended June 30, 2016 and 2015 was $234 million and $276 million, respectively, representing a decrease of $42 million. NEER's net income less net income attributable to noncontrolling interests for the six months ended June 30, 2016 and 2015 was $458 million and $556 million, respectively, representing a decrease of $98 million. The primary drivers, on an after-tax basis, of the changes are in the following table.

	Increase (Decrease) From Prior Year Period	
	Three Months Ended June 30, 2016	Six Months Ended June 30, 2016
	(millions)	
New investments[a]	$ 90	$ 157
Existing assets[a]	(26)	(9)
Gas infrastructure[b]	(7)	(6)
Customer supply and proprietary power and gas trading[b]	(4)	(21)
Interest and other general and administrative expenses[c]	(8)	(32)
Other	14	17
Change in unrealized mark-to-market non-qualifying hedge activity[d]	(265)	(368)
Change in OTTI losses on securities held in nuclear decommissioning funds, net of OTTI reversals[d]	2	(4)
Operating results of the Spain solar projects[d]	(2)	(1)
Gain on sale of the Texas natural gas generation facilities[d]	164	164
Resolution of contingencies related to a previous asset sale[d]	—	5
Decrease in net income less net income attributable to noncontrolling interests	$ (42)	$ (98)

(a) Includes PTCs, ITCs and deferred income tax and other benefits associated with convertible ITCs for wind and solar projects, as applicable, as well as income tax benefits related to the Canadian tax restructuring, but excludes allocation of interest expense and corporate general and administrative expenses. Results from projects are included in new investments during the first twelve months of operation or ownership. An electric energy project's results are included in existing assets beginning with the thirteenth month of operation.
(b) Excludes allocation of interest expense and corporate general and administrative expenses.
(c) Includes differential membership interest costs.
(d) See Overview - Adjusted Earnings for additional information.

New Investments

Results from new investments for the three months ended June 30, 2016 increased due to:

- higher earnings of approximately $63 million, including the deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 1,204 MW of wind generation and 664 MW of solar generation during or after the three months ended June 30, 2015, and
- higher earnings of approximately $27 million related to the acquisition of the Texas pipelines in October 2015 and additional

investments in other natural gas pipeline projects.

Results from new investments for the six months ended June 30, 2016 increased due to:

- higher earnings of approximately $112 million, including the deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 1,455 MW of wind generation and 664 MW of solar generation during or after the six months ended June 30, 2015, and
- higher earnings of approximately $45 million related to the acquisition of the Texas pipelines and additional investments in other natural gas pipeline projects.

Existing Assets

Results from NEER's existing asset portfolio for the three months ended June 30, 2016 decreased primarily due to:

- lower results from wind assets of approximately $14 million primarily related to lower state tax credits, PTC roll off and lower wind generation, offset in part by income tax benefits related to the Canadian tax restructuring, and
- lower results from merchant natural gas and oil assets of $11 million primarily due to the sale of the Texas natural gas generation facilities (see Overview - Adjusted Earnings).

Results from NEER's existing asset portfolio for the six months ended June 30, 2016 decreased primarily due to:

- lower results from nuclear assets of $16 million primarily due to lower gains on sales of securities held in NEER's nuclear decommissioning funds and outages at two nuclear plants, offset in part by favorable pricing,

partly offset by,

- higher results from wind assets of approximately $5 million primarily due to income tax benefits related to the Canadian tax restructuring and higher wind generation, offset in part by lower state tax credits, PTC roll off and an increase in the amount of earnings attributable to noncontrolling interest.

Gas Infrastructure

The decrease in gas infrastructure results for the three months ended June 30, 2016 is primarily due to unfavorable commodity prices. The decrease in gas infrastructure results for the six months ended June 30, 2016 is primarily due to unfavorable commodity prices, partly offset by gains from exiting the hedged positions on a number of future gas production opportunities; such gains were previously reflected in unrealized mark-to-market non-qualifying hedge activity. NEER continues to monitor its oil and gas producing properties for potential impairments due to low prices for oil and natural gas commodity products.

Customer Supply and Proprietary Power and Gas Trading

Results from customer supply and proprietary power and gas trading decreased for the three and six months ended June 30, 2016 primarily due to lower margins and less favorable market conditions as compared to the same periods in 2015.

Interest and Other General and Administrative Expenses

For the three and six months ended June 30, 2016, interest and other general and administrative expenses reflect higher borrowing and other costs to support the growth of the business.

Other Factors

Supplemental to the primary drivers of the changes in NEER's net income less net income attributable to noncontrolling interests discussed above, the discussion below describes changes in certain line items set forth in NEE's condensed consolidated statements of income as they relate to NEER.

Operating Revenues

Operating revenues for the three months ended June 30, 2016 decreased $297 million primarily due to:

- higher unrealized mark-to-market losses from non-qualifying commodity hedges ($284 million for the three months ended June 30, 2016 compared to $1 million for the comparable period in 2015), and
- lower revenues from existing assets of approximately $143 million primarily reflecting the sale of the Texas natural gas generation facilities in April 2016 and lower revenues from wind assets due to unfavorable wind generation,

partly offset by,

- higher revenues from new investments of $115 million, and
- higher revenues from the customer supply and proprietary power and gas trading business and the gas infrastructure business of $12 million.

Operating revenues for the six months ended June 30, 2016 decreased $318 million primarily due to:

- unrealized mark-to-market losses from non-qualifying commodity hedges ($206 million of losses for the six months ended June 30, 2016 compared to $61 million of gains for the comparable period in 2015),
- lower revenues from existing assets of approximately $217 million primarily reflecting the sale of the Texas natural gas generation facilities in April 2016, unfavorable market conditions at NEER's natural gas generation facilities and weather-related decrease in dispatch in the New England Power Pool (NEPOOL) region, offset in part by higher revenues from wind assets due to stronger wind resource, and
- lower revenues from the customer supply and proprietary power and gas trading business and the gas infrastructure business of $26 million,

partly offset by,

- higher revenues from new investments of $193 million.

Operating Expenses

Operating expenses for the three months ended June 30, 2016 decreased $263 million primarily due to:

- the $254 million gain on the sale of the Texas natural gas generation facilities, and
- lower fuel expense of approximately $63 million and lower depreciation expense of $10 million primarily due to the sale of the Texas natural gas generation facilities in April 2016,

partly offset by,

- higher operating expenses associated with new investments of approximately $63 million.

Operating expenses for the six months ended June 30, 2016 decreased $346 million primarily due to:

- the $254 million gain on the sale of the Texas natural gas generation facilities,
- lower fuel expense of approximately $189 million primarily due to the sale of the Texas natural gas generation facilities in April 2016, a weather-related decrease in dispatch in the NEPOOL region and lower gas prices, and
- lower depreciation expense of approximately $19 million primarily reflecting the absence of depreciation on the Texas natural gas generation facilities sold in April 2016, offset in part by higher depletion at the natural gas infrastructure business,

partly offset by,

- higher operating expenses associated with new investments of approximately $105 million, and
- higher O&M expenses reflecting higher costs associated with growth in the NEER business.

Interest Expense

NEER's interest expense for the three months ended June 30, 2016 increased approximately $145 million reflecting $114 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $24 million of favorable changes in the comparable period in 2015. NEER's interest expense for the six months ended June 30, 2016 increased approximately $343 million reflecting $310 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $11 million of favorable changes in the comparable period in 2015. These increases primarily reflect the discontinuance of hedge accounting in January 2016 discussed above. Additionally, interest expense increased due to higher average debt balances.

Benefits Associated with Differential Membership Interests - net

Benefits associated with differential membership interests - net for all periods presented reflect benefits recognized by NEER as third-party investors received their portion of the economic attributes, including income tax attributes, of the underlying wind projects, net of associated costs. The increase for the three and six months ended June 30, 2016 primarily relates to lower interest costs associated with the ongoing paydown of the differential membership interest obligations, sales of differential membership interests and increased results of the underlying wind projects.

Equity in Earnings of Equity Method Investees

Equity in earnings of equity method investees increased for the three and six months ended June 30, 2016 primarily due to increased earnings from NEER's investments in natural gas pipeline projects as construction continues and NEER's investment in a wind project that was placed in service in the fourth quarter of 2015.

Other - net

Other - net for the three and six months ended June 30, 2016 primarily reflects a fair value adjustment of approximately $17 million to decrease the contingent holdback associated with the acquisition of the Texas pipelines. See Note 9 - Contracts.

Tax Credits, Benefits and Expenses

PTCs from wind projects and ITCs and deferred income tax benefits associated with convertible ITCs from solar and certain wind projects are reflected in NEER's earnings. PTCs are recognized as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes. A portion of the PTCs have been allocated to investors in connection with sales of differential membership interests. Also see Summary above and Note 4 for a discussion of PTCs, ITCs and deferred income tax benefits associated with convertible ITCs, as well as benefits associated with differential membership interests - net above.

Capital Initiatives

During the six months ended June 30, 2016, NEER placed into service approximately 100 MW of new wind generation and 400 MW of new solar generation. Additionally, on April 1, 2016, NEER increased its ownership interest in the Sabal Trail natural gas pipeline project (see Note 9 - Contracts). NEER expects to add new contracted wind generation of approximately 1,500 MW and new contracted solar generation of approximately 1,000 MW in 2016, including the 100 MW of wind and 400 MW of solar discussed above, which will bring NEER's 2015-2016 renewables development program to approximately 4,000 MW.

Sale of Assets to NEP

In March 2016, indirect subsidiaries of NEER sold two wind generation facilities with a combined generating capacity of approximately 299 MW located in Oklahoma to indirect subsidiaries of NEP.

In July 2016, an indirect subsidiary of NEER sold two wind generation facilities with a combined generating capacity of approximately 285 MW located in Kansas and California to an indirect subsidiary of NEP.

Corporate and Other: Results of Operations

Corporate and Other is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as corporate interest income and expenses. Corporate and Other allocates a portion of NEECH's corporate interest expense and shared service costs to NEER. Interest expense is allocated based on a deemed capital structure of 70% debt and, for purposes of allocating NEECH's corporate interest expense, the deferred credit associated with differential membership interests sold by NEER's subsidiaries is included with debt. Each subsidiary's income taxes are calculated based on the "separate return method," except that tax benefits that could not be used on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits. Any remaining consolidated income tax benefits or expenses are recorded at Corporate and Other. The major components of Corporate and Other's results, on an after-tax basis, are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
		(millions)		
Interest expense, net of allocations to NEER	**$ (128)**	$ (22)	**$ (146)**	$ (43)
Interest income	**8**	8	**16**	16
Federal and state income tax benefits (expenses)[a]	**(47)**	9	**(24)**	15
Merger-related expenses	**(2)**	(7)	**(4)**	(10)
Other - net	**27**	17	**52**	38
Net income (loss)	**$ (142)**	$ 5	**$ (106)**	$ 16

(a) Reflects the adoption in the second quarter of 2016 of an accounting standards update; the six-months ended June 30, 2016 period also reflects the first-quarter 2016 impact of such adoption. See Note 6 - Stock-Based Compensation.

The increase in interest expense, net of allocations to NEER, for the three and six months ended June 30, 2016 primarily reflects net after-tax unrealized losses on interest rate and foreign currency derivative instruments, as hedge accounting was discontinued in January 2016, and foreign currency transaction losses. See Note 2. The federal and state income tax benefits (expenses) for all periods presented reflect consolidating income tax adjustments including, in 2016, an approximately $58 million income tax charge related to the sale of the Texas natural gas generation facilities. See Note 4. Other includes all other corporate income and expenses, as well as other business activities.

LIQUIDITY AND CAPITAL RESOURCES

NEE and its subsidiaries, including FPL, require funds to support and grow their businesses. These funds are used for, among other things, working capital, capital expenditures, investments in or acquisitions of assets and businesses, payment of maturing debt obligations and, from time to time, redemption or repurchase of outstanding debt or equity securities. It is anticipated that these requirements will be satisfied through a combination of cash flows from operations, short- and long-term borrowings, the issuance of short- and long-term debt and, from time to time, equity securities, and proceeds from differential membership investors, consistent with NEE's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. NEE, FPL and NEECH rely on access to credit and capital markets as significant sources of liquidity for capital requirements and other operations that are not satisfied by operating cash flows. The inability of NEE, FPL and NEECH to maintain their current credit ratings could affect their ability to raise short- and long-term capital, their cost of capital and the execution of their respective financing strategies, and could require the posting of additional collateral under certain agreements.

Cash Flows

Sources and uses of NEE's and FPL's cash for the six months ended June 30, 2016 and 2015 were as follows:

	NEE		FPL	
	Six Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	**2016**	2015
	(millions)			
Sources of cash:				
Cash flows from operating activities	**$ 3,270**	$ 2,934	**$ 2,323**	$ 2,032
Long-term borrowings	**2,509**	1,706	**—**	85
Proceeds from the sale of differential membership interests	**219**	41	**—**	—
Sale of independent power and other investments of NEER	**396**	34	**—**	—
Capital contribution from NEE	**—**	—	**—**	550
Issuances of common stock - net	**43**	630	**—**	—
Net increase in short-term debt	**1,496**	629	**807**	—
Proceeds from the sale of a noncontrolling interest in subsidiaries	**303**	106	**—**	—
Other sources - net	**—**	1	**34**	4
Total sources of cash	**8,236**	6,081	**3,164**	2,671
Uses of cash:				
Capital expenditures, independent power and other investments and nuclear fuel purchases	**(6,066)**	(3,809)	**(2,199)**	(1,628)
Retirements of long-term debt	**(996)**	(1,403)	**(33)**	(31)
Net decrease in short-term debt	**—**	—	**—**	(948)
Dividends	**(803)**	(683)	**(900)**	—
Payments to differential membership investors	**(63)**	(47)	**—**	—
Other uses - net	**(149)**	(165)	**(41)**	(40)
Total uses of cash	**(8,077)**	(6,107)	**(3,173)**	(2,647)
Net increase (decrease) in cash and cash equivalents	**$ 159**	$ (26)	**$ (9)**	$ 24

NEE's primary capital requirements are for expanding and enhancing FPL's electric system and generation facilities to continue to provide reliable service to meet customer electricity demands and for funding NEER's investments in independent power and other projects. The following table provides a summary of the major capital investments for the six months ended June 30, 2016 and 2015.

	Six Months Ended June 30,	
	2016	2015
	(millions)	
FPL:		
Generation:		
New	**$ 727**	$ 340
Existing	**292**	354
Transmission and distribution	**970**	711
Nuclear fuel	**70**	79
General and other	**128**	136
Other, primarily change in accrued property additions and the exclusion of AFUDC - equity	**12**	8
Total	**2,199**	1,628
NEER:		
Wind	**1,791**	618
Solar	**1,209**	806
Nuclear, including nuclear fuel	**113**	162
Natural gas pipelines	**412**	97
Other	**239**	465
Total	**3,764**	2,148
Corporate and Other	**103**	33
Total capital expenditures, independent power and other investments and nuclear fuel purchases	**$ 6,066**	$ 3,809

Liquidity

At June 30, 2016, NEE's total net available liquidity was approximately $6.5 billion, of which FPL's portion was approximately $2.2 billion. The table below provides the components of FPL's and NEECH's net available liquidity at June 30, 2016:

				Maturity Date	
	FPL	NEECH	Total	FPL	NEECH
	(millions)				
Bank revolving line of credit facilities[a]	$ 3,000	$ 4,850	$ 7,850	2017 - 2021	2016 - 2021
Issued letters of credit	(3)	(421)	(424)		
	2,997	4,429	7,426		
Revolving credit facilities	200	810	1,010	2017 - 2018	2016 - 2020
Borrowings	—	(775)	(775)		
	200	35	235		
Letter of credit facilities[b]	—	650	650		2017
Issued letters of credit	—	(399)	(399)		
	—	251	251		
Subtotal	3,197	4,715	7,912		
Cash and cash equivalents	14	714	728		
Outstanding commercial paper and notes payable	(963)	(1,219)	(2,182)		
Net available liquidity	$ 2,248	$ 4,210	$ 6,458		

(a) Provide for the funding of loans up to $7,850 million ($3,000 million for FPL) and the issuance of letters of credit up to $3,450 million ($670 million for FPL). The entire amount of the credit facilities is available for general corporate purposes and to provide additional liquidity in the event of a loss to the companies' or their subsidiaries' operating facilities (including, in the case of FPL, a transmission and distribution property loss). FPL's bank revolving line of credit facilities are also available to support the purchase of $718 million of pollution control, solid waste disposal and industrial development revenue bonds (tax exempt bonds) in the event they are tendered by individual bond holders and not remarketed prior to maturity. Approximately $2,255 million of FPL's and $3,700 million of NEECH's bank revolving line of credit facilities expire in 2021.

(b) Only available for the issuance of letters of credit.

Additionally, at June 30, 2016, certain subsidiaries of NEP had credit or loan facilities with available liquidity as set forth in the table below.

	Amount	Amount Remaining Available at June 30, 2016	Rate	Maturity Date	Related Project Use
		(millions)			
Senior secured revolving credit facility[a]	$250	$175	Variable	2019	Working capital, expansion projects, acquisitions and general business purposes
Senior secured limited-recourse revolving loan facility[b]	$150	$150	Variable	2020	General business purposes

(a) NEP OpCo and one of its direct subsidiaries are required to comply with certain financial covenants on a quarterly basis and NEP OpCo's ability to pay cash distributions to its unit holders is subject to certain other restrictions. The revolving credit facility includes borrowing capacity for letters of credit and incremental commitments to increase the revolving credit facility up to $1 billion in the aggregate. Borrowings under the revolving credit facility are guaranteed by NEP OpCo and NEP.

(b) A certain NEP subsidiary (borrower) is required to satisfy certain conditions, including among other things, maintaining a leverage ratio at the time of any borrowing that does not exceed a specified ratio. Borrowings under this revolving loan facility are secured by liens on certain of the borrower's assets and certain of the borrower's subsidiaries' assets, as well as the ownership interest in the borrower. The revolving loan facility contains default and related acceleration provisions relating to, among other things, failure of the borrower to maintain a leverage ratio at or below the specified rate and a minimum interest coverage ratio.

Capital Support

Guarantees, Letters of Credit, Surety Bonds and Indemnifications (Guarantee Arrangements)

Certain subsidiaries of NEE, including FPL, issue guarantees and obtain letters of credit and surety bonds, as well as provide indemnities, to facilitate commercial transactions with third parties and financings. Substantially all of the guarantee arrangements are on behalf of NEE's or FPL's consolidated subsidiaries, as discussed in more detail below. NEE and FPL are not required to recognize liabilities associated with guarantee arrangements issued on behalf of their consolidated subsidiaries unless it becomes probable that they will be required to perform. At June 30, 2016, NEE and FPL believe it is unlikely that they would be required to perform under, or otherwise incur any losses associated with, these guarantee arrangements.

As of June 30, 2016, NEE subsidiaries had approximately $2.2 billion in guarantees related primarily to equity contribution agreements associated with the development, construction and financing of certain power generation facilities, engineering, procurement and construction agreements and natural gas pipeline development projects. In addition, as of June 30, 2016, NEE subsidiaries had approximately $5.8 billion in guarantees ($20 million for FPL) related to indemnifications associated with asset divestitures, obligations under purchased power agreements, nuclear-related activities, the payment obligations related to renewable tax credits and the non-receipt of proceeds from cash grants under the Recovery Act, as well as other types of contractual obligations.

In some instances, subsidiaries of NEE elect to issue guarantees instead of posting other forms of collateral required under certain financing arrangements. As of June 30, 2016, these guarantees totaled approximately $799 million and support, among other things, required cash management reserves, including those related to debt service and O&M service agreements, as well as other specific project financing requirements.

Subsidiaries of NEE also issue guarantees to support customer supply and proprietary power and gas trading activities, including the buying and selling of wholesale and retail energy commodities. As of June 30, 2016, the estimated mark-to-market exposure (the total amount that these subsidiaries of NEE could be required to fund based on energy commodity market prices at June 30, 2016) plus contract settlement net payables, net of collateral posted for obligations under these guarantees totaled $728 million.

As of June 30, 2016, subsidiaries of NEE also had approximately $1.0 billion of standby letters of credit ($3 million for FPL) and approximately $329 million of surety bonds ($65 million for FPL) to support certain of the commercial activities discussed above. FPL's and NEECH's credit facilities are available to support the amount of the standby letters of credit.

In addition, as part of contract negotiations in the normal course of business, certain subsidiaries of NEE, including FPL, have agreed and in the future may agree to make payments to compensate or indemnify other parties for possible unfavorable financial consequences resulting from specified events. The specified events may include, but are not limited to, an adverse judgment in a lawsuit or the imposition of additional taxes due to a change in tax law or interpretations of the tax law. NEE and FPL are unable to estimate the maximum potential amount of future payments under some of these contracts because events that would obligate them to make payments have not yet occurred or, if any such event has occurred, they have not been notified of its occurrence.

Certain guarantee arrangements described above contain requirements for NEECH and FPL to maintain a specified credit rating. NEE has guaranteed certain payment obligations of NEECH, including most of its debt and all of its debentures and commercial paper issuances, as well as most of its payment guarantees and indemnifications, and NEECH has guaranteed certain debt and other obligations of NEER and its subsidiaries.

New Accounting Rules and Interpretations

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability and a right-of-use asset for all leases. See Note 8 - Leases.

Stock-Based Compensation - During the second quarter of 2016, NEE early adopted the provisions of the accounting standards update related to the accounting for employee share-based payment awards. See Note 6 - Stock-Based Compensation.

ENERGY MARKETING AND TRADING AND MARKET RISK SENSITIVITY

NEE and FPL are exposed to risks associated with adverse changes in commodity prices, interest rates and equity prices. Financial instruments and positions affecting the financial statements of NEE and FPL described below are held primarily for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage such market risks, as well as credit risks.

Commodity Price Risk

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity. In addition, NEE, through NEER, uses derivatives to optimize the value of its power generation and gas infrastructure assets and engages in power and gas marketing and trading activities to take advantage of expected future favorable price movements. See Note 2.

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three and six months ended June 30, 2016 were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Three months ended June 30, 2016				
Fair value of contracts outstanding at March 31, 2016	$ 447	$ 1,294	$ (250)	$ 1,491
Reclassification to realized at settlement of contracts	(58)	(141)	111	(88)
Inception value of new contracts	10	(1)	—	9
Net option premium purchases (issuances)	(6)	—	—	(6)
Changes in fair value excluding reclassification to realized	52	(142)	178	88
Fair value of contracts outstanding at June 30, 2016	445	1,010	39	1,494
Net margin cash collateral paid (received)				(314)
Total mark-to-market energy contract net assets (liabilities) at June 30, 2016	$ 445	$ 1,010	$ 39	$ 1,180

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Six months ended June 30, 2016				
Fair value of contracts outstanding at December 31, 2015	$ 359	$ 1,185	$ (218)	$ 1,326
Reclassification to realized at settlement of contracts	(73)	(280)	187	(166)
Inception value of new contracts	19	17	—	36
Net option premium purchases (issuances)	(13)	3	—	(10)
Changes in fair value excluding reclassification to realized	153	85	70	308
Fair value of contracts outstanding at June 30, 2016	445	1,010	39	1,494
Net margin cash collateral paid (received)				(314)
Total mark-to-market energy contract net assets (liabilities) at June 30, 2016	$ 445	$ 1,010	$ 39	$ 1,180

NEE's total mark-to-market energy contract net assets (liabilities) at June 30, 2016 shown above are included on the condensed consolidated balance sheets as follows:

	June 30, 2016
	(millions)
Current derivative assets	$ 553
Noncurrent derivative assets	1,200
Current derivative liabilities	(244)
Noncurrent derivative liabilities	(329)
NEE's total mark-to-market energy contract net assets	$ 1,180

The sources of fair value estimates and maturity of energy contract derivative instruments at June 30, 2016 were as follows:

	Maturity						
	2016	2017	2018	2019	2020	Thereafter	Total
	(millions)						
Trading:							
Quoted prices in active markets for identical assets	$ (17)	$ 37	$ 14	$ 9	$ 1	$ —	$ 44
Significant other observable inputs	15	51	49	15	6	—	136
Significant unobservable inputs	110	86	8	(1)	17	45	265
Total	108	174	71	23	24	45	445
Owned Assets - Non-Qualifying:							
Quoted prices in active markets for identical assets	2	(9)	6	4	—	—	3
Significant other observable inputs	137	163	96	88	68	69	621
Significant unobservable inputs	16	50	41	35	37	207	386
Total	155	204	143	127	105	276	1,010
Owned Assets - FPL Cost Recovery Clauses:							
Quoted prices in active markets for identical assets	—	—	—	—	—	—	—
Significant other observable inputs	(16)	56	—	—	—	—	40
Significant unobservable inputs	—	(1)	—	—	—	—	(1)
Total	(16)	55	—	—	—	—	39
Total sources of fair value	$ 247	$ 433	$ 214	$ 150	$ 129	$ 321	$ 1,494

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three and six months ended June 30, 2015 were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Three months ended June 30, 2015				
Fair value of contracts outstanding at March 31, 2015	$ 349	$ 978	$ (371)	$ 956
Reclassification to realized at settlement of contracts	(39)	(102)	130	(11)
Inception value of new contracts	13	1	—	14
Net option premium purchases (issuances)	(65)	—	—	(65)
Changes in fair value excluding reclassification to realized	72	107	23	202
Fair value of contracts outstanding at June 30, 2015	330	984	(218)	1,096
Net margin cash collateral paid (received)				(121)
Total mark-to-market energy contract net assets (liabilities) at June 30, 2015	$ 330	$ 984	$ (218)	$ 975

	Trading	Hedges on Owned Assets: Non-Qualifying	Hedges on Owned Assets: FPL Cost Recovery Clauses	NEE Total
		(millions)		
Six months ended June 30, 2015				
Fair value of contracts outstanding at December 31, 2014	$ 320	$ 898	$ (363)	$ 855
Reclassification to realized at settlement of contracts	(105)	(168)	208	(65)
Inception value of new contracts	18	1	—	19
Net option premium purchases (issuances)	(71)	2	—	(69)
Changes in fair value excluding reclassification to realized	168	251	(63)	356
Fair value of contracts outstanding at June 30, 2015	330	984	(218)	1,096
Net margin cash collateral paid (received)				(121)
Total mark-to-market energy contract net assets (liabilities) at June 30, 2015	$ 330	$ 984	$ (218)	$ 975

With respect to commodities, NEE's EMC, which is comprised of certain members of senior management, and NEE's chief executive officer are responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC and NEE's chief executive officer receive periodic updates on market positions and related exposures, credit exposures and overall risk management activities.

NEE uses a value-at-risk (VaR) model to measure commodity price market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. The VaR figures are as follows:

	Trading			Non-Qualifying Hedges and Hedges in FPL Cost Recovery Clauses[a]			Total		
	FPL	NEER	NEE	FPL	NEER	NEE	FPL	NEER	NEE
				(millions)					
December 31, 2015	$ —	$ 3	$ 3	$ 51	$ 44	$ 23	$ 51	$ 46	$ 25
June 30, 2016	**$ —**	**$ 2**	**$ 2**	**$ 23**	**$ 32**	**$ 28**	**$ 23**	**$ 32**	**$ 29**
Average for the three months ended June 30, 2016	**$ —**	**$ 2**	**$ 2**	**$ 27**	**$ 33**	**$ 29**	**$ 27**	**$ 33**	**$ 30**

(a) Non-qualifying hedges are employed to reduce the market risk exposure to physical assets or contracts which are not marked to market. The VaR figures for the non-qualifying hedges and hedges in FPL cost recovery clauses category do not represent the economic exposure to commodity price movements.

Interest Rate Risk

NEE's and FPL's financial results are exposed to risk resulting from changes in interest rates as a result of their respective outstanding and expected future issuances of debt, investments in special use funds and other investments. NEE and FPL manage their respective interest rate exposure by monitoring current interest rates, entering into interest rate contracts and using a combination of fixed rate and variable rate debt. Interest rate contracts are used to mitigate and adjust interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements.

The following are estimates of the fair value of NEE's and FPL's financial instruments that are exposed to interest rate risk:

	June 30, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Fixed income securities:				
Special use funds	$ 1,912	$ 1,912 (a)	$ 1,789	$ 1,789 (a)
Other investments:				
Debt securities	$ 128	$ 128 (a)	$ 124	$ 124 (a)
Primarily notes receivable	$ 520	$ 781 (b)	$ 512	$ 722 (b)
Long-term debt, including current maturities	$ 30,122	$ 32,747 (c)	$ 28,897	$ 30,412 (c)
Interest rate contracts - net unrealized losses	$ (690)	$ (690) (d)	$ (285)	$ (285) (d)
FPL:				
Fixed income securities - special use funds	$ 1,466	$ 1,466 (a)	$ 1,378	$ 1,378 (a)
Long-term debt, including current maturities	$ 9,991	$ 11,894 (c)	$ 10,020	$ 11,028 (c)

(a) Primarily estimated using quoted market prices for these or similar issues.
(b) Primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower.
(c) Estimated using either quoted market prices for the same or similar issues or discounted cash flow valuation technique, considering the current credit spread of the debtor.
(d) Modeled internally using discounted cash flow valuation technique and applying a credit valuation adjustment.

The special use funds of NEE and FPL consist of restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of NEE's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities primarily carried at estimated fair value. At FPL, changes in fair value, including any OTTI losses, result in a corresponding adjustment to the related liability accounts based on current regulatory treatment. The changes in fair value of NEE's non-rate regulated operations result in a corresponding adjustment to OCI, except for impairments deemed to be other than temporary, including any credit losses, which are reported in current period earnings. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not scheduled to begin until at least 2030 (2032 at FPL).

As of June 30, 2016, NEE had interest rate contracts with a notional amount of approximately $13.7 billion related to outstanding and expected future debt issuances and borrowings, of which approximately $12.1 billion manages exposure to the variability of cash flows associated with outstanding and expected future debt issuances of variable-rate debt instruments at NEECH and NEER. The remaining $1.6 billion of notional amount of interest rate contracts effectively convert fixed-rate debt to variable-rate debt instruments at NEECH. See Note 2.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of NEE's net liabilities would increase by approximately $1,300 million ($449 million for FPL) at June 30, 2016.

Equity Price Risk

NEE and FPL are exposed to risk resulting from changes in prices for equity securities. For example, NEE's nuclear decommissioning reserve funds include marketable equity securities primarily carried at their market value of approximately $2,719 million and $2,674 million ($1,627 million and $1,598 million for FPL) at June 30, 2016 and December 31, 2015, respectively. At June 30, 2016, a hypothetical 10% decrease in the prices quoted on stock exchanges, which is a reasonable near-term market change, would result in a $253 million ($151 million for FPL) reduction in fair value. For FPL, a corresponding adjustment would be made to the related liability accounts based on current regulatory treatment, and for NEE's non-rate regulated operations, a corresponding adjustment would be made to OCI to the extent the market value of the securities exceeded amortized cost and to OTTI loss to the extent the market value is below amortized cost.

Credit Risk

NEE and its subsidiaries are also exposed to credit risk through their energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. NEE manages counterparty credit risk for its subsidiaries with energy marketing and trading operations through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit, cash and other collateral and guarantees.

Credit risk is also managed through the use of master netting agreements. NEE's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis. For all derivative and contractual transactions, NEE's energy marketing and trading operations, which include FPL's energy marketing and trading division, are exposed to losses in the event of nonperformance by counterparties to these transactions. Some relevant considerations when assessing NEE's energy marketing and trading operations' credit risk exposure include the following:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the U.S.
- Overall credit risk is managed through established credit policies and is overseen by the EMC.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various credit enhancements or secured payment terms, such as letters of credit or the posting of margin cash collateral.
- Master netting agreements are used to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. NEE's policy is to have master netting agreements in place with significant counterparties.

Based on NEE's policies and risk exposures related to credit, NEE and FPL do not anticipate a material adverse effect on their financial statements as a result of counterparty nonperformance. As of June 30, 2016, approximately 94% of NEE's and 100% of FPL's energy marketing and trading counterparty credit risk exposure is associated with companies that have investment grade credit ratings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion - Energy Marketing and Trading and Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of June 30, 2016, each of NEE and FPL had performed an evaluation, under the supervision and with the participation of its management, including NEE's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of each company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)). Based upon that evaluation, the chief executive officer and the chief financial officer of each of NEE and FPL concluded that the company's disclosure controls and procedures were effective as of June 30, 2016.

(b) Changes in Internal Control Over Financial Reporting

NEE and FPL are continuously seeking to improve the efficiency and effectiveness of their operations and of their internal controls. This results in refinements to processes throughout NEE and FPL. However, there has been no change in NEE's or FPL's internal control over financial reporting (as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f)) that occurred during NEE's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, NEE's or FPL's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

NEE and FPL are parties to various legal and regulatory proceedings in the ordinary course of their respective businesses. For information regarding legal proceedings, see Item 3. Legal Proceedings and Note 14 - Legal Proceedings to Consolidated Financial Statements in the 2015 Form 10-K and Note 9 - Legal Proceedings herein. Such descriptions are incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in the 2015 Form 10-K. The factors discussed in Part I, Item 1A. Risk Factors in the 2015 Form 10-K, as well as other information set forth in this report, which could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects should be carefully considered. The risks described in the 2015 Form 10-K are not the only risks facing NEE and FPL. Additional risks and uncertainties not currently known to NEE or FPL, or that are currently deemed to be immaterial, also may materially adversely affect NEE's or FPL's business, financial condition, results of operations and prospects.

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

(c) Information regarding purchases made by NEE of its common stock during the three months ended June 30, 2016 is as follows:

Period	Total Number of Shares Purchased[a]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program	Maximum Number of Shares that May Yet be Purchased Under the Program[b]
4/1/16 - 4/30/16	—	$ —	—	13,274,748
5/1/16 - 5/31/16	1,138	$ 120.76	—	13,274,748
6/1/16 - 6/30/16	471	$ 124.00	—	13,274,748
Total	1,609	$ 121.71	—	

(a) Includes: (1) in May 2016, shares of common stock withheld from employees to pay certain withholding taxes upon the vesting of stock awards granted to such employees under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan; and (2) in June 2016, shares of common stock purchased as a reinvestment of dividends by the trustee of a grantor trust in connection with NEE's obligation under a February 2006 grant under the NextEra Energy, Inc. Amended and Restated Long-Term Incentive Plan (former LTIP) to an executive officer of deferred retirement share awards.

(b) In February 2005, NEE's Board of Directors authorized common stock repurchases of up to 20 million shares of common stock over an unspecified period, which authorization was most recently reaffirmed and ratified by the Board of Directors in July 2011.

Item 5. Other Information

(a) None

(b) None

(c) Other events

(i) Reference is made to Item 1. Business - NEE's Operating Subsidiaries - FPL - FPL Sources of Generation - Nuclear Operations - Projects to Add Additional Capacity in the 2015 Form 10-K.

FPL continues to move forward with the licensing process on two additional nuclear units at its Turkey Point site with an expected total generating capacity of approximately 2,200 MW. The NRC's decision regarding the issuance of the licenses for the two units is expected in late-2017. FPL has not set new target in-service dates for the two units.

(ii) Reference is made to Item 1. Business - NEE's Operating Subsidiaries - FPL - FPL Sources of Generation - Nuclear Operations - Spent Nuclear Fuel in the 2015 Form 10-K.

In June 2016, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) upheld the NRC's Continued Storage of Spent Nuclear Fuel Rule and its determination that licensees can safely store spent nuclear fuel at nuclear power plants indefinitely. In July 2016, petitioners filed for a rehearing before the entire panel of the D.C. Circuit judges.

(iii) Reference is made to Item 1. Business - NEE's Operating Subsidiaries - NEER - Generation and Other Operations - NEER Fuel/Technology Mix - Policy Incentives for Renewable Energy Projects in the 2015 Form 10-K.

In early May 2016, the Internal Revenue Service (IRS) issued guidance on the IRS's December 2015 extension and phase-down of the PTC and ITC for wind facilities. In general, the guidance modifies and extends the safe harbor for the continuous efforts and continuous construction requirements to four years compared to two years under the previous guidance. The safe harbor will generally be satisfied if the facility is placed in service no more than four calendar years after the calendar year in which construction of the facility begins. The IRS also confirmed that retrofitted wind facilities may re-qualify for PTCs or ITCs pursuant to the five percent safe harbor for the begin construction requirement, as long as the cost of the new investment is at least 80% of the facility's total value. The IRS is expected to issue separate guidance in the future related to the extension of the ITC for solar facilities.

(iv) Reference is made to Item 1. Business - NEE Environmental Matters - Clean Water Act Section 316(b) in the 2015 Form 10-K.

Final briefs regarding the petitions filed for review of the EPA's final rule under Section 316(b) of the Clean Water Act are due to be filed with the U.S. Court of Appeals for the Second Circuit in February 2017. The date for oral argument has not been set.

(v) Reference is made to Item 1. Business - NEE Environmental Matters - Regulation of GHG Emissions in the 2015 Form 10-K.

In May 2016, the D.C. Circuit postponed oral argument on challenges to the Clean Power Plan until September 2016, at which time the oral argument will be heard before the entire panel of the D.C. Circuit judges.

Item 6. Exhibits

Exhibit Number	Description	NEE	FPL
*4(a)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated June 7, 2016, creating the Series K Junior Subordinated Debentures due June 1, 2076 (filed as Exhibit 4 to Form 8-K dated June 7, 2016, File No. 1-8841)	x	
12(a)	Computation of Ratios	x	
12(b)	Computation of Ratios		x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of NextEra Energy, Inc.	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of NextEra Energy, Inc.	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of Florida Power & Light Company		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of Florida Power & Light Company		x
32(a)	Section 1350 Certification of NextEra Energy, Inc.	x	
32(b)	Section 1350 Certification of Florida Power & Light Company		x
101.INS	XBRL Instance Document	x	x
101.SCH	XBRL Schema Document	x	x
101.PRE	XBRL Presentation Linkbase Document	x	x
101.CAL	XBRL Calculation Linkbase Document	x	x
101.LAB	XBRL Label Linkbase Document	x	x
101.DEF	XBRL Definition Linkbase Document	x	x

*Incorporated herein by reference

NEE and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that NEE and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Date: July 28, 2016

NEXTERA ENERGY, INC.
(Registrant)

CHRIS N. FROGGATT

Chris N. Froggatt
Vice President, Controller and Chief Accounting Officer
of NextEra Energy, Inc.
(Principal Accounting Officer of NextEra Energy, Inc.)

FLORIDA POWER & LIGHT COMPANY
(Registrant)

KIMBERLY OUSDAHL

Kimberly Ousdahl
Vice President, Controller and Chief Accounting Officer
of Florida Power & Light Company
(Principal Accounting Officer of
Florida Power & Light Company)

Exhibit 12(a)

NEXTERA ENERGY, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Six Months Ended June 30, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 1,198
Income taxes	461
Fixed charges included in the determination of net income, as below	1,156
Amortization of capitalized interest	18
Distributed income of equity method investees	42
Less equity in earnings of equity method investees	76
Total earnings, as defined	$ 2,799
Fixed charges, as defined:	
Interest expense	$ 1,111
Rental interest factor	33
Allowance for borrowed funds used during construction	12
Fixed charges included in the determination of net income	1,156
Capitalized interest	55
Total fixed charges, as defined	$ 1,211
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	2.31

(a) NextEra Energy, Inc. has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Six Months Ended June 30, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 840.8
Income taxes	513.4
Fixed charges, as below	246.8
Total earnings, as defined	$ 1,601.0
Fixed charges, as defined:	
Interest expense	$ 228.6
Rental interest factor	6.5
Allowance for borrowed funds used during construction	11.7
Total fixed charges, as defined	$ 246.8
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	6.49

(a) Florida Power & Light Company has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, James L. Robo, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended June 30, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended June 30, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and
Chief Financial Officer
of NextEra Energy, Inc.

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Eric E. Silagy, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended June 30, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended June 30, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

Exhibit 32(a)

Section 1350 Certification

We, James L. Robo and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of NextEra Energy, Inc. (the registrant) for the quarterly period ended June 30, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: July 28, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and
Chief Financial Officer
of NextEra Energy, Inc.

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Eric E. Silagy and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of Florida Power & Light Company (the registrant) for the quarterly period ended June 30, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: July 28, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 3 (c)

Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended **September 30, 2016**

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**NEXTERA ENERGY, INC.**	59-2449419
2-27612	**FLORIDA POWER & LIGHT COMPANY**	59-0247775

700 Universe Boulevard
Juno Beach, Florida 33408
(561) 694-4000

State or other jurisdiction of incorporation or organization: Florida

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

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months.

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants are a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934.

NextEra Energy, Inc.	Large Accelerated Filer ☑	Accelerated Filer ☐	Non-Accelerated Filer ☐	Smaller Reporting Company ☐
Florida Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-Accelerated Filer ☑	Smaller Reporting Company ☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ☐ No ☑

Number of shares of NextEra Energy, Inc. common stock, $0.01 par value, outstanding as of September 30, 2016: 467,267,977

Number of shares of Florida Power & Light Company common stock, without par value, outstanding as of September 30, 2016, all of which were held, beneficially and of record, by NextEra Energy, Inc.: 1,000

This combined Form 10-Q represents separate filings by NextEra Energy, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to NextEra Energy, Inc.'s other operations.

Florida Power & Light Company meets the conditions set forth in General Instruction H.(1)(a) and (b) of Form 10-Q and is therefore filing this Form with the reduced disclosure format.

DEFINITIONS

Acronyms and defined terms used in the text include the following:

Term	Meaning
AFUDC	allowance for funds used during construction
AFUDC - equity	equity component of AFUDC
AOCI	accumulated other comprehensive income
capacity clause	capacity cost recovery clause, as established by the FPSC
Duane Arnold	Duane Arnold Energy Center
EPA	U.S. Environmental Protection Agency
FASB	Financial Accounting Standards Board
FERC	U.S. Federal Energy Regulatory Commission
Florida Southeast Connection	Florida Southeast Connection, LLC, a wholly owned NEER subsidiary
FPL	Florida Power & Light Company
FPL FiberNet	fiber-optic telecommunications business
FPSC	Florida Public Service Commission
fuel clause	fuel and purchased power cost recovery clause, as established by the FPSC
GAAP	generally accepted accounting principles in the U.S.
ITC	investment tax credit
kWh	kilowatt-hour(s)
Management's Discussion	Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations
MMBtu	One million British thermal units
MW	megawatt(s)
MWh	megawatt-hour(s)
NEE	NextEra Energy, Inc.
NEECH	NextEra Energy Capital Holdings, Inc.
NEER	NextEra Energy Resources, LLC
NEET	NextEra Energy Transmission, LLC
NEP	NextEra Energy Partners, LP
NEP OpCo	NextEra Energy Operating Partners, LP
Note __	Note __ to condensed consolidated financial statements
NRC	U.S. Nuclear Regulatory Commission
O&M expenses	other operations and maintenance expenses in the condensed consolidated statements of income
OCI	other comprehensive income
OTC	over-the-counter
OTTI	other than temporary impairment
PTC	production tax credit
PV	photovoltaic
Recovery Act	American Recovery and Reinvestment Act of 2009, as amended
regulatory ROE	return on common equity as determined for regulatory purposes
Sabal Trail	Sabal Trail Transmission, LLC, an entity in which a wholly owned NEER subsidiary has a 42.5% ownership interest
Seabrook	Seabrook Station
SEC	U.S. Securities and Exchange Commission
U.S.	United States of America

NEE, FPL, NEECH and NEER each has subsidiaries and affiliates with names that may include NextEra Energy, FPL, NextEra Energy Resources, NextEra, FPL Group, FPL Group Capital, FPL Energy, FPLE and similar references. For convenience and simplicity, in this report the terms NEE, FPL, NEECH and NEER are sometimes used as abbreviated references to specific subsidiaries, affiliates or groups of subsidiaries or affiliates. The precise meaning depends on the context.

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FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, strategies, future events or performance (often, but not always, through the use of words or phrases such as may result, are expected to, will continue, is anticipated, aim, believe, will, could, should, would, estimated, may, plan, potential, future, projection, goals, target, outlook, predict and intend or words of similar meaning) are not statements of historical facts and may be forward looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could have a significant impact on NEE's and/or FPL's operations and financial results, and could cause NEE's and/or FPL's actual results to differ materially from those contained or implied in forward-looking statements made by or on behalf of NEE and/or FPL in this combined Form 10-Q, in presentations, on their respective websites, in response to questions or otherwise.

Regulatory, Legislative and Legal Risks

- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected by the extensive regulation of their business.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if they are unable to recover in a timely manner any significant amount of costs, a return on certain assets or a reasonable return on invested capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise.
- Regulatory decisions that are important to NEE and FPL may be materially adversely affected by political, regulatory and economic factors.
- FPL's use of derivative instruments could be subject to prudence challenges and, if found imprudent, could result in disallowances of cost recovery for such use by the FPSC.
- Any reductions to, or the elimination of, governmental incentives or policies that support utility scale renewable energy, including, but not limited to, tax incentives, renewable portfolio standards, feed-in tariffs or the EPA's final rule under Section 111(d) of the Clean Air Act, or the imposition of additional taxes or other assessments on renewable energy, could result in, among other items, the lack of a satisfactory market for the development of new renewable energy projects, NEER abandoning the development of renewable energy projects, a loss of NEER's investments in renewable energy projects and reduced project returns, any of which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected as a result of new or revised laws, regulations, interpretations or other regulatory initiatives.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if the rules implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act broaden the scope of its provisions regarding the regulation of OTC financial derivatives and make certain provisions applicable to NEE and FPL.
- NEE and FPL are subject to numerous environmental laws, regulations and other standards that may result in capital expenditures, increased operating costs and various liabilities, and may require NEE and FPL to limit or eliminate certain operations.
- NEE's and FPL's business could be negatively affected by federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions.
- Extensive federal regulation of the operations of NEE and FPL exposes NEE and FPL to significant and increasing compliance costs and may also expose them to substantial monetary penalties and other sanctions for compliance failures.
- Changes in tax laws, as well as judgments and estimates used in the determination of tax-related asset and liability amounts, could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected due to adverse results of litigation.

Operational Risks

- NEE's and FPL's business, financial condition, results of operations and prospects could suffer if NEE and FPL do not proceed with projects under development or are unable to complete the construction of, or capital improvements to, electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget.
- NEE and FPL may face risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements that may impede their development and operating activities.

- The operation and maintenance of NEE's and FPL's electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities are subject to many operational risks, the consequences of which could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEE's and FPL's business, financial condition, results of operations and prospects may be negatively affected by a lack of growth or slower growth in the number of customers or in customer usage.
- NEE's and FPL's business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather.
- Threats of terrorism and catastrophic events that could result from terrorism, cyber attacks, or individuals and/or groups attempting to disrupt NEE's and FPL's business, or the businesses of third parties, may materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.
- The ability of NEE and FPL to obtain insurance and the terms of any available insurance coverage could be materially adversely affected by international, national, state or local events and company-specific events, as well as the financial condition of insurers. NEE's and FPL's insurance coverage does not provide protection against all significant losses.
- NEE invests in gas and oil producing and transmission assets through NEER's gas infrastructure business. The gas infrastructure business is exposed to fluctuating market prices of natural gas, natural gas liquids, oil and other energy commodities. A prolonged period of low gas and oil prices could impact NEER's gas infrastructure business and cause NEER to delay or cancel certain gas infrastructure projects and for certain existing projects to be impaired, which could materially adversely affect NEE's results of operations.
- If supply costs necessary to provide NEER's full energy and capacity requirement services are not favorable, operating costs could increase and materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Due to the potential for significant volatility in market prices for fuel, electricity and renewable and other energy commodities, NEER's inability or failure to manage properly or hedge effectively the commodity risks within its portfolios could materially adversely affect NEE's business, financial condition, results of operations and prospects.
- Sales of power on the spot market or on a short-term contractual basis may cause NEE's results of operations to be volatile.
- Reductions in the liquidity of energy markets may restrict the ability of NEE to manage its operational risks, which, in turn, could negatively affect NEE's results of operations.
- NEE's and FPL's hedging and trading procedures and associated risk management tools may not protect against significant losses.
- If price movements significantly or persistently deviate from historical behavior, NEE's and FPL's risk management tools associated with their hedging and trading procedures may not protect against significant losses.
- If power transmission or natural gas, nuclear fuel or other commodity transportation facilities are unavailable or disrupted, FPL's and NEER's ability to sell and deliver power or natural gas may be limited.
- NEE and FPL are subject to credit and performance risk from customers, hedging counterparties and vendors.
- NEE and FPL could recognize financial losses or a reduction in operating cash flows if a counterparty fails to perform or make payments in accordance with the terms of derivative contracts or if NEE or FPL is required to post margin cash collateral under derivative contracts.
- NEE and FPL are highly dependent on sensitive and complex information technology systems, and any failure or breach of those systems could have a material adverse effect on their business, financial condition, results of operations and prospects.
- NEE's and FPL's retail businesses are subject to the risk that sensitive customer data may be compromised, which could result in a material adverse impact to their reputation and/or the results of operations of the retail business.
- NEE and FPL could recognize financial losses as a result of volatility in the market values of derivative instruments and limited liquidity in OTC markets.
- NEE and FPL may be materially adversely affected by negative publicity.
- NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected if FPL is unable to maintain, negotiate or renegotiate franchise agreements on acceptable terms with municipalities and counties in Florida.
- Increasing costs associated with health care plans may materially adversely affect NEE's and FPL's results of operations.
- NEE's and FPL's business, financial condition, results of operations and prospects could be negatively affected by the lack of a qualified workforce or the loss or retirement of key employees.
- NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected by work strikes or stoppages and increasing personnel costs.

- NEE's ability to successfully identify, complete and integrate acquisitions is subject to significant risks, including, but not limited to, the effect of increased competition for acquisitions resulting from the consolidation of the power industry.
- NEP's acquisitions may not be completed and, even if completed, NEE may not realize the anticipated benefits of any acquisitions, which could materially adversely affect NEE's business, financial condition, results of operations and prospects.

Nuclear Generation Risks

- The construction, operation and maintenance of NEER's and FPL's nuclear generation facilities involve environmental, health and financial risks that could result in fines or the closure of the facilities and in increased costs and capital expenditures.
- In the event of an incident at any nuclear generation facility in the U.S. or at certain nuclear generation facilities in Europe, NEE and FPL could be assessed significant retrospective assessments and/or retrospective insurance premiums as a result of their participation in a secondary financial protection system and nuclear insurance mutual companies.
- NRC orders or new regulations related to increased security measures and any future safety requirements promulgated by the NRC could require NEE and FPL to incur substantial operating and capital expenditures at their nuclear generation facilities.
- The inability to operate any of NEER's or FPL's nuclear generation units through the end of their respective operating licenses could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- Various hazards posed to nuclear generation facilities, along with increased public attention to and awareness of such hazards, could result in increased nuclear licensing or compliance costs which are difficult or impossible to predict and could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.
- NEER's and FPL's nuclear units are periodically removed from service to accommodate normal refueling and maintenance outages, and for other purposes. If planned outages last longer than anticipated or if there are unplanned outages, NEE's and FPL's results of operations and financial condition could be materially adversely affected.

Liquidity, Capital Requirements and Common Stock Risks

- Disruptions, uncertainty or volatility in the credit and capital markets may negatively affect NEE's and FPL's ability to fund their liquidity and capital needs and to meet their growth objectives, and can also materially adversely affect the results of operations and financial condition of NEE and FPL.
- NEE's, NEECH's and FPL's inability to maintain their current credit ratings may materially adversely affect NEE's and FPL's liquidity and results of operations, limit the ability of NEE and FPL to grow their business, and increase interest costs.
- NEE's and FPL's liquidity may be impaired if their credit providers are unable to fund their credit commitments to the companies or to maintain their current credit ratings.
- Poor market performance and other economic factors could affect NEE's defined benefit pension plan's funded status, which may materially adversely affect NEE's and FPL's business, financial condition, liquidity and results of operations and prospects.
- Poor market performance and other economic factors could adversely affect the asset values of NEE's and FPL's nuclear decommissioning funds, which may materially adversely affect NEE's and FPL's liquidity and results of operations.
- Certain of NEE's investments are subject to changes in market value and other risks, which may materially adversely affect NEE's liquidity, financial results and results of operations.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if its subsidiaries are unable to pay upstream dividends or repay funds to NEE.
- NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if NEE is required to perform under guarantees of obligations of its subsidiaries.
- NEP may not be able to access sources of capital on commercially reasonable terms, which would have a material adverse effect on its ability to consummate future acquisitions and on the value of NEE's limited partner interest in NEP OpCo.
- Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of NEE's common stock.

These factors should be read together with the risk factors included in Part I, Item 1A. Risk Factors in NEE's and FPL's Annual Report on Form 10-K for the year ended December 31, 2015 (2015 Form 10-K), and investors should refer to that section of the 2015 Form 10-K. Any forward-looking statement speaks only as of the date on which such statement is made, and NEE and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances, including, but not limited to, unanticipated events, after the date on which such statement is made, unless otherwise required by law. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on

the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement.

Website Access to SEC Filings. NEE and FPL make their SEC filings, including the annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, available free of charge on NEE's internet website, www.nexteraenergy.com, as soon as reasonably practicable after those documents are electronically filed with or furnished to the SEC. The information and materials available on NEE's website (or any of its subsidiaries' websites) are not incorporated by reference into this combined Form 10-Q. The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC at www.sec.gov.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
OPERATING REVENUES	**$ 4,805**	$ 4,954	**$ 12,457**	$ 13,417
OPERATING EXPENSES				
Fuel, purchased power and interchange	**1,217**	1,472	**3,105**	4,151
Other operations and maintenance	**833**	819	**2,474**	2,353
Merger-related	**123**	7	**129**	20
Depreciation and amortization	**983**	798	**2,262**	2,082
Taxes other than income taxes and other - net	**370**	377	**805**	1,054
Total operating expenses	**3,526**	3,473	**8,775**	9,660
OPERATING INCOME	**1,279**	1,481	**3,682**	3,757
OTHER INCOME (DEDUCTIONS)				
Interest expense	**(369)**	(311)	**(1,480)**	(912)
Benefits associated with differential membership interests - net	**59**	40	**220**	151
Equity in earnings of equity method investees	**70**	51	**147**	87
Allowance for equity funds used during construction	**20**	20	**62**	48
Interest income	**23**	22	**61**	65
Gains on disposal of assets - net	**9**	15	**36**	42
Other than temporary impairment losses on securities held in nuclear decommissioning funds	**(2)**	(24)	**(19)**	(32)
Revaluation of contingent consideration	**101**	—	**118**	—
Other - net	**17**	8	**40**	27
Total other deductions - net	**(72)**	(179)	**(815)**	(524)
INCOME BEFORE INCOME TAXES	**1,207**	1,302	**2,867**	3,233
INCOME TAXES	**418**	421	**879**	981
NET INCOME	**789**	881	**1,988**	2,252
LESS NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**36**	2	**42**	7
NET INCOME ATTRIBUTABLE TO NEE	**$ 753**	$ 879	**$ 1,946**	$ 2,245
Earnings per share attributable to NEE:				
Basic	**$ 1.63**	$ 1.94	**$ 4.21**	$ 5.02
Assuming dilution	**$ 1.62**	$ 1.93	**$ 4.19**	$ 4.97
Dividends per share of common stock	**$ 0.87**	$ 0.77	**$ 2.61**	$ 2.31
Weighted-average number of common shares outstanding:				
Basic	**463.3**	454.1	**461.7**	447.3
Assuming dilution	**466.0**	456.0	**464.7**	451.3

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(millions)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
NET INCOME	**$ 789**	$ 881	**$ 1,988**	$ 2,252
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX				
Net unrealized gains (losses) on cash flow hedges:				
Effective portion of net unrealized losses (net of $55 and $55 tax benefit, respectively)	**—**	(97)	**—**	(107)
Reclassification from accumulated other comprehensive loss to net income (net of $3, less than $1, $26 and $16 tax expense, respectively)	**17**	11	**53**	50
Net unrealized gains (losses) on available for sale securities:				
Net unrealized gains (losses) on securities still held (net of $23 tax expense, $30 tax benefit, $42 tax expense and $26 tax benefit, respectively)	**31**	(38)	**56**	(33)
Reclassification from accumulated other comprehensive loss to net income (net of $2, $7, $6 and $16 tax benefit, respectively)	**(2)**	(8)	**(8)**	(21)
Defined benefit pension and other benefits plans (net of $4 and $10 tax benefit, respectively)	**—**	—	**(7)**	(16)
Net unrealized gains (losses) on foreign currency translation (net of $1 tax expense, $21, $2 and $4 tax benefit, respectively)	**(9)**	(33)	**19**	(5)
Other comprehensive income (loss) related to equity method investee (net of $0, $2, $3 and $1 tax benefit, respectively)	**3**	(3)	**(1)**	(2)
Total other comprehensive income (loss), net of tax	**40**	(168)	**112**	(134)
COMPREHENSIVE INCOME	**829**	713	**2,100**	2,118
LESS COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**30**	(1)	**22**	1
COMPREHENSIVE INCOME ATTRIBUTABLE TO NEE	**$ 799**	$ 714	**$ 2,078**	$ 2,117

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except par value)
(unaudited)

	September 30, 2016	December 31, 2015
PROPERTY, PLANT AND EQUIPMENT		
Electric plant in service and other property	$ 76,559	$ 72,606
Nuclear fuel	2,154	2,067
Construction work in progress	7,150	5,657
Accumulated depreciation and amortization	(20,246)	(18,944)
Total property, plant and equipment - net ($12,331 and $7,966 related to VIEs, respectively)	65,617	61,386
CURRENT ASSETS		
Cash and cash equivalents	681	571
Customer receivables, net of allowances of $13 and $13, respectively	1,921	1,784
Other receivables	938	481
Materials, supplies and fossil fuel inventory	1,309	1,259
Regulatory assets:		
Derivatives	—	218
Other	301	285
Derivatives	612	712
Assets held for sale	526	1,009
Other	459	476
Total current assets	6,747	6,795
OTHER ASSETS		
Special use funds	5,450	5,138
Other investments ($483 related to a VIE at September 30, 2016)	2,380	1,786
Prepaid benefit costs	1,225	1,155
Regulatory assets:		
Purchased power agreement termination	658	726
Other ($84 and $128 related to a VIE, respectively)	1,114	1,052
Derivatives	1,394	1,202
Other	3,279	3,239
Total other assets	15,500	14,298
TOTAL ASSETS	$ 87,864	$ 82,479
CAPITALIZATION		
Common stock ($0.01 par value, authorized shares - 800; outstanding shares - 467 and 461, respectively)	$ 5	$ 5
Additional paid-in capital	9,039	8,596
Retained earnings	14,899	14,140
Accumulated other comprehensive loss	(36)	(167)
Total common shareholders' equity	23,907	22,574
Noncontrolling interests	962	538
Total equity	24,869	23,112
Long-term debt ($5,368 and $684 related to VIEs, respectively)	28,195	26,681
Total capitalization	53,064	49,793
CURRENT LIABILITIES		
Commercial paper	628	374
Notes payable	490	412
Current maturities of long-term debt	2,364	2,220
Accounts payable	2,800	2,529
Customer deposits	469	473
Accrued interest and taxes	861	449
Derivatives	377	882
Accrued construction-related expenditures	781	921
Liabilities associated with assets held for sale	456	992
Other	1,230	855
Total current liabilities	10,456	10,107
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	2,637	2,469

Deferred income taxes	**10,582**	9,827
Regulatory liabilities:		
Accrued asset removal costs	**1,940**	1,930
Asset retirement obligation regulatory expense difference	**2,290**	2,182
Other	**507**	494
Derivatives	**999**	530
Deferral related to differential membership interests - VIEs	**3,274**	3,142
Other	**2,115**	2,005
Total other liabilities and deferred credits	**24,344**	22,579
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 87,864**	$ 82,479

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Nine Months Ended September 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 1,988**	$ 2,252
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**2,262**	2,082
Nuclear fuel and other amortization	**275**	280
Unrealized losses (gains) on marked to market derivative contracts - net	**369**	(393)
Foreign currency transaction losses	**99**	—
Deferred income taxes	**766**	848
Cost recovery clauses and franchise fees	**111**	114
Purchased power agreement termination	**—**	(521)
Benefits associated with differential membership interests - net	**(220)**	(151)
Allowance for equity funds used during construction	**(62)**	(48)
Gains on sale and disposal of assets - net	**(291)**	(39)
Other - net	**(116)**	133
Changes in operating assets and liabilities:		
Customer and other receivables	**(150)**	(123)
Materials, supplies and fossil fuel inventory	**(59)**	(52)
Other current assets	**5**	(56)
Other assets	**(17)**	(28)
Accounts payable and customer deposits	**54**	(131)
Margin cash collateral	**(142)**	(79)
Income taxes	**48**	45
Interest and other taxes	**384**	386
Other current liabilities	**18**	83
Other liabilities	**(28)**	(89)
Net cash provided by operating activities	**5,294**	4,513
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures of FPL	**(2,976)**	(2,440)
Independent power and other investments of NEER	**(4,610)**	(2,870)
Nuclear fuel purchases	**(194)**	(310)
Other capital expenditures and other investments	**(149)**	(56)
Sale of independent power and other investments of NEER	**395**	34
Proceeds from sale or maturity of securities in special use funds and other investments	**2,635**	3,751
Purchases of securities in special use funds and other investments	**(2,711)**	(3,872)
Proceeds from sale of a noncontrolling interest in subsidiaries	**645**	319
Other - net	**(18)**	(33)
Net cash used in investing activities	**(6,983)**	(5,477)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	**4,644**	3,462
Retirements of long-term debt	**(2,654)**	(3,097)
Proceeds from differential membership investors	**328**	46
Payments to differential membership investors	**(84)**	(68)
Proceeds from notes payable	**500**	1,450
Repayments of notes payable	**(362)**	(313)
Net change in commercial paper	**254**	(116)
Issuances of common stock - net	**528**	1,274
Dividends on common stock	**(1,205)**	(1,031)
Other - net	**(150)**	(39)
Net cash provided by financing activities	**1,799**	1,568
Net increase in cash and cash equivalents	**110**	604

Cash and cash equivalents at beginning of period	571	577
Cash and cash equivalents at end of period	$ 681	$ 1,181
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	$ 2,655	$ 1,840
Increase in property, plant and equipment as a result of a settlement	$ (70)	$ (5)
Proceeds from differential membership investors used to reduce debt	$ 100	$ —

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

NEXTERA ENERGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(millions)
(unaudited)

	Common Stock		Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
	Shares	Aggregate Par Value							
Balances, December 31, 2015	461	$ 5	$ 8,597	$ (1)	$ (167)	$ 14,140	$ 22,574	$ 538	$ 23,112
Net income	—	—	—	—	—	1,946	1,946	42	
Issuances of common stock, net of issuance cost of less than $1	5	—	523	—	—	—	523	—	
Exercise of stock options and other incentive plan activity	1	—	57	—	—	—	57	—	
Dividends on common stock	—	—	—	—	—	(1,205)	(1,205)	—	
Earned compensation under ESOP	—	—	38	1	—	—	39	—	
Premium on equity units	—	—	(200)	—	—	—	(200)	—	
Other comprehensive income(loss)	—	—	—	—	131	—	131	(19)	
Issuance costs of equity units	—	—	(25)	—	—	—	(25)	—	
Sale of NEER assets to NEP	—	—	49	—	—	—	49	440	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(37)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	(2)	
Adoption of accounting standards update	—	—	—	—	—	18	18	—	
Balances, September 30, 2016	467	$ 5	$ 9,039	$ —	$ (36)	$ 14,899	$ 23,907	$ 962	$ 24,869

	Common Stock		Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
	Shares	Aggregate Par Value							
Balances, December 31, 2014	443	$ 4	$ 7,193	$ (14)	$ (40)	$ 12,773	$ 19,916	$ 252	$ 20,168
Net income	—	—	—	—	—	2,245	2,245	7	
Issuances of common stock, net of issuance cost of less than $1	17	1	1,289	3	—	—	1,293	—	
Exercise of stock options and other incentive plan activity	1	—	58	—	—	—	58	—	
Dividends on common stock	—	—	—	—	—	(1,031)	(1,031)	—	
Earned compensation under ESOP	—	—	31	5	—	—	36	—	
Premium on equity units	—	—	(80)	—	—	—	(80)	—	
Other comprehensive loss	—	—	—	—	(128)	—	(128)	(6)	
Issuance costs of equity units	—	—	(25)	—	—	—	(25)	—	
Sale of NEER assets to NEP	—	—	34	—	—	—	34	261	
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(13)	
Other changes in noncontrolling interests in subsidiaries	—	—	—	—	—	—	—	7	
Balances, September 30, 2015	461	$ 5	$ 8,500	$ (6)	$ (168)	$ 13,987	$ 22,318	$ 508	$ 22,826

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(millions)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
OPERATING REVENUES	**$ 3,283**	$ 3,274	**$ 8,337**	$ 8,812
OPERATING EXPENSES				
Fuel, purchased power and interchange	**1,045**	1,195	**2,556**	3,298
Other operations and maintenance	**403**	410	**1,203**	1,147
Depreciation and amortization	**587**	485	**1,207**	1,154
Taxes other than income taxes and other - net	**327**	329	**908**	910
Total operating expenses	**2,362**	2,419	**5,874**	6,509
OPERATING INCOME	**921**	855	**2,463**	2,303
OTHER INCOME (DEDUCTIONS)				
Interest expense	**(114)**	(110)	**(342)**	(337)
Allowance for equity funds used during construction	**17**	20	**55**	46
Other - net	**—**	(2)	**3**	(1)
Total other deductions - net	**(97)**	(92)	**(284)**	(292)
INCOME BEFORE INCOME TAXES	**824**	763	**2,179**	2,011
INCOME TAXES	**309**	274	**823**	728
NET INCOME[a]	**$ 515**	$ 489	**$ 1,356**	$ 1,283

(a) FPL's comprehensive income is the same as reported net income.

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(millions, except share amount)
(unaudited)

	September 30, 2016	December 31, 2015
ELECTRIC UTILITY PLANT AND OTHER PROPERTY		
Plant in service and other property	$ 43,700	$ 41,227
Nuclear fuel	1,333	1,306
Construction work in progress	2,817	2,850
Accumulated depreciation and amortization	(12,406)	(11,862)
Total electric utility plant and other property - net	35,444	33,521
CURRENT ASSETS		
Cash and cash equivalents	46	23
Customer receivables, net of allowances of $4 and $3, respectively	1,013	849
Other receivables	112	123
Materials, supplies and fossil fuel inventory	868	826
Regulatory assets:		
Derivatives	—	218
Other	300	284
Other	146	184
Total current assets	2,485	2,507
OTHER ASSETS		
Special use funds	3,706	3,504
Prepaid benefit costs	1,286	1,243
Regulatory assets:		
Purchased power agreement termination	658	726
Other ($84 and $128 related to a VIE, respectively)	854	787
Other	184	235
Total other assets	6,688	6,495
TOTAL ASSETS	$ 44,617	$ 42,523
CAPITALIZATION		
Common stock (no par value, 1,000 shares authorized, issued and outstanding)	$ 1,373	$ 1,373
Additional paid-in capital	7,732	7,733
Retained earnings	6,503	6,447
Total common shareholder's equity	15,608	15,553
Long-term debt ($143 and $210 related to a VIE, respectively)	9,846	9,956
Total capitalization	25,454	25,509
CURRENT LIABILITIES		
Commercial paper	464	56
Notes payable	450	100
Current maturities of long-term debt	67	64
Accounts payable	759	664
Customer deposits	464	469
Accrued interest and taxes	785	279
Derivatives	5	222
Accrued construction-related expenditures	245	240
Other	462	355
Total current liabilities	3,701	2,449
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	1,890	1,822
Deferred income taxes	8,349	7,730
Regulatory liabilities:		
Accrued asset removal costs	1,928	1,921
Asset retirement obligation regulatory expense difference	2,290	2,182
Other	508	492
Other	497	418

Total other liabilities and deferred credits	**15,462**	14,565
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 44,617**	$ 42,523

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

FLORIDA POWER & LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)
(unaudited)

	Nine Months Ended September 30,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 1,356**	$ 1,283
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	**1,207**	1,154
Nuclear fuel and other amortization	**167**	160
Deferred income taxes	**569**	107
Cost recovery clauses and franchise fees	**111**	114
Purchased power agreement termination	**—**	(521)
Allowance for equity funds used during construction	**(55)**	(46)
Other - net	**23**	54
Changes in operating assets and liabilities:		
Customer and other receivables	**(169)**	(250)
Materials, supplies and fossil fuel inventory	**(42)**	(39)
Other current assets	**26**	(49)
Other assets	**12**	(41)
Accounts payable and customer deposits	**94**	32
Income taxes	**150**	366
Interest and other taxes	**369**	357
Other current liabilities	**66**	28
Other liabilities	**(94)**	(41)
Net cash provided by operating activities	**3,790**	2,668
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	**(2,976)**	(2,440)
Nuclear fuel purchases	**(121)**	(178)
Proceeds from sale or maturity of securities in special use funds	**1,775**	3,099
Purchases of securities in special use funds	**(1,836)**	(3,149)
Other - net	**32**	(86)
Net cash used in investing activities	**(3,126)**	(2,754)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuances of long-term debt	**150**	85
Retirements of long-term debt	**(262)**	(550)
Proceeds from notes payable	**500**	—
Repayments of notes payable	**(150)**	—
Net change in commercial paper	**408**	(896)
Capital contribution from NEE	**—**	1,454
Dividends to NEE	**(1,300)**	—
Other - net	**13**	9
Net cash provided by (used in) financing activities	**(641)**	102
Net increase in cash and cash equivalents	**23**	16
Cash and cash equivalents at beginning of period	**23**	14
Cash and cash equivalents at end of period	**$ 46**	$ 30
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Accrued property additions	**$ 475**	$ 355

This report should be read in conjunction with the Notes herein and the Notes to Consolidated Financial Statements appearing in the 2015 Form 10-K.

The accompanying condensed consolidated financial statements should be read in conjunction with the 2015 Form 10-K. In the opinion of NEE and FPL management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. Certain amounts included in the prior year's condensed consolidated financial statements have been reclassified to conform to the current year's presentation. The results of operations for an interim period generally will not give a true indication of results for the year.

1. Employee Retirement Benefits

NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries and sponsors a contributory postretirement plan for other benefits for retirees of NEE and its subsidiaries meeting certain eligibility requirements.

The components of net periodic (income) cost for the plans are as follows:

	Pension Benefits		Postretirement Benefits		Pension Benefits		Postretirement Benefits	
	Three Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
				(millions)				
Service cost	**$ 16**	$ 17	**$ —**	$ 1	**$ 47**	$ 53	**$ 1**	$ 2
Interest cost	**26**	23	**3**	3	**78**	72	**10**	10
Expected return on plan assets	**(65)**	(63)	**—**	—	**(195)**	(190)	**—**	(1)
Amortization of prior service (benefit) cost	**—**	—	**—**	(1)	**1**	1	**(2)**	(2)
Amortization of losses	**—**	—	**—**	1	**—**	—	**—**	2
Net periodic (income) cost at NEE	**$ (23)**	$ (23)	**$ 3**	$ 4	**$ (69)**	$ (64)	**$ 9**	$ 11
Net periodic (income) cost at FPL	**$ (15)**	$ (14)	**$ 2**	$ 3	**$ (44)**	$ (41)	**$ 7**	$ 8

2. Derivative Instruments

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity, as well as interest rate and foreign currency exchange rate risk associated primarily with outstanding and expected future debt issuances and borrowings, and to optimize the value of NEER's power generation and gas infrastructure assets.

With respect to commodities related to NEE's competitive energy business, NEER employs risk management procedures to conduct its activities related to optimizing the value of its power generation and gas infrastructure assets, providing full energy and capacity requirements services primarily to distribution utilities, and engaging in power and gas marketing and trading activities to take advantage of expected future favorable price movements and changes in the expected volatility of prices in the energy markets. These risk management activities involve the use of derivative instruments executed within prescribed limits to manage the risk associated with fluctuating commodity prices. Transactions in derivative instruments are executed on recognized exchanges or via the OTC markets, depending on the most favorable credit terms and market execution factors. For NEER's power generation and gas infrastructure assets, derivative instruments are used to hedge the commodity price risk associated with the fuel requirements of the assets, where applicable, as well as to hedge all or a portion of the expected output of these assets. These hedges are designed to reduce the effect of adverse changes in the wholesale forward commodity markets associated with NEER's power generation and gas infrastructure assets. With regard to full energy and capacity requirements services, NEER is required to vary the quantity of energy and related services based on the load demands of the customers served. For this type of transaction, derivative instruments are used to hedge the anticipated electricity quantities required to serve these customers and reduce the effect of unfavorable changes in the forward energy markets. Additionally, NEER takes positions in the energy markets based on differences between actual forward market levels and management's view of fundamental market conditions, including supply/demand imbalances, changes in traditional flows of energy, changes in short- and long-term weather patterns and anticipated regulatory and legislative outcomes. NEER uses derivative instruments to realize value from these market dislocations, subject to strict risk management limits around market, operational and credit exposure.

Derivative instruments, when required to be marked to market, are recorded on NEE's and FPL's condensed consolidated balance sheets as either an asset or liability measured at fair value. At FPL, substantially all changes in the derivatives' fair value are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. For NEE's non-rate regulated operations, predominantly NEER, essentially all changes in the derivatives' fair value for power purchases and sales, fuel sales and trading activities are recognized on a net basis in operating revenues; fuel purchases

used in the production of electricity are recognized in fuel, purchased power and interchange expense; and the equity method investees' related activity is recognized in equity in earnings of equity method investees in NEE's condensed consolidated statements of income. Settlement gains and losses are included within the line items in the condensed consolidated statements of income to which they relate. Transactions for which physical delivery is deemed not to have occurred are presented on a net basis in the condensed consolidated statements of income. For commodity derivatives, NEE believes that, where offsetting positions exist at the same location for the same time, the transactions are considered to have been netted and therefore physical delivery has been deemed not to have occurred for financial reporting purposes. Settlements related to derivative instruments are primarily recognized in net cash provided by operating activities in NEE's and FPL's condensed consolidated statements of cash flows.

In January 2016, NEE discontinued hedge accounting for its cash flow and fair value hedges related to interest rate and foreign currency derivative instruments and, therefore, all changes in the derivatives' fair value, as well as the transaction gain or loss on foreign denominated debt, are recognized in interest expense in NEE's condensed consolidated statements of income. In addition, for the three and nine months ended September 30, 2016, NEE reclassified approximately $2 million ($1 million after tax) and $17 million ($10 million after tax), respectively, from AOCI to interest expense primarily because it became probable that a related future transaction being hedged would not occur. At September 30, 2016, NEE's AOCI included amounts related to the discontinued interest rate cash flow hedges with expiration dates through March 2035 and foreign currency cash flow hedges with expiration dates through September 2030. Approximately $84 million of net losses included in AOCI at September 30, 2016 is expected to be reclassified into earnings within the next 12 months as the principal and/or interest payments are made. Such amounts assume no change in scheduled principal payments.

Fair Value of Derivative Instruments - The tables below present NEE's and FPL's gross derivative positions at September 30, 2016 and December 31, 2015, as required by disclosure rules. However, the majority of the underlying contracts are subject to master netting agreements and generally would not be contractually settled on a gross basis. Therefore, the tables below also present the derivative positions on a net basis, which reflect the offsetting of positions of certain transactions within the portfolio, the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral (see Note 3 - Recurring Fair Value Measurements for netting information), as well as the location of the net derivative position on the condensed consolidated balance sheets.

	September 30, 2016			
	Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Net Basis	
	Assets	Liabilities	Assets	Liabilities
	(millions)			
NEE:				
Commodity contracts	$ 5,105	$ 3,479	$ 1,943	$ 558
Interest rate contracts	60	788	55	782
Foreign currency swaps	9	35	8	36
Total fair values	$ 5,174	$ 4,302	$ 2,006	$ 1,376
FPL:				
Commodity contracts	$ 48	$ 20	$ 33	$ 5
Net fair value by NEE balance sheet line item:				
Current derivative assets[a]			$ 612	
Noncurrent derivative assets[b]			1,394	
Current derivative liabilities				$ 377
Noncurrent derivative liabilities				999
Total derivatives			$ 2,006	$ 1,376
Net fair value by FPL balance sheet line item:				
Current other assets			$ 22	
Noncurrent other assets			11	
Current derivative liabilities				$ 5
Total derivatives			$ 33	$ 5

(a) Reflects the netting of approximately $148 million in margin cash collateral received from counterparties.

(b) Reflects the netting of approximately $93 million in margin cash collateral received from counterparties.

	December 31, 2015					
	Fair Values of Derivatives Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Total Derivatives Combined - Net Basis	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	(millions)					
NEE:						
Commodity contracts	$ —	$ —	$ 5,906	$ 4,580	$ 1,937	$ 982
Interest rate contracts	33	155	2	160	34	319
Foreign currency swaps	—	132	—	—	—	127
Total fair values	$ 33	$ 287	$ 5,908	$ 4,740	$ 1,971	$ 1,428
FPL:						
Commodity contracts	$ —	$ —	$ 7	$ 225	$ 4	$ 222
Net fair value by NEE balance sheet line item:						
Current derivative assets[a]					$ 712	
Assets held for sale					57	
Noncurrent derivative assets[b]					1,202	
Current derivative liabilities[c]						$ 882
Liabilities associated with assets held for sale						16
Noncurrent derivative liabilities[d]						530
Total derivatives					$ 1,971	$ 1,428
Net fair value by FPL balance sheet line item:						
Current other assets					$ 3	
Noncurrent other assets					1	
Current derivative liabilities						$ 222
Total derivatives					$ 4	$ 222

(a) Reflects the netting of approximately $279 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $151 million in margin cash collateral received from counterparties.
(c) Reflects the netting of approximately $46 million in margin cash collateral paid to counterparties.
(d) Reflects the netting of approximately $13 million in margin cash collateral paid to counterparties.

At September 30, 2016 and December 31, 2015, NEE had approximately $20 million and $27 million (none at FPL), respectively, in margin cash collateral received from counterparties that was not offset against derivative assets in the above presentation. These amounts are included in current other liabilities on NEE's condensed consolidated balance sheets. Additionally, at September 30, 2016 and December 31, 2015, NEE had approximately $121 million and $116 million (none at FPL), respectively, in margin cash collateral paid to counterparties that was not offset against derivative assets or liabilities in the above presentation. These amounts are included in current other assets on NEE's condensed consolidated balance sheets.

Income Statement Impact of Derivative Instruments - Gains (losses) related to NEE's cash flow hedges, which were previously designated as hedging instruments, are recorded in NEE's condensed consolidated financial statements (none at FPL) as follows:

	Three Months Ended September 30, 2015			Nine Months Ended September 30, 2015		
	Interest Rate Contracts	Foreign Currency Swaps	Total	Interest Rate Contracts	Foreign Currency Swaps	Total
	(millions)					
Losses recognized in OCI	$ (151)	$ (1)	$ (152)	$ (146)	$ (16)	$ (162)
Gains (losses) reclassified from AOCI to net income	$ (18) [a]	$ 7 [b]	$ (11)	$ (56) [a]	$ (10) [b]	$ (66)

(a) Included in interest expense.
(b) For the three and nine months ended September 30, 2015, losses of approximately $3 million and $9 million, respectively, are included in interest expense and the balances are included in other - net.

Gains (losses) related to NEE's derivatives not designated as hedging instruments are recorded in NEE's condensed consolidated statements of income as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Commodity contracts:(a)				
Operating revenues	**$ 264**	$ 397	**$ 502**	$ 812
Fuel, purchased power and interchange	**1**	3	**(1)**	5
Foreign currency swaps - interest expense	**15**	—	**96**	—
Foreign currency swaps - other - net	**1**	—	**(2)**	—
Interest rate contracts - interest expense	**(58)**	(12)	**(515)**	(1)
Losses reclassified from AOCI to interest expense:				
Interest rate contracts	**(18)**	—	**(71)**	—
Foreign currency swaps	**(3)**	—	**(9)**	—
Total	**$ 202**	$ 388	**$ —**	$ 816

(a) For the three and nine months ended September 30, 2016, FPL recorded approximately $35 million of losses and $35 million of gains, respectively, related to commodity contracts as regulatory assets and regulatory liabilities, respectively, on its condensed consolidated balance sheets. For the three and nine months ended September 30, 2015, FPL recorded losses of approximately $141 million and $204 million, respectively, related to commodity contracts as regulatory assets on its condensed consolidated balance sheets.

Notional Volumes of Derivative Instruments - The following table represents net notional volumes associated with derivative instruments that are required to be reported at fair value in NEE's and FPL's condensed consolidated financial statements. The table includes significant volumes of transactions that have minimal exposure to commodity price changes because they are variably priced agreements. These volumes are only an indication of the commodity exposure that is managed through the use of derivatives. They do not represent net physical asset positions or non-derivative positions and their hedges, nor do they represent NEE's and FPL's net economic exposure, but only the net notional derivative positions that fully or partially hedge the related asset positions. NEE and FPL had derivative commodity contracts for the following net notional volumes:

	September 30, 2016				December 31, 2015			
Commodity Type	**NEE**		**FPL**		NEE		FPL	
	(millions)							
Power	**(71)**	**MWh**	**—**		(112)	MWh	—	
Natural gas	**1,130**	**MMBtu**	**704**	**MMBtu**	1,321	MMBtu	833	MMBtu
Oil	**(7)**	**barrels**	**—**		(9)	barrels	—	

At September 30, 2016 and December 31, 2015, NEE had interest rate contracts with notional amounts totaling approximately $14.0 billion and $8.3 billion, respectively, and foreign currency swaps with notional amounts totaling approximately $720 million and $715 million, respectively.

Credit-Risk-Related Contingent Features - Certain derivative instruments contain credit-risk-related contingent features including, among other things, the requirement to maintain an investment grade credit rating from specified credit rating agencies and certain financial ratios, as well as credit-related cross-default and material adverse change triggers. At September 30, 2016 and December 31, 2015, the aggregate fair value of NEE's derivative instruments with credit-risk-related contingent features that were in a liability position was approximately $1.5 billion ($20 million for FPL) and $2.2 billion ($224 million for FPL), respectively.

If the credit-risk-related contingent features underlying these agreements and other commodity-related contracts were triggered, certain subsidiaries of NEE, including FPL, could be required to post collateral or settle contracts according to contractual terms which generally allow netting of contracts in offsetting positions. Certain contracts contain multiple types of credit-related triggers. To the extent these contracts contain a credit ratings downgrade trigger, the maximum exposure is included in the following credit ratings collateral posting requirements. If FPL's and NEECH's credit ratings were downgraded to BBB/Baa2 (a two level downgrade for FPL and a one level downgrade for NEECH from the current lowest applicable rating), applicable NEE subsidiaries would be required to post collateral such that the total posted collateral would be approximately $200 million (none at FPL) as of September 30, 2016 and $250 million ($20 million at FPL) as of December 31, 2015. If FPL's and NEECH's credit ratings were downgraded to below investment grade, applicable NEE subsidiaries would be required to post additional collateral such that the total posted

collateral would be approximately $2.2 billion ($0.3 billion at FPL) as of September 30, 2016 and $2.5 billion ($0.6 billion at FPL) as of December 31, 2015. Some contracts do not contain credit ratings downgrade triggers, but do contain provisions that require certain financial measures to be maintained and/or have credit-related cross-default triggers. In the event these provisions were triggered, applicable NEE subsidiaries could be required to post additional collateral of up to approximately $530 million ($135 million at FPL) as of September 30, 2016 and $660 million ($120 million at FPL) as of December 31, 2015.

Collateral related to derivatives may be posted in the form of cash or credit support in the normal course of business. At September 30, 2016 and December 31, 2015, applicable NEE subsidiaries have posted approximately $56 million (none at FPL) and $123 million ($3 million at FPL), respectively, in the form of letters of credit which could be applied toward the collateral requirements described above. FPL and NEECH have credit facilities generally in excess of the collateral requirements described above that would be available to support, among other things, derivative activities. Under the terms of the credit facilities, maintenance of a specific credit rating is not a condition to drawing on these credit facilities, although there are other conditions to drawing on these credit facilities.

Additionally, some contracts contain certain adequate assurance provisions where a counterparty may demand additional collateral based on subjective events and/or conditions. Due to the subjective nature of these provisions, NEE and FPL are unable to determine an exact value for these items and they are not included in any of the quantitative disclosures above.

3. Fair Value Measurements

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. NEE and FPL use several different valuation techniques to measure the fair value of assets and liabilities, relying primarily on the market approach of using prices and other market information for identical and/or comparable assets and liabilities for those assets and liabilities that are measured at fair value on a recurring basis. NEE's and FPL's assessment of the significance of any particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels. Non-performance risk, including the consideration of a credit valuation adjustment, is also considered in the determination of fair value for all assets and liabilities measured at fair value.

Cash Equivalents and Restricted Cash - NEE primarily holds investments in money market funds. The fair value of these funds is calculated using current market prices.

Special Use Funds and Other Investments - NEE and FPL hold primarily debt and equity securities directly, as well as indirectly through commingled funds. Substantially all directly held equity securities are valued at their quoted market prices. For directly held debt securities, multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validations. A primary price source is identified based on asset type, class or issue of each security. Commingled funds, which are similar to mutual funds, are maintained by banks or investment companies and hold certain investments in accordance with a stated set of objectives. The fair value of commingled funds is primarily derived from the quoted prices in active markets of the underlying securities. Because the fund shares are offered to a limited group of investors, they are not considered to be traded in an active market.

Derivative Instruments - NEE and FPL measure the fair value of commodity contracts using prices observed on commodities exchanges and in the OTC markets, or through the use of industry-standard valuation techniques, such as option modeling or discounted cash flows techniques, incorporating both observable and unobservable valuation inputs. The resulting measurements are the best estimate of fair value as represented by the transfer of the asset or liability through an orderly transaction in the marketplace at the measurement date.

Most exchange-traded derivative assets and liabilities are valued directly using unadjusted quoted prices. For exchange-traded derivative assets and liabilities where the principal market is deemed to be inactive based on average daily volumes and open interest, the measurement is established using settlement prices from the exchanges, and therefore considered to be valued using other observable inputs.

NEE, through its subsidiaries, including FPL, also enters into OTC commodity contract derivatives. The majority of these contracts are transacted at liquid trading points, and the prices for these contracts are verified using quoted prices in active markets from exchanges, brokers or pricing services for similar contracts.

NEE, through NEER, also enters into full requirements contracts, which, in most cases, meet the definition of derivatives and are measured at fair value. These contracts typically have one or more inputs that are not observable and are significant to the valuation of the contract. In addition, certain exchange and non-exchange traded derivative options at NEE have one or more significant inputs that are not observable, and are valued using industry-standard option models.

In all cases where NEE and FPL use significant unobservable inputs for the valuation of a commodity contract, consideration is given to the assumptions that market participants would use in valuing the asset or liability. The primary input to the valuation models for commodity contracts is the forward commodity curve for the respective instruments. Other inputs include, but are not limited to, assumptions about market liquidity, volatility, correlation and contract duration as more fully described below in Significant Unobservable Inputs Used in Recurring Fair Value Measurements. In instances where the reference markets are deemed to be inactive or do not have transactions for a similar contract, the derivative assets and liabilities may be valued using significant other observable inputs and potentially significant unobservable inputs. In such instances, the valuation for these contracts is established using techniques including extrapolation from or interpolation between actively traded contracts, or estimated basis adjustments from liquid trading points. NEE and FPL regularly evaluate and validate the inputs used to determine fair value by a number of methods, consisting of various market price verification procedures, including the use of pricing services and multiple broker quotes to support the market price of the various commodities. In all cases where there are assumptions and models used to generate inputs for valuing derivative assets and liabilities, the review and verification of the assumptions, models and changes to the models are undertaken by individuals that are independent of those responsible for estimating fair value.

NEE uses interest rate contracts and foreign currency swaps to mitigate and adjust interest rate and foreign currency exchange exposure related primarily to certain outstanding and expected future debt issuances and borrowings when deemed appropriate based on market conditions or when required by financing agreements. NEE estimates the fair value of these derivatives using a discounted cash flows valuation technique based on the net amount of estimated future cash inflows and outflows related to the agreements.

Recurring Fair Value Measurements - NEE's and FPL's financial assets and liabilities and other fair value measurements made on a recurring basis by fair value hierarchy level are as follows:

	September 30, 2016				
	Level 1	Level 2	Level 3	Netting[a]	Total
	(millions)				
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 417	$ —	$ —		$ 417
FPL - equity securities	$ 21	$ —	$ —		$ 21
Special use funds:[c]					
NEE:					
Equity securities	$ 1,391	$ 1,443 [d]	$ —		$ 2,834
U.S. Government and municipal bonds	$ 321	$ 174	$ —		$ 495
Corporate debt securities	$ —	$ 849	$ —		$ 849
Mortgage-backed securities	$ —	$ 481	$ —		$ 481
Other debt securities	$ —	$ 87	$ —		$ 87
FPL:					
Equity securities	$ 395	$ 1,319 [d]	$ —		$ 1,714
U.S. Government and municipal bonds	$ 240	$ 146	$ —		$ 386
Corporate debt securities	$ —	$ 616	$ —		$ 616
Mortgage-backed securities	$ —	$ 375	$ —		$ 375
Other debt securities	$ —	$ 73	$ —		$ 73
Other investments:					
NEE:					
Equity securities	$ 29	$ 9	$ —		$ 38
Debt securities	$ 10	$ 166	$ —		$ 176
Derivatives:					
NEE:					
Commodity contracts	$ 1,757	$ 2,007	$ 1,341	$ (3,162)	$ 1,943 [e]
Interest rate contracts	$ —	$ 54	$ 6	$ (5)	$ 55 [e]
Foreign currency swaps	$ —	$ 9	$ —	$ (1)	$ 8 [e]
FPL - commodity contracts	$ —	$ 46	$ 2	$ (15)	$ 33 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 1,730	$ 1,198	$ 551	$ (2,921)	$ 558 [e]
Interest rate contracts	$ —	$ 654	$ 134	$ (6)	$ 782 [e]
Foreign currency swaps	$ —	$ 35	$ —	$ 1	$ 36 [e]
FPL - commodity contracts	$ —	$ 18	$ 2	$ (15)	$ 5 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $81 million ($21 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

	December 31, 2015				
	Level 1	Level 2	Level 3	Netting[a]	Total
	(millions)				
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 312	$ —	$ —		$ 312
FPL - equity securities	$ 36	$ —	$ —		$ 36
Special use funds:[c]					
NEE:					
Equity securities	$ 1,320	$ 1,354 [d]	$ —		$ 2,674
U.S. Government and municipal bonds	$ 446	$ 166	$ —		$ 612
Corporate debt securities	$ —	$ 713	$ —		$ 713
Mortgage-backed securities	$ —	$ 412	$ —		$ 412
Other debt securities	$ —	$ 52	$ —		$ 52
FPL:					
Equity securities	$ 364	$ 1,234 [d]	$ —		$ 1,598
U.S. Government and municipal bonds	$ 335	$ 145	$ —		$ 480
Corporate debt securities	$ —	$ 531	$ —		$ 531
Mortgage-backed securities	$ —	$ 327	$ —		$ 327
Other debt securities	$ —	$ 40	$ —		$ 40
Other investments:					
NEE:					
Equity securities	$ 30	$ 10	$ —		$ 40
Debt securities	$ 39	$ 132	$ —		$ 171
Derivatives:					
NEE:					
Commodity contracts	$ 2,187	$ 2,540	$ 1,179	$ (3,969)	$ 1,937 [e]
Interest rate contracts	$ —	$ 35	$ —	$ (1)	$ 34 [e]
FPL - commodity contracts	$ —	$ 1	$ 6	$ (3)	$ 4 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 2,153	$ 1,887	$ 540	$ (3,598)	$ 982 [e]
Interest rate contracts	$ —	$ 214	$ 101	$ 4	$ 319 [e]
Foreign currency swaps	$ —	$ 132	$ —	$ (5)	$ 127 [e]
FPL - commodity contracts	$ —	$ 219	$ 6	$ (3)	$ 222 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the condensed consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $61 million ($36 million for FPL) in other current assets on the condensed consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 2 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's condensed consolidated balance sheets.

Significant Unobservable Inputs Used in Recurring Fair Value Measurements - The valuation of certain commodity contracts requires the use of significant unobservable inputs. All forward price, implied volatility, implied correlation and interest rate inputs used in the valuation of such contracts are directly based on third-party market data, such as broker quotes and exchange settlements, when that data is available. If third-party market data is not available, then industry standard methodologies are used to develop inputs that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs, including some forward prices, implied volatilities and interest rates used for determining fair value are updated daily to reflect the best available market information. Unobservable inputs which are related to observable inputs, such as illiquid portions of forward price or volatility curves, are updated daily as well, using industry standard techniques such as interpolation and extrapolation, combining observable forward inputs supplemented by historical market and other relevant data. Other unobservable inputs, such as implied

correlations, customer migration rates from full requirements contracts and some implied volatility curves, are modeled using proprietary models based on historical data and industry standard techniques.

All price, volatility, correlation and customer migration inputs used in valuation are subject to validation by the Trading Risk Management group. The Trading Risk Management group performs a risk management function responsible for assessing credit, market and operational risk impact, reviewing valuation methodology and modeling, confirming transactions, monitoring approval processes and developing and monitoring trading limits. The Trading Risk Management group is separate from the transacting group. For markets where independent third-party data is readily available, validation is conducted daily by directly reviewing this market data against inputs utilized by the transacting group, and indirectly by critically reviewing daily risk reports. For markets where independent third-party data is not readily available, additional analytical reviews are performed on at least a quarterly basis. These analytical reviews are designed to ensure that all price and volatility curves used for fair valuing transactions are adequately validated each quarter, and are reviewed and approved by the Trading Risk Management group. In addition, other valuation assumptions such as implied correlations and customer migration rates are reviewed and approved by the Trading Risk Management group on a periodic basis. Newly created models used in the valuation process are also subject to testing and approval by the Trading Risk Management group prior to use and established models are reviewed annually, or more often as needed, by the Trading Risk Management group.

On a monthly basis, the Exposure Management Committee (EMC), which is comprised of certain members of senior management, meets with representatives from the Trading Risk Management group and the transacting group to discuss NEE's and FPL's energy risk profile and operations, to review risk reports and to discuss fair value issues as necessary. The EMC develops guidelines required for an appropriate risk management control infrastructure, which includes implementation and monitoring of compliance with Trading Risk Management policy. The EMC executes its risk management responsibilities through direct oversight and delegation of its responsibilities to the Trading Risk Management group, as well as to other corporate and business unit personnel.

The significant unobservable inputs used in the valuation of NEE's commodity contracts categorized as Level 3 of the fair value hierarchy at September 30, 2016 are as follows:

Transaction Type	Fair Value at September 30, 2016		Valuation Technique(s)	Significant Unobservable Inputs	Range
	Assets	Liabilities			
	(millions)				
Forward contracts - power	$ 716	$ 237	Discounted cash flow	Forward price (per MWh)	$— — $84
Forward contracts - gas	28	20	Discounted cash flow	Forward price (per MMBtu)	$1 — $8
Forward contracts - other commodity related	9	—	Discounted cash flow	Forward price (various)	$(9) — $52
Options - power	56	30	Option models	Implied correlations	(5)% — 100%
				Implied volatilities	9% — 123%
Options - primarily gas	192	226	Option models	Implied correlations	(5)% — 100%
				Implied volatilities	1% — 108%
Full requirements and unit contingent contracts	340	38	Discounted cash flow	Forward price (per MWh)	$(20) — $199
				Customer migration rate[a]	—% — 20%
Total	$ 1,341	$ 551			

(a) Applies only to full requirements contracts.

The sensitivity of NEE's fair value measurements to increases (decreases) in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Impact on Fair Value Measurement
Forward price	Purchase power/gas	Increase (decrease)
	Sell power/gas	Decrease (increase)
Implied correlations	Purchase option	Decrease (increase)
	Sell option	Increase (decrease)
Implied volatilities	Purchase option	Increase (decrease)
	Sell option	Decrease (increase)
Customer migration rate	Sell power[a]	Decrease (increase)

(a) Assumes the contract is in a gain position.

In addition, the fair value measurement of interest rate contract net liabilities related to the solar projects in Spain of approximately $128 million at September 30, 2016 includes a significant credit valuation adjustment. The credit valuation adjustment, considered

an unobservable input, reflects management's assessment of non-performance risk of the subsidiaries related to the solar projects in Spain that are party to the contracts. See Note 9 - Spain Solar Projects for a discussion related to debt restructuring associated with the Spain solar projects.

The reconciliation of changes in the fair value of derivatives that are based on significant unobservable inputs is as follows:

	Three Months Ended September 30,			
	2016		2015	
	NEE	FPL	NEE	FPL
	(millions)			
Fair value of net derivatives based on significant unobservable inputs at June 30	$ 532	$ (1)	$ 544	$ 4
Realized and unrealized gains (losses):				
Included in earnings[a]	153	—	115	—
Included in regulatory assets and liabilities	—	—	(1)	(1)
Purchases	28	—	42	—
Settlements	(72)	1	(109)	(1)
Issuances	(16)	—	(32)	—
Transfers in[b]	1	—	3	—
Transfers out[b]	36	—	(16)	—
Fair value of net derivatives based on significant unobservable inputs at September 30	$ 662	$ —	$ 546	$ 2
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[c]	$ 150	$ —	$ 107	$ —

(a) For the three months ended September 30, 2016 and 2015, realized and unrealized gains of approximately $198 million and $131 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.
(b) Transfers into Level 3 were a result of decreased observability of market data. Transfers from Level 3 to Level 2 were a result of increased observability of market data and, in 2016, a favorable change to a credit valuation adjustment. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.
(c) For the three months ended September 30, 2016 and 2015, unrealized gains of approximately $194 million and $123 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.

	Nine Months Ended September 30,			
	2016		2015	
	NEE	FPL	NEE	FPL
	(millions)			
Fair value of net derivatives based on significant unobservable inputs at December 31 of prior period	$ 538	$ —	$ 622	$ 5
Realized and unrealized gains (losses):				
Included in earnings[a]	373	—	369	—
Included in other comprehensive income (loss)[b]	(3)	—	8	—
Included in regulatory assets and liabilities	—	—	3	3
Purchases	203	—	125	—
Settlements	(300)	—	(376)	(6)
Issuances	(159)	—	(164)	—
Transfers in[c]	4	—	(15)	—
Transfers out[c]	6	—	(26)	—
Fair value of net derivatives based on significant unobservable inputs at September 30	$ 662	$ —	$ 546	$ 2
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[d]	$ 231	$ —	$ 260	$ —

(a) For the nine months ended September 30, 2016 and 2015, realized and unrealized gains of approximately $443 million and $379 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is primarily reflected in interest expense.
(b) Reflected in net unrealized gains on foreign currency translation on the condensed consolidated statements of comprehensive income.
(c) Transfers into Level 3 were a result of decreased observability of market data. Transfers from Level 3 to Level 2 were a result of increased observability of market data and, in 2016, a favorable change to a credit valuation adjustment. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.
(d) For the nine months ended September 30, 2016 and 2015, unrealized gains of approximately $302 million and $271 million, respectively, are reflected in the condensed consolidated statements of income in operating revenues and the balance is reflected in interest expense.

Contingent Consideration - NEE recorded a liability related to a contingent holdback as part of the 2015 acquisition of a portfolio of seven long-term contracted natural gas pipeline assets located in Texas (Texas pipelines). See Note 9 - Contracts.

Fair Value of Financial Instruments Recorded at Other than Fair Value - The carrying amounts of cash equivalents, commercial paper and notes payable approximate their fair values. The carrying amounts and estimated fair values of other financial instruments recorded at other than fair value are as follows:

	September 30, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Special use funds[a]	$ 704	$ 704	$ 675	$ 675
Other investments - primarily notes receivable	$ 535	$ 721 [b]	$ 512	$ 722 [b]
Long-term debt, including current maturities	$ 30,555 [c]	$ 32,952 [d]	$ 28,897 [c]	$ 30,412 [d]
FPL:				
Special use funds[a]	$ 542	$ 542	$ 528	$ 528
Long-term debt, including current maturities	$ 9,913	$ 11,768 [d]	$ 10,020	$ 11,028 [d]

(a) Primarily represents investments accounted for under the equity method and loans not measured at fair value on a recurring basis.
(b) Primarily classified as held to maturity. Fair values are primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower (Level 3). Notes receivable bear interest primarily at fixed rates and mature by 2029. Notes receivable are considered impaired and placed in non-accrual status when it becomes probable that all amounts due cannot be collected in accordance with the contractual terms of the agreement. The assessment to place notes receivable in non-accrual status considers various credit indicators, such as credit ratings and market-related information.
(c) Excludes debt totaling $442 million and $938 million, respectively, reflected in liabilities associated with assets held for sale on NEE's condensed consolidated balance sheet for which the carrying amount approximates fair value. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.
(d) As of September 30, 2016 and December 31, 2015, for NEE, approximately $21,800 million and $18,031 million, respectively, is estimated using quoted market prices for the same or similar issues (Level 2); the balance is estimated using a discounted cash flow valuation technique, considering the current credit spread of the debtor (Level 3). For FPL, primarily estimated using quoted market prices for the same or similar issues (Level 2).

Special Use Funds - The special use funds noted above and those carried at fair value (see Recurring Fair Value Measurements above) consist of FPL's storm fund assets of approximately $75 million and $74 million at September 30, 2016 and December 31, 2015, respectively, and NEE's nuclear decommissioning fund assets of $5,375 million and $5,064 million at September 30, 2016 and December 31, 2015, respectively ($3,631 million and $3,430 million, respectively, for FPL). The investments held in the special use funds consist of equity and debt securities which are primarily classified as available for sale and carried at estimated fair value. The amortized cost of debt and equity securities is approximately $1,867 million and $1,547 million, respectively, at September 30, 2016 and $1,823 million and $1,505 million, respectively, at December 31, 2015 ($1,419 million and $798 million, respectively, at September 30, 2016 and $1,409 million and $732 million, respectively, at December 31, 2015 for FPL). For FPL's special use funds, consistent with regulatory treatment, changes in fair value, including any other than temporary impairment losses, result in a corresponding adjustment to the related regulatory liability accounts. For NEE's non-rate regulated operations, changes in fair value result in a corresponding adjustment to OCI, except for unrealized losses associated with marketable securities considered to be other than temporary, including any credit losses, which are recognized as other than temporary impairment losses on securities held in nuclear decommissioning funds in NEE's condensed consolidated statements of income. Debt securities included in the nuclear decommissioning funds have a weighted-average maturity at September 30, 2016 of approximately nine years at both NEE and FPL. FPL's storm fund primarily consists of debt securities with a weighted-average maturity at September 30, 2016 of approximately three years. The cost of securities sold is determined using the specific identification method.

Realized gains and losses and proceeds from the sale or maturity of available for sale securities are as follows:

	NEE		FPL		NEE		FPL	
	Three Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015	2016	2015	2016	2015
	(millions)							
Realized gains	$ 28	$ 35	$ 15	$ 11	$ 83	$ 126	$ 42	$ 56
Realized losses	$ 15	$ 21	$ 8	$ 11	$ 53	$ 53	$ 30	$ 26
Proceeds from sale or maturity of securities	$ 902	$ 712	$ 661	$ 556	$ 2,330	$ 3,642	$ 1,741	$ 3,094

The unrealized gains on available for sale securities are as follows:

	NEE		FPL	
	September 30, 2016	December 31, 2015	**September 30, 2016**	December 31, 2015
	(millions)			
Equity securities	**$ 1,322**	$ 1,166	**$ 952**	$ 863
Debt securities	**$ 61**	$ 17	**$ 47**	$ 14

The unrealized losses on available for sale debt securities and the fair value of available for sale debt securities in an unrealized loss position are as follows:

	NEE		FPL	
	September 30, 2016	December 31, 2015	**September 30, 2016**	December 31, 2015
	(millions)			
Unrealized losses[a]	**$ 15**	$ 51	**$ 15**	$ 45
Fair value	**$ 313**	$ 1,129	**$ 259**	$ 861

(a) Unrealized losses on available for sale debt securities in an unrealized loss position for greater than twelve months at September 30, 2016 and December 31, 2015 were not material to NEE or FPL.

Regulations issued by the FERC and the NRC provide general risk management guidelines to protect nuclear decommissioning funds and to allow such funds to earn a reasonable return. The FERC regulations prohibit, among other investments, investments in any securities of NEE or its subsidiaries, affiliates or associates, excluding investments tied to market indices or mutual funds. Similar restrictions applicable to the decommissioning funds for NEER's nuclear plants are included in the NRC operating licenses for those facilities or in NRC regulations applicable to NRC licensees not in cost-of-service environments. With respect to the decommissioning fund for Seabrook, decommissioning fund contributions and withdrawals are also regulated by the Nuclear Decommissioning Financing Committee pursuant to New Hampshire law.

The nuclear decommissioning reserve funds are managed by investment managers who must comply with the guidelines of NEE and FPL and the rules of the applicable regulatory authorities. The funds' assets are invested giving consideration to taxes, liquidity, risk, diversification and other prudent investment objectives.

4. Income Taxes

NEE's effective income tax rates for the three months ended September 30, 2016 and 2015 were approximately 35% and 32%, respectively. The rates for both periods reflect the benefit of PTCs of approximately $19 million and $29 million, respectively, related to NEER's wind projects, as well as ITCs and deferred income tax benefits associated with grants under the Recovery Act (convertible ITCs) totaling approximately $34 million and $16 million, respectively, related to solar and certain wind projects at NEER.

NEE's effective income tax rates for the nine months ended September 30, 2016 and 2015 were approximately 31% and 30%, respectively. The rates for both periods reflect the benefit of PTCs of approximately $92 million and $105 million, respectively, related to NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs totaling approximately $115 million and $67 million, respectively, related to solar and certain wind projects at NEER, including, in 2015, the effect of a state income tax law change that extended the ITC carryforward period for certain wind projects.

NEE recognizes PTCs as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes, which may differ significantly from amounts computed, on a quarterly basis, using an overall effective income tax rate anticipated for the full year. NEE uses this method of recognizing PTCs for specific reasons, including that PTCs are an integral part of the financial viability of most wind projects and a fundamental component of such wind projects' results of operations. PTCs, as well as ITCs and deferred income tax benefits associated with convertible ITCs, can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by the roll off of PTCs after ten years of production (PTC roll off).

In April 2016, a court decision was issued approving a reorganization of certain Canadian assets that provided for tax bases in certain of these assets (Canadian tax restructuring). NEE recorded approximately $30 million of the associated income tax benefits during the nine months ended September 30, 2016, which effectively reversed a portion of the income tax charge NEE recorded in the second quarter of 2014 associated with structuring Canadian assets. In addition, consolidating income tax adjustments for the nine months ended September 30, 2016 include an approximately $58 million income tax charge related to the sale of NEER's ownership interest in merchant natural gas generation facilities located in Texas with a total generating capacity of 2,884 MW (Texas natural gas generation facilities). See Note 8 - Assets and Liabilities Associated with Assets Held for Sale.

5. Variable Interest Entities (VIEs)

In February 2015, the FASB issued an accounting standards update that modified consolidation guidance. The standard makes changes to both the variable interest entity model and the voting interest entity model, including modifying the evaluation of whether limited partnerships or similar legal entities are VIEs or voting interest entities and amending the guidance for assessing how relationships of related parties affect the consolidation analysis of VIEs. The standard was effective for NEE and FPL beginning January 1, 2016, and the modified retrospective approach was adopted. The adoption of the standard did not result in any changes to the previous consolidation conclusions; however, it did result in a limited number of entities being considered VIEs and the related disclosure was provided for the current period.

As of September 30, 2016, NEE has twenty-nine VIEs which it consolidates and has interests in certain other VIEs which it does not consolidate.

FPL - FPL is considered the primary beneficiary of, and therefore consolidates, a VIE that is a wholly owned bankruptcy remote special purpose subsidiary that it formed in 2007 for the sole purpose of issuing storm-recovery bonds pursuant to the securitization provisions of the Florida Statutes and a financing order of the FPSC. FPL is considered the primary beneficiary because FPL has the power to direct the significant activities of the VIE, and its equity investment, which is subordinate to the bondholder's interest in the VIE, is at risk. Storm restoration costs incurred by FPL during 2005 and 2004 exceeded the amount in FPL's funded storm and property insurance reserve, resulting in a storm reserve deficiency. In 2007, the VIE issued $652 million aggregate principal amount of senior secured bonds (storm-recovery bonds), primarily for the after-tax equivalent of the total of FPL's unrecovered balance of the 2004 storm restoration costs, the 2005 storm restoration costs and to reestablish FPL's storm and property insurance reserve. In connection with this financing, net proceeds, after debt issuance costs, to the VIE (approximately $644 million) were used to acquire the storm-recovery property, which includes the right to impose, collect and receive a storm-recovery charge from all customers receiving electric transmission or distribution service from FPL under rate schedules approved by the FPSC or under special contracts, certain other rights and interests that arise under the financing order issued by the FPSC and certain other collateral pledged by the VIE that issued the bonds. The storm-recovery bonds are payable only from and are secured by the storm-recovery property. The bondholders have no recourse to the general credit of FPL. The assets of the VIE were approximately $171 million and $230 million at September 30, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery property, which are included in noncurrent other regulatory assets on NEE's and FPL's condensed consolidated balance sheets. The liabilities of the VIE were approximately $211 million and $278 million at September 30, 2016 and December 31, 2015, respectively, and consisted primarily of storm-recovery bonds, which are included in long-term debt on NEE's and FPL's condensed consolidated balance sheets.

FPL entered into a purchased power agreement effective in 1995 with a 330 MW coal-fired facility to purchase substantially all of the facility's capacity and electrical output over a substantial portion of its estimated useful life. The facility is considered a VIE because FPL absorbs a portion of the facility's variability related to changes in the market price of coal through the price it pays per MWh (energy payment). Since FPL does not control the most significant activities of the facility, including operations and maintenance, FPL is not the primary beneficiary and does not consolidate this VIE. The energy payments paid by FPL will fluctuate as coal prices change. This fluctuation does not expose FPL to losses since the energy payments paid by FPL to the facility are recovered through the fuel clause as approved by the FPSC. See Note 9 - Contracts for a discussion of FPL's pending purchase of the 330 MW coal-fired facility.

NEER - NEE consolidates twenty-seven NEER VIEs. NEER is considered the primary beneficiary of these VIEs since NEER controls the most significant activities of these VIEs, including operations and maintenance, as well as construction, and has the obligation to absorb expected losses of these VIEs.

A subsidiary of NEER is the primary beneficiary of, and therefore consolidates, NEP, which consolidates NEP OpCo because of NEP's controlling interest in the general partner of NEP OpCo. NEP is a limited partnership formed to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NEP OpCo. NEE owns a controlling non-economic general partner interest in NEP and a limited partner interest in NEP OpCo, and presents NEP's limited partner interest as a noncontrolling interest in NEE's consolidated financial statements. At September 30, 2016, NEE owns common units of NEP OpCo representing noncontrolling interest in NEP's operating projects of approximately 65.2%. The assets and liabilities of NEP were approximately $7.4 billion and $5.2 billion, respectively, at September 30, 2016, and primarily consisted of property, plant and equipment and long-term debt.

A NEER VIE consolidates two entities which own and operate natural gas/oil electric generation facilities with the capability of producing 110 MW. These entities sell their electric output under power sales contracts to a third party, with expiration dates in 2018 and 2020. The power sales contracts provide the offtaker the ability to dispatch the facilities and require the offtaker to absorb the cost of fuel. The entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities

of the VIE were approximately $90 million and $41 million, respectively, at September 30, 2016 and $84 million and $47 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

Two indirect subsidiaries of NEER each contributed, to a NEP subsidiary, an approximately 50% ownership interest in three entities which own and operate solar PV facilities with the capability of producing a total of approximately 277 MW. Each of the two indirect subsidiaries of NEER is considered a VIE since the non-managing members have no substantive rights over the managing members, and is consolidated by NEER. These three entities sell their electric output to third parties under power sales contracts with expiration dates in 2035 and 2036. The three entities have third-party debt which is secured by liens against the assets of the entities. The debt holders have no recourse to the general credit of NEER. The assets and liabilities of these VIEs were approximately $758 million and $681 million, respectively, at September 30, 2016 and $657 million and $626 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

The other twenty-three NEER VIEs that are consolidated relate to certain subsidiaries which have sold differential membership interests in entities which own and operate wind electric generation and solar PV facilities with the capability of producing a total of approximately 5,522 MW and 178 MW, respectively, and own solar PV facilities that, upon completion of construction, which is anticipated in the fourth quarter of 2016, are expected to have a total generating capacity of 196 MW. These entities sell, or will sell, their electric output either under power sales contracts to third parties with expiration dates ranging from 2018 through 2046 or in the spot market. Certain investors that have no equity at risk in the VIEs hold differential membership interests, which give them the right to receive a portion of the economic attributes of the generation facilities, including certain tax attributes. The entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities or by pledges of NEER's ownership interest in these entities. The entity which owns assets under construction uses third-party debt and equity to finance its development and construction activities and requires subordinated financing from NEER to complete the facilities under construction. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of these VIEs totaled approximately $8.5 billion and $4.4 billion, respectively, at September 30, 2016. Twenty of the twenty-three were VIEs at December 31, 2015 and were consolidated; the assets and liabilities of those VIEs totaled approximately $7.6 billion and $5.0 billion, respectively, at December 31, 2015. At September 30, 2016 and December 31, 2015, the assets and liabilities of the VIEs consisted primarily of property, plant and equipment, deferral related to differential membership interests and long-term debt.

NEECH - NEECH consolidates a special purpose entity that has insufficient equity at risk and is considered a VIE. The entity provided a loan in the form of a note receivable (see Note 3 - Fair Value of Financial Instruments Recorded at Other than Fair Value) to an unrelated third party, and also issued senior secured bonds which are collateralized by the note receivable. The assets and liabilities of the VIE were approximately $513 million and $497 million, respectively, at September 30, 2016, and consisted primarily of notes receivables (included in other investments) and long-term debt.

Other - As of September 30, 2016 and December 31, 2015, several NEE subsidiaries have investments totaling approximately$2,427 million ($1,975 million at FPL) and $602 million ($476 million at FPL), respectively, in certain entities which invest mainly in mortgage-backed securities, and also at September 30, 2016, in common collective trusts. These investments are included in special use funds and other investments on NEE's condensed consolidated balance sheets and in special use funds on FPL's condensed consolidated balance sheets. As of September 30, 2016, NEE subsidiaries, including FPL, are not the primary beneficiary and therefore do not consolidate any of these entities because they have no power over activities, do not control any of the ongoing activities of these entities, were not involved in the initial design of these entities and do not have a controlling financial interest in these entities.

Certain subsidiaries of NEE have noncontrolling interests in entities accounted for under the equity method. These entities are limited partnerships or similar entity structures in which the limited partners or nonmanaging members do not have substantive rights, and therefore are considered VIEs. NEE is not the primary beneficiary because it does not have a controlling financial interest in these entities, and therefore does not consolidate any of these entities. NEE's investment in these entities totaled approximately $259 million at September 30, 2016, which are included in other investments on NEE's condensed consolidated balance sheet. Subsidiaries of NEE have committed to invest an additional approximately $30 million in two of the entities.

6. Common Shareholders' Equity

Stock-Based Compensation - On March 30, 2016, the FASB issued an accounting standards update related to the accounting for employee share-based payment awards including simplification in areas such as (i) income tax consequences; (ii) classification of awards as either equity or liabilities; and (iii) classification on the statement of cash flows. The standards update was effective for NEE beginning January 1, 2017, however, NEE early adopted the provisions of the standard update during the three months ended June 30, 2016 with an effective date of January 1, 2016. Upon adoption, NEE recorded approximately $18 million primarily related to previously unrecognized excess tax benefits in deferred income taxes with a resulting increase to retained earnings as of January 1, 2016. During the three and nine months ended September 30, 2016, the impact of the accounting standards update resulted in approximately $3 million and $27 million, respectively, of excess tax benefits being recorded in NEE's condensed consolidated statements of income; the three months ended March 31, 2016 impact was approximately $17 million, or $0.04 per share after tax for basic and assuming dilution. All other provisions of the standards update did not have a material impact to NEE's condensed consolidated financial statements. The accounting standards update had no effect on FPL.

Earnings Per Share - The reconciliation of NEE's basic and diluted earnings per share attributable to NEE is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions, except per share amounts)			
Numerator - net income attributable to NEE	**$ 753**	$ 879	**$ 1,946**	$ 2,245
Denominator:				
Weighted-average number of common shares outstanding - basic	**463.3**	454.1	**461.7**	447.3
Equity units, performance share awards, stock options and restricted stock[a]	**2.7**	1.9	**3.0**	4.0
Weighted-average number of common shares outstanding - assuming dilution	**466.0**	456.0	**464.7**	451.3
Earnings per share attributable to NEE:				
Basic	**$ 1.63**	$ 1.94	**$ 4.21**	$ 5.02
Assuming dilution	**$ 1.62**	$ 1.93	**$ 4.19**	$ 4.97

(a) Calculated using the treasury stock method. Performance share awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award.

Common shares issuable pursuant to equity units, stock options, performance share awards and restricted stock which were not included in the denominator above due to their antidilutive effect were approximately 11.2 million and 8.1 million for the three months ended September 30, 2016 and 2015, respectively, and 3.9 million and 4.6 million for the nine months ended September 30, 2016 and 2015, respectively.

Accumulated Other Comprehensive Income (Loss) - The components of AOCI, net of tax, are as follows:

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Three Months Ended September 30, 2016						
Balances, June 30, 2016	$ (134)	$ 193	$ (69)	$ (44)	$ (28)	$ (82)
Other comprehensive income (loss) before reclassifications	—	31	—	(9)	3	25
Amounts reclassified from AOCI	17 [a]	(2) [b]	—	—	—	15
Net other comprehensive income (loss)	17	29	—	(9)	3	40
Less other comprehensive loss attributable to noncontrolling interests	—	—	—	(6)	—	(6)
Balances, September 30, 2016	$ (117)	$ 222	$ (69)	$ (47)	$ (25)	$ (36)

(a) Reclassified to interest expense in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Three Months Ended September 30, 2015						
Balances, June 30, 2015	$ (128)	$ 210	$ (36)	$ (27)	$ (23)	$ (4)
Other comprehensive loss before reclassifications	(97)	(38)	—	(33)	(3)	(171)
Amounts reclassified from AOCI	11 (a)	(8) (b)	—	—	—	3
Net other comprehensive loss	(86)	(46)	—	(33)	(3)	(168)
Less other comprehensive loss attributable to noncontrolling interests	(2)	—	—	(2)	—	(4)
Balances, September 30, 2015	$ (212)	$ 164	$ (36)	$ (58)	$ (26)	$ (168)

(a) Reclassified to interest expense and other - net in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Nine Months Ended September 30, 2016						
Balances, December 31, 2015	$ (170)	$ 174	$ (62)	$ (85)	$ (24)	$ (167)
Other comprehensive income (loss) before reclassifications	—	56	(7)	19	(1)	67
Amounts reclassified from AOCI	53 (a)	(8) (b)	—	—	—	45
Net other comprehensive income (loss)	53	48	(7)	19	(1)	112
Less other comprehensive loss attributable to noncontrolling interests	—	—	—	(19)	—	(19)
Balances, September 30, 2016	$ (117)	$ 222	$ (69)	$ (47)	$ (25)	$ (36)

(a) Reclassified to interest expense in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Gains (Losses) on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
	(millions)					
Nine Months Ended September 30, 2015						
Balances, December 31, 2014	$ (156)	$ 218	$ (20)	$ (58)	$ (24)	$ (40)
Other comprehensive loss before reclassifications	(107)	(33)	(16)	(5)	(2)	(163)
Amounts reclassified from AOCI	50 (a)	(21) (b)	—	—	—	29
Net other comprehensive loss	(57)	(54)	(16)	(5)	(2)	(134)
Less other comprehensive loss attributable to noncontrolling interests	(1)	—	—	(5)	—	(6)
Balances, September 30, 2015	$ (212)	$ 164	$ (36)	$ (58)	$ (26)	$ (168)

(a) Reclassified to interest expense and other - net in NEE's condensed consolidated statements of income. See Note 2 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of assets - net in NEE's condensed consolidated statements of income.

7. Debt

Significant long-term debt issuances and borrowings by subsidiaries of NEE during the nine months ended September 30, 2016 were as follows:

	Principal Amount (millions)	Interest Rate	Maturity Date
FPL:			
Other long-term debt	$ 150	Variable (a)	2019
NEECH:			
Debentures	$ 500	2.30%	2019
Debentures, related to NEE's equity units	$ 1,500	1.65%	2021
Junior subordinated debentures	$ 570	5.25%	2076
Other long-term debt	$ 100	1.00%	2021
NEER:			
Senior secured limited-recourse term loans	$ 837	Variable (a)	2023 - 2035
Other long-term debt	$ 925	Variable (a)	2018 - 2022

(a) Variable rate is based on an underlying index plus a margin. Interest rate swap agreements have been entered into with respect to certain of these issuances. See Note 2.

See Note 9 - Spain Solar Projects for a discussion related to debt restructuring associated with the Spain solar projects.

In August 2016, NEE sold $1.5 billion of equity units (initially consisting of Corporate Units). Each equity unit has a stated amount of $50 and consists of a contract to purchase NEE common stock (stock purchase contract) and, initially, a 5% undivided beneficial ownership interest in a Series I Debenture due September 1, 2021, issued in the principal amount of $1,000 by NEECH. Each stock purchase contract requires the holder to purchase by no later than September 1, 2019 (the final settlement date) for a price of $50 in cash, a number of shares of NEE common stock (subject to antidilution adjustments) based on a price per share range of $127.63 to $159.54. If purchased on the final settlement date, as of September 30, 2016, the number of shares issued would (subject to antidilution adjustments) range from 0.3918 shares if the applicable market value of a share of common stock is less than or equal to $127.63 to 0.3134 shares if the applicable market value of a share is equal to or greater than $159.54, with applicable market value to be determined using the average closing prices of NEE common stock over a 20-day trading period ending August 28, 2019. Total annual distributions on the equity units will be at the rate of 6.123%, consisting of interest on the debentures (1.65% per year) and payments under the stock purchase contracts (4.473% per year). The interest rate on the debentures is expected to be reset on or after March 1, 2019. A holder of the equity unit may satisfy its purchase obligation with proceeds raised from remarketing the NEECH debentures that are part of its equity unit. The undivided beneficial ownership interest in the NEECH debenture that is a component of each Corporate Unit is pledged to NEE to secure the holder's obligation to purchase NEE common stock under the related stock purchase contract. If a successful remarketing does not occur on or before the third business day prior to the final settlement date, and a holder has not notified NEE of its intention to settle the stock purchase contract with cash, the debentures that are components of the Corporate Units will be used to satisfy in full the holders' obligations to purchase NEE common stock under the related stock purchase contracts on the final settlement date. The debentures are fully and unconditionally guaranteed by NEE.

In September 2016, NEECH completed a remarketing of $500 million aggregate principal amount of its Series G Debentures due September 1, 2018 (Debentures) that were issued in September 2013 as components of equity units issued concurrently by NEE (September 2013 equity units). The Debentures are fully and unconditionally guaranteed by NEE. In connection with the remarketing of the Debentures, the interest rate on the Debentures was reset to 1.649% per year, and interest is payable on March 1 and September 1 of each year, commencing March 1, 2017. In connection with the settlement of the contracts to purchase NEE common stock that were issued as components of the September 2013 equity units, on September 1, 2016, NEE issued 5,101,000 shares of common stock in exchange for $500 million.

8. Summary of Significant Accounting and Reporting Policies

NextEra Energy Partners, LP - In February and March 2016, NEP completed the sale of 11,155,000 common units representing limited partnership interests in NEP in a public offering for an aggregate purchase price of approximately $287 million, or $25.76 per common unit. In September 2016, NEP completed the sale of 11,962,300 common units representing limited partnership interests in NEP in a public offering for an aggregate purchase price of approximately $342 million, or $28.56 per common unit. These offerings, together with issuances of additional common units under NEP's at-the-market equity issuance program during the nine

months ended September 30, 2016, resulted in a decrease of NEE's interest in NEP's operating projects to approximately 65.2% at September 30, 2016.

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability, initially measured at the present value of the future lease payments; and a right-of-use asset for all leases (with the exception of short-term leases). The standards update will be effective for NEE and FPL beginning January 1, 2019. Early adoption is permitted. Lessees and lessors must apply a modified retrospective approach for all leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. NEE and FPL are currently evaluating the effect the adoption of this standards update will have on their consolidated financial statements.

Assets and Liabilities Associated with Assets Held for Sale - In April 2016, a subsidiary of NEER completed the sale of the Texas natural gas generation facilities for net cash proceeds of approximately $456 million, after transaction costs and working capital adjustments. A NEER affiliate continued to operate the facilities included in the sale through September 2016. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($106 million after tax) was recorded in NEE's condensed consolidated statements of income for the nine months ended September 30, 2016 and is included in taxes other than income taxes and other - net. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's condensed consolidated balance sheet as of December 31, 2015 primarily represent property, plant and equipment and the related long-term debt.

In May 2016, NEER initiated a plan and received internal authorization to pursue the sale of its ownership interests in its natural gas generation facilities located primarily in Pennsylvania, which have a total generating capacity of 840 MW at September 30, 2016, and subsequently entered into an agreement to sell its ownership interests in these natural gas generation facilities. The transaction is expected to close in the fourth quarter of 2016, pending the satisfaction of customary closing conditions. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's condensed consolidated balance sheet as of September 30, 2016 primarily represent property, plant and equipment and the related long-term debt.

Merger Termination - On July 15, 2016, the Hawaii Public Utilities Commission issued an order dismissing NEE's and Hawaiian Electric Company, Inc.'s (HECO) merger application. As a result, on July 16, 2016, NEE terminated the agreement and plan of merger dated as of December 3, 2014 (merger agreement), by and among NEE, Hawaiian Electric Industries, Inc. (HEI), and two wholly owned direct subsidiaries of NEE, NEE Acquisition Sub I, LLC and NEE Acquisition Sub II, Inc., under which HECO, a wholly owned subsidiary of HEI, was to become a subsidiary of NEE. Pursuant to the terms of the merger agreement, NEE paid HEI a termination fee of $90 million plus reimbursement to HEI for out-of-pocket expenses incurred in connection with the merger agreement of $5 million, which was included in merger-related expenses in NEE's condensed consolidated statements of income for the three and nine months ended September 30, 2016.

Proposed Oncor-Related Transactions - On July 29, 2016, NEE, EFH Merger Co., LLC (Merger Sub), a direct wholly owned subsidiary of NEE, Energy Future Holdings Corp. (EFH Corp.) and Energy Future Intermediate Holding Company LLC (EFIH), a direct wholly owned subsidiary of EFH Corp., entered into an agreement and plan of merger (merger agreement). Pursuant to the merger agreement and after the reorganization of EFH Corp. (reorganized EFH) under the United States Bankruptcy Code, Merger Sub will acquire 100% of the equity of reorganized EFH Corp. and certain of its direct and indirect subsidiaries, including its indirect ownership of 80.03% of the outstanding equity interests of Oncor Electric Delivery Company LLC (Oncor), a regulated electric distribution and transmission business that operates the largest distribution and transmission system in Texas. The merger agreement, as amended in September 2016, provides that the consideration for the transaction funded by NEE will be $9.796 billion, which will be paid to certain creditors primarily in cash, with the remainder in shares of NEE common stock, which will be paid to certain creditors. The amount of consideration will be subject to adjustment as provided in the merger agreement. Completion of the merger and the actual closing date remain subject to, among other things, confirmation from the United States Bankruptcy Court for the District of Delaware, as well as approvals by the Public Utility Commission of Texas (PUCT) and the FERC. NEE, Merger Sub, EFH Corp. and EFIH have certain specified termination rights under the merger agreement. On October 31, 2016, NEE and Oncor filed a joint application with the PUCT requesting the approval of the EFH Corp. merger, as well as the TTHC merger described below. NEE expects the EFH Corp. merger to be completed in the first half of 2017.

On October 30, 2016, NEE and its direct wholly owned subsidiary WSS Acquisition Company (TTHC Merger Sub) entered into an agreement (TTHC merger agreement) with Texas Transmission Holdings Corporation (TTHC) and certain stockholders of TTHC, Cheyne Walk Investment Pte Ltd, Borealis Power Holdings Inc. and BPC Health Corporation (together, the Primary Holders). Pursuant to the TTHC merger agreement, TTHC Merger Sub would merge with TTHC for a total cash merger consideration to be paid by NEE of approximately $2.410 billion, subject to adjustment as provided in the TTHC merger agreement. TTHC, through Texas Transmission Investment LLC (TTI), a wholly owned subsidiary, owns an approximately 20% interest in Oncor. Completion of the TTHC merger and actual closing date remain subject to, among other things, approvals by the PUCT and the FERC. NEE, TTHC Merger Sub, TTHC and the Primary Holders have certain specified termination rights under the TTHC merger agreement. NEE expects the TTHC transaction to be completed in the first half of 2017.

On October 29, 2016, T & D Equity Acquisition, LLC (OMI purchaser), a wholly owned subsidiary of NEE, Oncor Management Investment LLC (OMI) and Oncor entered into an agreement for the OMI purchaser to purchase OMI's 0.22% interest in Oncor for approximately $27 million. This transaction is subject to NEE closing on its agreement to acquire EFH Corp. described above. NEE expects the OMI transaction to be completed in the first half of 2017.

The TTHC and OMI transactions, when combined with NEE's agreement to acquire EFH Corp. described above, if approved, would result in NEE owning 100% of Oncor.

Proposed Sale Transaction - On November 1, 2016, FN Investments, LLC (FiberNet seller), an indirect wholly owned subsidiary of NEE, and CC FN Holdings LLC (FiberNet purchaser), a wholly owned subsidiary of Crown Castle International Corp., entered into an agreement whereby the FiberNet purchaser will acquire from the FiberNet seller all of the outstanding membership interests in FPL TEL, LLC, FPL FiberNet Holdings, LLC and NextEra FiberNet, LLC (together, FiberNet), which are wholly owned subsidiaries of NEE that provide fiber-optic network services, for a cash purchase price of $1.5 billion, subject to certain adjustments. NEE expects to use a portion of the proceeds to retire approximately $370 million principal amount of FiberNet long-term debt. FiberNet's total assets and liabilities and its results of operations are not material to NEE. The transaction is subject to, among other things, approval by the Federal Communications Commission and the public service commissions of Georgia, Louisiana and Texas. NEE expects the transaction to close in the first half of 2017.

9. Commitments and Contingencies

Commitments - NEE and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL include, among other things, the cost for construction or acquisition of additional facilities and equipment to meet customer demand, as well as capital improvements to and maintenance of existing facilities and the procurement of nuclear fuel. At NEER, capital expenditures include, among other things, the cost, including capitalized interest, for construction and development of wind and solar projects and the procurement of nuclear fuel, as well as the investment in the development and construction of its natural gas pipeline assets. Capital expenditures for Corporate and Other primarily include the cost to meet customer-specific requirements and maintain the fiber-optic network for FPL FiberNet and the cost to maintain existing transmission facilities at NEET.

At September 30, 2016, estimated capital expenditures for the remainder of 2016 through 2020 for which applicable internal approvals (and also, if required, FPSC approvals for FPL or regulatory approvals for acquisitions) have been received were as follows:

	Remainder of 2016	2017	2018	2019	2020	Total
			(millions)			
FPL:						
Generation:[a]						
New[b][c]	$ 155	$ 510	$ 260	$ 135	$ 10	$ 1,070
Existing	245	955	680	525	540	2,945
Transmission and distribution	465	1,995	1,985	2,485	2,335	9,265
Nuclear fuel	45	125	190	170	210	740
General and other	115	265	240	185	185	990
Total	$ 1,025	$ 3,850	$ 3,355	$ 3,500	$ 3,280	$ 15,010
NEER:						
Wind[d]	$ 585	$ 860	$ 475	$ 25	$ 25	$ 1,970
Solar[e]	100	15	—	—	—	115
Nuclear, including nuclear fuel	115	235	265	255	250	1,120
Natural gas pipelines[f]	490	750	815	30	15	2,100
Other	120	45	40	40	40	285
Total	$ 1,410	$ 1,905	$ 1,595	$ 350	$ 330	$ 5,590
Corporate and Other	$ 50	$ 250	$ 210	$ 215	$ 145	$ 870

(a) Includes AFUDC of approximately $19 million, $47 million, $66 million and $29 million for the remainder of 2016 through 2019, respectively.
(b) Includes land, generation structures, transmission interconnection and integration and licensing.
(c) Excludes capital expenditures for the construction costs for the two additional nuclear units at FPL's Turkey Point site beyond what is required to receive and maintain an NRC license for each unit.
(d) Consists of capital expenditures for new wind projects, repowering of existing wind projects and related transmission totaling approximately 3,375 MW, including 660 MW that received applicable internal approvals in October 2016.
(e) Includes capital expenditures for new solar projects and related transmission totaling approximately 470 MW.
(f) Includes capital expenditures for construction of three natural gas pipelines, including equity contributions associated with equity investments in joint ventures for two pipelines and AFUDC associated with the third pipeline. The natural gas pipelines are subject to certain conditions. See Contracts below.

The above estimates are subject to continuing review and adjustment and actual capital expenditures may vary significantly from these estimates.

Contracts - In addition to the commitments made in connection with the estimated capital expenditures included in the table in Commitments above, FPL has commitments under long-term purchased power and fuel contracts. As of September 30, 2016, FPL is obligated under a take-or-pay purchased power contract to pay for 375 MW annually through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 444 MW from certain cogenerators and small power producers with expiration dates ranging from 2025 through 2034. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts. Capacity payments for the pay-for-performance contracts are subject to the facilities meeting certain contract conditions. FPL has contracts with expiration dates through 2036 for the purchase and transportation of natural gas and coal, and storage of natural gas. In addition, FPL has entered into 25-year natural gas transportation agreements with each of Sabal Trail and Florida Southeast Connection, each of which will build, own and operate a pipeline that will be part of a natural gas pipeline system, for a quantity of 400,000 MMBtu/day beginning on May 1, 2017 and increasing to 600,000 MMBtu/day on May 1, 2020. These agreements contain firm commitments that are contingent upon the occurrence of certain events, including the completion of construction of the pipeline system to be built by Sabal Trail and Florida Southeast Connection. On April 1, 2016, a wholly owned NEER subsidiary purchased an additional 9.5% interest in Sabal Trail, resulting in a 42.5% total ownership interest. See Commitments above.

As of September 30, 2016, NEER has entered into contracts with expiration dates ranging from November 2016 through 2032 primarily for the purchase of wind turbines, wind towers and solar modules and related construction and development activities, as well as for the supply of uranium, conversion, enrichment and fabrication of nuclear fuel and has made commitments for the construction of the natural gas pipelines. Approximately $3.8 billion of related commitments are included in the estimated capital expenditures table in Commitments above. In addition, NEER has contracts primarily for the purchase, transportation and storage of natural gas and firm transmission service with expiration dates ranging from December 2016 through 2019.

The required capacity and/or minimum payments under the contracts discussed above as of September 30, 2016 were estimated as follows:

	Remainder of 2016	2017	2018	2019	2020	Thereafter
			(millions)			
FPL:						
Capacity charges[a]	$ 45	$ 165	$ 155	$ 135	$ 110	$ 690
Minimum charges, at projected prices:[b]						
Natural gas, including transportation and storage[c]	$ 320	$ 1,065	$ 870	$ 860	$ 910	$ 12,970
Coal, including transportation	$ 25	$ 120	$ 5	$ 5	$ —	$ —
NEER	$ 1,235	$ 1,345	$ 985	$ 125	$ 95	$ 370
Corporate and Other[d][e]	$ 35	$ 25	$ 5	$ —	$ 5	$ —

(a) Capacity charges under these contracts, substantially all of which are recoverable through the capacity clause, totaled approximately $41 million and $112 million for the three months ended September 30, 2016 and 2015, respectively, and approximately $134 million and $349 million for the nine months ended September 30, 2016 and 2015, respectively. Energy charges under these contracts, which are recoverable through the fuel clause, totaled approximately $57 million and $99 million for the three months ended September 30, 2016 and 2015, respectively, and approximately $103 million and $221 million for the nine months ended September 30, 2016 and 2015, respectively.
(b) Recoverable through the fuel clause.
(c) Includes approximately $200 million, $295 million, $290 million, $360 million and $7,885 million in 2017, 2018, 2019, 2020 and thereafter, respectively, of firm commitments, subject to certain conditions as noted above, related to the natural gas transportation agreements with Sabal Trail and Florida Southeast Connection.
(d) Includes an approximately $30 million commitment to invest primarily in clean power and technology businesses through 2021.
(e) Excludes approximately $215 million, $190 million and $30 million in 2016, 2017 and 2018, respectively, of joint obligations of NEECH and NEER which are included in the NEER amounts above.

In addition, FPL has entered into, and the FPSC and the FERC have approved, a purchase agreement under which FPL will assume ownership of a 330 MW coal-fired generation facility located in Indiantown, Florida for a purchase price of $451 million (including existing debt of approximately $218 million). FPL currently has a long-term purchased power agreement with this facility for substantially all of its capacity and energy. The remaining payments under the long-term purchased power agreement, which total approximately $810 million (including $23 million for the remainder of 2016) are included in the table above under capacity charges. Upon taking ownership of this facility, which is expected to occur in January 2017, FPL expects to reduce the plant's operations with the intention of eventually phasing the plant out of service. FPL will also record a regulatory asset for approximately $451 million, which will be amortized over nine years and recovered through the capacity clause with a return on the portion of the unamortized balance of the regulatory asset. Until the plant is phased out of service, FPL will recover the operating costs and fuel costs of the facility through the capacity clause and the fuel clause, respectively.

In October 2015, a subsidiary of NEP completed the acquisition of the Texas pipelines. The purchase price is subject to (i) a $200 million holdback payable, in whole or in part, upon satisfaction of financial performance and capital expenditure thresholds relating to planned expansion projects (contingent holdback) and (ii) a $200 million holdback retained to satisfy any indemnification obligations of the sellers through April 2017 (indemnity holdback). Contingent consideration is required to be reported at fair value at each reporting date. NEE determined this fair value measurement based on management's probability assessment. The significant inputs and assumptions used in the fair value measurement included the estimated probability of executing contracts related to financial performance and capital expenditure thresholds as well as the appropriate discount rate. During the three and nine months ended September 30, 2016, NEE recorded approximately $101 million and $118 million, respectively, of fair value adjustments to decrease the contingent holdback based on updated estimates associated with management's probability assessment. The fair value adjustments are included in revaluation of contingent consideration in NEE's condensed consolidated statements of income. At September 30, 2016 and December 31, 2015, the estimated fair value of the contingent holdback was approximately $70 million and $186 million, respectively, and the carrying amount of the indemnity holdback was approximately $197 million and $188 million, respectively. The contingent and indemnity holdbacks are included in current other liabilities at September 30, 2016 and in noncurrent other liabilities at December 31, 2015 on NEE's condensed consolidated balance sheets.

Insurance - Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, NEE maintains $375 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $13.0 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, NEE is subject to retrospective assessments of up to $1.0 billion ($509 million for FPL), plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed $152 million ($76 million for FPL) per incident per year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $15 million, $38 million and $19 million, plus any applicable taxes, per incident, respectively.

NEE participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence

per site for property damage, decontamination and premature decommissioning risks at its nuclear plants and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. NEE also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of NEE's or another participating insured's nuclear plants, NEE could be assessed up to $187 million ($113 million for FPL), plus any applicable taxes, in retrospective premiums in a policy year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $3 million, $5 million and $4 million, plus any applicable taxes, respectively.

Due to the high cost and limited coverage available from third-party insurers, NEE does not have property insurance coverage for a substantial portion of either its transmission and distribution property or natural gas pipeline assets, and has no property insurance coverage for FPL FiberNet's fiber-optic cable. Should FPL's future storm restoration costs exceed the reserve amount established through the issuance of storm-recovery bonds by a VIE in 2007, FPL may recover storm restoration costs, subject to prudence review by the FPSC, either through surcharges approved by the FPSC or through securitization provisions pursuant to Florida law. FPL expects to file a petition with the FPSC in the fourth quarter of 2016 to seek interim recovery of storm restoration costs associated with Hurricane Hermine in September 2016 and Hurricane Matthew in October 2016 that exceed the reserve amount, as well as to replenish the reserve.

In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered from customers in the case of FPL or Lone Star Transmission, LLC, would be borne by NEE and/or FPL and/or their affiliates, as the case may be, and could have a material adverse effect on NEE's and FPL's financial condition, results of operations and liquidity.

Spain Solar Projects - Since 2013, various events of default had occurred under the project-level financing agreements for the solar thermal facilities in Spain (Spain solar projects) as a result of changes of law that occurred in December 2012 and February 2013. Because the lenders had the right to accelerate payment of the project-level debt as a result of the events of default, such debt and the associated derivative liabilities related to interest rate swaps were classified as current maturities of long-term debt and current derivative liabilities, respectively. Additionally, impairments recorded in 2013 due to the changes of law caused the project-level subsidiaries in Spain to have a negative net equity position on their balance sheets, which required them under Spanish law to commence liquidation proceedings if the net equity position was not restored to specified levels.

In August 2016, NextEra Energy España, S.L., the NEER subsidiary in Spain that is the direct shareholder of the project-level subsidiaries, and the project-level subsidiaries entered into an agreement with the lenders to restructure the project-level debt, which included, among other things, a re-amortization of the debt, including extending the maturity date from 2030 to 2037, and reducing the original interest rate under the project-level financing agreements. At closing, the NEECH affiliates' remaining letter of credit posting obligation on behalf of the project-level subsidiaries of approximately €23 million (approximately $26 million) was used primarily to make a prepayment of the restructured project-level debt. The noncurrent portions of the restructured project-level debt, net of unamortized debt issuance costs, and associated derivative liabilities related to the interest rate swaps were reclassified as long-term debt and noncurrent derivative liabilities, respectively, on NEE's condensed consolidated balance sheet as of September 30, 2016 and totaled approximately $537 million and $155 million, respectively, at that date. The debt restructuring allowed the negative net equity position of the project-level subsidiaries to be restored to a level above that which is required by Spanish law and the liquidation process was rescinded. The restructured debt is secured solely by the assets of the project-level subsidiaries.

10. Segment Information

NEE's reportable segments are FPL, a rate-regulated electric utility, and NEER, a competitive energy business. NEER's segment information includes an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs. Corporate and Other represents other business activities and includes eliminating entries. NEE's segment information is as follows:

	Three Months Ended September 30,							
	2016				2015			
	FPL	NEER[a]	Corporate and Other	NEE Consolidated	FPL	NEER[a][b]	Corporate and Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ 3,283	$ 1,430	$ 92	$ 4,805	$ 3,274	$ 1,586	$ 94	$ 4,954
Operating expenses	$ 2,362	$ 974	$ 190	$ 3,526	$ 2,419	$ 972	$ 82	$ 3,473
Net income (loss) attributable to NEE	$ 515	$ 307 [c]	$ (69)	$ 753	$ 489	$ 379 [c]	$ 11	$ 879

	Nine Months Ended September 30,							
	2016				2015			
	FPL	NEER[a]	Corporate and Other	NEE Consolidated	FPL	NEER[a][b]	Corporate and Other[b]	NEE Consolidated
	(millions)							
Operating revenues	$ 8,337	$ 3,841	$ 279	$ 12,457	$ 8,812	$ 4,315	$ 290	$ 13,417
Operating expenses	$ 5,874	$ 2,575	$ 326	$ 8,775	$ 6,509	$ 2,918	$ 233	$ 9,660
Net income (loss) attributable to NEE	$ 1,356	$ 765 [c]	$ (175)	$ 1,946	$ 1,283	$ 936 [c]	$ 26	$ 2,245

(a) Interest expense allocated from NEECH is based on a deemed capital structure of 70% debt. For this purpose, the deferred credit associated with differential membership interests sold by NEER subsidiaries is included with debt. Residual NEECH corporate interest expense is included in Corporate and Other.
(b) Amounts were adjusted to reflect the fourth quarter 2015 segment change related to natural gas pipeline projects.
(c) See Note 4 for a discussion of NEER's tax benefits related to PTCs.

	September 30, 2016				December 31, 2015			
	FPL	NEER	Corporate and Other	NEE Consolidated	FPL	NEER	Corporate and Other	NEE Consolidated
	(millions)							
Total assets	$ 44,617	$ 40,760	$ 2,487	$ 87,864	$ 42,523	$ 37,647	$ 2,309	$ 82,479

11. Summarized Financial Information of NEECH

NEECH, a 100% owned subsidiary of NEE, provides funding for, and holds ownership interests in, NEE's operating subsidiaries other than FPL. NEECH's debentures and junior subordinated debentures including those that were registered pursuant to the Securities Act of 1933, as amended, are fully and unconditionally guaranteed by NEE. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Three Months Ended September 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Operating revenues	$ —	$ 1,526	$ 3,279	$ 4,805	$ —	$ 1,683	$ 3,271	$ 4,954
Operating expenses	(5)	(1,032)	(2,489)	(3,526)	(3)	(1,045)	(2,425)	(3,473)
Interest expense	—	(255)	(114)	(369)	(1)	(200)	(110)	(311)
Equity in earnings of subsidiaries	765	—	(765)	—	865	—	(865)	—
Other income - net	4	276	17	297	—	114	18	132
Income (loss) before income taxes	764	515	(72)	1,207	861	552	(111)	1,302
Income tax expense (benefit)	11	141	266	418	(18)	167	272	421
Net income (loss)	753	374	(338)	789	879	385	(383)	881
Less net income attributable to noncontrolling interests	—	36	—	36	—	2	—	2
Net income (loss) attributable to NEE	$ 753	$ 338	$ (338)	$ 753	$ 879	$ 383	$ (383)	$ 879

	Nine Months Ended September 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Operating revenues	$ —	$ 4,131	$ 8,326	$ 12,457	$ —	$ 4,616	$ 8,801	$ 13,417
Operating expenses	(14)	(2,756)	(6,005)	(8,775)	(12)	(3,124)	(6,524)	(9,660)
Interest expense	(1)	(1,137)	(342)	(1,480)	(3)	(573)	(336)	(912)
Equity in earnings of subsidiaries	1,989	—	(1,989)	—	2,226	—	(2,226)	—
Other income - net	5	603	57	665	—	343	45	388
Income (loss) before income taxes	1,979	841	47	2,867	2,211	1,262	(240)	3,233
Income tax expense (benefit)	33	71	775	879	(34)	293	722	981
Net income (loss)	1,946	770	(728)	1,988	2,245	969	(962)	2,252
Less net income attributable to noncontrolling interests	—	42	—	42	—	7	—	7
Net income (loss) attributable to NEE	$ 1,946	$ 728	$ (728)	$ 1,946	$ 2,245	$ 962	$ (962)	$ 2,245

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Comprehensive Income

	Three Months Ended September 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Comprehensive income (loss) attributable to NEE	$ 799	$ 384	$ (384)	$ 799	$ 714	$ 218	$ (218)	$ 714

	Nine Months Ended September 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
Comprehensive income (loss) attributable to NEE	$ 2,078	$ 866	$ (866)	$ 2,078	$ 2,117	$ 850	$ (850)	$ 2,117

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	September 30, 2016				December 31, 2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric plant in service and other property	$ 28	$ 37,986	$ 47,849	$ 85,863	$ 27	$ 34,921	$ 45,382	$ 80,330
Accumulated depreciation and amortization	(18)	(7,823)	(12,405)	(20,246)	(16)	(7,067)	(11,861)	(18,944)
Total property, plant and equipment - net	10	30,163	35,444	65,617	11	27,854	33,521	61,386
CURRENT ASSETS								
Cash and cash equivalents	—	634	47	681	—	546	25	571
Receivables	210	1,908	741	2,859	90	1,510	665	2,265
Other	4	1,891	1,312	3,207	4	2,443	1,512	3,959
Total current assets	214	4,433	2,100	6,747	94	4,499	2,202	6,795
OTHER ASSETS								
Investment in subsidiaries	23,851	—	(23,851)	—	22,544	—	(22,544)	—
Other	808	8,844	5,848	15,500	823	7,790	5,685	14,298
Total other assets	24,659	8,844	(18,003)	15,500	23,367	7,790	(16,859)	14,298
TOTAL ASSETS	$ 24,883	$ 43,440	$ 19,541	$ 87,864	$ 23,472	$ 40,143	$ 18,864	$ 82,479
CAPITALIZATION								
Common shareholders' equity	$ 23,907	$ 8,196	$ (8,196)	$ 23,907	$ 22,574	$ 6,990	$ (6,990)	$ 22,574
Noncontrolling interests	—	962	—	962	—	538	—	538
Long-term debt	—	18,350	9,845	28,195	—	16,725	9,956	26,681
Total capitalization	23,907	27,508	1,649	53,064	22,574	24,253	2,966	49,793
CURRENT LIABILITIES								
Debt due within one year	—	2,500	982	3,482	—	2,786	220	3,006
Accounts payable	1	2,089	710	2,800	4	1,919	606	2,529
Other	294	2,301	1,579	4,174	252	3,003	1,317	4,572
Total current liabilities	295	6,890	3,271	10,456	256	7,708	2,143	10,107
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	—	747	1,890	2,637	—	647	1,822	2,469
Deferred income taxes	82	2,636	7,864	10,582	157	2,396	7,274	9,827
Other	599	5,659	4,867	11,125	485	5,139	4,659	10,283
Total other liabilities and deferred credits	681	9,042	14,621	24,344	642	8,182	13,755	22,579
COMMITMENTS AND CONTINGENCIES								

TOTAL CAPITALIZATION AND LIABILITIES	$ 24,883	$ 43,440	$ 19,541	$ 87,864	$ 23,472	$ 40,143	$ 18,864	$ 82,479

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Cash Flows

	Nine Months Ended September 30,							
	2016				2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,164	$ 1,781	$ 2,349	$ 5,294	$ 1,242	$ 1,834	$ 1,437	$ 4,513
CASH FLOWS FROM INVESTING ACTIVITIES								
Capital expenditures, independent power and other investments and nuclear fuel purchases	(1)	(4,831)	(3,097)	(7,929)	—	(3,058)	(2,618)	(5,676)
Capital contributions from NEE	(432)	—	432	—	(1,454)	—	1,454	—
Sale of independent power and other investments of NEER	—	395	—	395	—	34	—	34
Proceeds from the sale of a noncontrolling interest in subsidiaries	—	645	—	645	—	319	—	319
Other - net	—	(63)	(31)	(94)	(17)	2	(139)	(154)
Net cash used in investing activities	(433)	(3,854)	(2,696)	(6,983)	(1,471)	(2,703)	(1,303)	(5,477)
CASH FLOWS FROM FINANCING ACTIVITIES								
Issuances of long-term debt	—	4,494	150	4,644	—	3,377	85	3,462
Retirements of long-term debt	—	(2,392)	(262)	(2,654)	—	(2,547)	(550)	(3,097)
Proceeds from sale of differential membership interests	—	328	—	328	—	46	—	46
Payments to differential membership investors	—	(84)	—	(84)	—	(68)	—	(68)
Proceeds from notes payable	—	—	500	500	—	1,450	—	1,450
Repayments of notes payable	—	(212)	(150)	(362)	—	(313)	—	(313)
Net change in commercial paper	—	(154)	408	254	—	780	(896)	(116)
Issuances of common stock	528	—	—	528	1,274	—	—	1,274
Dividends on common stock	(1,205)	—	—	(1,205)	(1,031)	—	—	(1,031)
Contributions from (dividends to) NEE	—	294	(294)	—	—	(1,214)	1,214	—
Other - net	(54)	(113)	17	(150)	(14)	(55)	30	(39)
Net cash provided by (used in) financing activities	(731)	2,161	369	1,799	229	1,456	(117)	1,568
Net increase in cash and cash equivalents	—	88	22	110	—	587	17	604
Cash and cash equivalents at beginning of period	—	546	25	571	—	562	15	577
Cash and cash equivalents at end of period	$ —	$ 634	$ 47	$ 681	$ —	$ 1,149	$ 32	$ 1,181

(a) Represents primarily FPL and consolidating adjustments.

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

OVERVIEW

NEE's operating performance is driven primarily by the operations of its two principal subsidiaries, FPL, which serves approximately 4.8 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the U.S., and NEER, which together with affiliated entities is the largest generator in North America of renewable energy from the wind and sun based on MWh produced. The table below presents net income (loss) attributable to NEE and earnings (loss) per share attributable to NEE, assuming dilution, by reportable segment, FPL and NEER, and by Corporate and Other, which is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as other income and expense items, including interest expense, income taxes and eliminating entries (see Note 10 for additional segment information). The following discussions should be read in conjunction with the Notes contained herein and Management's Discussion and Analysis of Financial Condition and Results of Operations appearing in the 2015 Form 10-K. The results of operations for an interim period generally will not give a true indication of results for the year. In the following discussions, all comparisons are with the corresponding items in the prior year period.

	Net Income (Loss) Attributable to NEE		Earnings (Loss) Per Share, Assuming Dilution		Net Income (Loss) Attributable to NEE		Earnings (Loss) Per Share, Assuming Dilution	
	Three Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	(millions)				(millions)			
FPL	**$ 515**	$ 489	**$ 1.11**	$ 1.07	**$ 1,356**	$ 1,283	**$ 2.92**	$ 2.84
NEER[a][b]	**307**	379	**0.66**	0.83	**765**	936	**1.65**	2.07
Corporate and Other[b]	**(69)**	11	**(0.15)**	0.03	**(175)**	26	**(0.38)**	0.06
NEE	**$ 753**	$ 879	**$ 1.62**	$ 1.93	**$ 1,946**	$ 2,245	**$ 4.19**	$ 4.97

(a) NEER's results reflect an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt and allocated shared service costs.
(b) NEER's and Corporate and Other's results for 2015 were retrospectively adjusted to reflect the fourth quarter segment change related to natural gas pipeline projects.

On July 29, 2016, NEE, Merger Sub, EFH Corp. and EFIH entered into a merger agreement under which Merger Sub will acquire 100% of the equity of reorganized EFH Corp. and certain of its direct and indirect subsidiaries, including its indirect ownership of 80.03% of the outstanding equity interests of Oncor. In late October 2016, additional agreements were entered into with other parties that, when combined with the EFH Corp. merger agreement, if approved, would result in NEE owning 100 percent of Oncor. See Note 8 - Proposed Oncor-Related Transactions.

Adjusted Earnings

NEE prepares its financial statements under GAAP. However, management uses earnings excluding certain items (adjusted earnings), a non-GAAP financial measure, internally for financial planning, for analysis of performance, for reporting of results to the Board of Directors and as an input in determining performance-based compensation under NEE's employee incentive compensation plans. NEE also uses adjusted earnings when communicating its financial results and earnings outlook to analysts and investors. NEE's management believes adjusted earnings provides a more meaningful representation of NEE's fundamental earnings power. Although the excluded amounts are properly included in the determination of net income under GAAP, management believes that the amount and/or nature of such items make period to period comparisons of operations difficult and potentially confusing. Adjusted earnings do not represent a substitute for net income, as prepared under GAAP.

Adjusted earnings exclude the unrealized mark-to-market effect of non-qualifying hedges (as described below) and OTTI losses on securities held in NEER's nuclear decommissioning funds, net of the reversal of previously recognized OTTI losses on securities sold and losses on securities where price recovery was deemed unlikely (collectively, OTTI reversals). However, other adjustments may be made from time to time with the intent to provide more meaningful and comparable results of ongoing operations.

NEE, through NEER and Corporate and Other, segregate into two categories unrealized mark-to-market gains and losses on derivative transactions. The first category, referred to as non-qualifying hedges, represents certain energy derivative, interest rate derivative and foreign currency transactions entered into as economic hedges, which do not meet the requirements for hedge accounting, or for which hedge accounting treatment is not elected or has been discontinued. Changes in the fair value of those transactions are marked to market and reported in the consolidated statements of income, resulting in earnings volatility because the economic offset to certain of the positions are generally not marked to market. As a consequence, NEE's net income reflects only the movement in one part of economically-linked transactions. For example, a gain (loss) in the non-qualifying hedge category for certain energy derivatives is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under GAAP. For this reason, NEE's management views results expressed excluding the unrealized mark-to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. The second category, referred to as trading activities, which is included in adjusted earnings, represents the net unrealized effect of actively traded positions entered into to take advantage of expected market price movements and all other commodity hedging

activities. In January 2016, NEE discontinued hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, which could result in increased volatility in the non-qualifying hedge category. In connection with discontinuing hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, in May 2016, NEE also began recording changes in the fair value of interest rate derivatives entered into as economic hedges to offset expected future debt issuances as non-qualifying hedges. At FPL, substantially all changes in the fair value of energy derivative transactions are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. See Note 2.

In order to make period to period comparisons more meaningful, adjusted earnings also exclude the costs incurred associated with the proposed merger between NEE, HEI and two wholly owned direct subsidiaries of NEE, which was terminated effective July 16, 2016 (see Note 8 - Merger Termination) and the costs incurred associated with the merger agreement between NEE, Merger Sub, EFH Corp. and EFIH (see Note 8 - Proposed Oncor-Related Transactions), the after-tax operating results associated with the Spain solar projects, and the resolution of contingencies related to a previous asset sale which was recorded in the first quarter of 2016 as gains on disposal of assets - net in NEE's condensed consolidated statements of income. In April 2016, a subsidiary of NEER completed the sale of its ownership interest in the Texas natural gas generation facilities. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($106 million after tax) was recorded in NEE's condensed consolidated statements of income during the nine months ended September 30, 2016 and is included in taxes other than income taxes and other - net.

The following table provides details of the adjustments to net income considered in computing NEE's adjusted earnings discussed above.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Net unrealized mark-to-market after-tax gains (losses) from non-qualifying hedge activity[a]	**$ 27**	$ 158	**$ (389)**	$ 210
After-tax losses from OTTI on securities held in NEER's nuclear decommissioning funds, net of OTTI reversals	**$ —**	$ (13)	**$ (4)**	$ (14)
After-tax operating results of NEER's Spain solar projects	**$ —**	$ 9	**$ (4)**	$ 5
After-tax merger-related expenses - Corporate and Other	**$ (83)**	$ (5)	**$ (88)**	$ (16)
After-tax gain on sale of the Texas natural gas generation facilities[b]	**$ —**	$ —	**$ 106**	$ —
Resolution of contingencies related to a previous asset sale - NEER	**$ —**	$ —	**$ 5**	$ —

(a) For the three months ended September 30, 2016 and 2015, approximately $28 million and $158 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other. For the nine months ended September 30, 2016 and 2015, approximately $295 million of losses and $203 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other.

(b) Approximately $164 million of the gain was recorded in NEER's net income; the balance is included in Corporate and Other. See Note 8 - Assets and Liabilities Associated with Assets Held for Sale and Note 4.

The change in unrealized mark-to-market activity from non-qualifying hedges is primarily attributable to changes in forward power and natural gas prices, interest rates and foreign currency exchange rates, as well as the reversal of previously recognized unrealized mark-to-market gains or losses as the underlying transactions were realized.

RESULTS OF OPERATIONS

Summary

Net income attributable to NEE for the three months ended September 30, 2016 was lower than the prior year period by $126 million, reflecting lower results at NEER and Corporate and Other, partly offset by higher results at FPL. Net income attributable to NEE for the nine months ended September 30, 2016 was lower than the prior year period by $299 million, reflecting lower results at NEER and Corporate and Other, partly offset by higher results at FPL.

FPL's increase in net income for the three and nine months ended September 30, 2016 was primarily driven by continued investments in plant in service and other property while earning an 11.50% regulatory ROE on its retail rate base.

NEER's results decreased for the three months ended September 30, 2016 reflecting lower net unrealized gains from non-qualifying hedge activity compared to the gains from such hedges in the prior year period and lower earnings on gas infrastructure and existing assets. NEER's results decreased for the nine months ended September 30, 2016 reflecting net unrealized losses from non-qualifying hedge activity compared to the gains from such hedges in the prior year period, lower earnings on gas infrastructure and existing assets and higher interest and general and administrative expenses. These decreases were partly offset by contributions from new investments and, for the nine months ended September 30, 2016, the gain on the sale of the Texas natural gas generation facilities. The net unrealized gains (losses) from non-qualifying hedge activity includes approximately $3 million of after-tax gains and $129 million of after-tax losses for the three and nine months ended September 30, 2016, respectively, related to interest rate derivative instruments for which hedge accounting was discontinued in January 2016.

Corporate and Other's results decreased for the three and nine months ended September 30, 2016 primarily due to higher merger-related expenses and, for the nine months ended September 30, 2016, net unrealized losses from non-qualifying hedge activity primarily associated with interest rate and foreign currency derivative instruments.

NEE's effective income tax rates for the three months ended September 30, 2016 and 2015 were approximately 35% and 32%, respectively. NEE's effective income tax rates for the nine months ended September 30, 2016 and 2015 were approximately 31% and 30%, respectively. The rates for all periods reflect the benefit of PTCs for NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs for solar and certain wind projects at NEER. PTCs, ITCs and deferred income tax benefits associated with convertible ITCs can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by PTC roll off. PTCs for the three months ended September 30, 2016 and 2015 were approximately $19 million and $29 million, respectively, and $92 million and $105 million for the comparable nine-month periods. ITCs and deferred income tax benefits associated with convertible ITCs for the three months ended September 30, 2016 and 2015 were approximately $34 million and $16 million, respectively, and $115 million and $67 million for the comparable nine-month periods. In addition, the rates for the nine months ended September 30, 2016 reflect a consolidating income tax adjustment of approximately $58 million related to the sale of the Texas natural gas generation facilities and noncash income tax benefits of approximately $30 million ($26 million attributable to NEE) related to the Canadian tax restructuring. See Note 4.

FPL: Results of Operations

FPL's net income for the three months ended September 30, 2016 and 2015 was $515 million and $489 million, respectively, representing an increase of $26 million. FPL's net income for the nine months ended September 30, 2016 and 2015 was $1,356 million and $1,283 million, respectively, representing an increase of $73 million.

The use of reserve amortization is permitted by a January 2013 FPSC final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2012 rate agreement). In order to earn a targeted regulatory ROE, subject to limitations associated with the 2012 rate agreement, reserve amortization is calculated using a trailing thirteen-month average of retail rate base and capital structure in conjunction with the trailing twelve months regulatory retail base net operating income, which primarily includes the retail base portion of base and other revenues, net of O&M, depreciation and amortization, interest and tax expenses. In certain periods, reserve amortization must be reversed so as not to exceed the targeted ROE. The drivers of FPL's net income not reflected in the reserve amortization calculation typically include wholesale and transmission service revenues and expenses, cost recovery clause revenues and expenses, AFUDC - equity and costs not allowed to be recovered from retail customers by the FPSC. During the three months ended September 30, 2016 and 2015, FPL recorded the reversal of reserve amortization of approximately $159 million and $115 million, respectively. During the nine months ended September 30, 2016 and 2015, FPL recorded reserve amortization of approximately $33 million and the reversal of reserve amortization of $81 million, respectively.

The $26 million and $73 million increase in FPL's net income for the three and nine months ended September 30, 2016, respectively, was primarily driven by higher earnings from investments in plant in service and other property. Such investments grew FPL's average retail rate base for the three and nine months ended September 30, 2016 by approximately $2.8 billion and $2.3 billion, respectively, when compared to the same periods in the prior year, reflecting, among other things, the modernized Port Everglades power plant that was placed in service on April 1, 2016 and ongoing transmission and distribution additions.

FPL's operating revenues consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Retail base	**$ 1,729**	$ 1,609	**$ 4,437**	$ 4,280
Fuel cost recovery	**915**	1,078	**2,393**	2,931
Net recognition of deferred retail fuel revenues	**79**	—	**5**	—
Other cost recovery clauses and pass-through costs, net of any deferrals	**418**	461	**1,132**	1,241
Other, primarily wholesale and transmission sales, customer-related fees and pole attachment rentals	**142**	126	**370**	360
Total	**$ 3,283**	$ 3,274	**$ 8,337**	$ 8,812

Retail Base

Retail base revenues increased approximately $60 million and $124 million during the three and nine months ended September 30, 2016, respectively, related to the modernized Port Everglades power plant that was placed in service on April 1, 2016; the annualized effect of such retail base rate increase assuming normal weather is approximately $216 million.

Retail Customer Usage and Growth

In the three and nine months ended September 30, 2016, FPL experienced a 2.5% increase and 0.6% decrease, respectively, in

average usage per retail customer and a 1.4% increase for both periods in the average number of customer accounts which collectively, together with other factors, resulted in an increase in revenues of approximately $60 million and $33 million, respectively. For the three months ended September 30, 2016, warmer weather as compared to the same period in 2015 contributed to the increased revenues. For the nine months ended September 30, 2016, increased revenues reflect higher customer growth which was slightly offset by milder weather compared to the same period in 2015.

Cost Recovery Clauses

Revenues from fuel and other cost recovery clauses and pass-through costs, such as franchise fees, revenue taxes and storm-related surcharges, are largely a pass-through of costs. Such revenues also include a return on investment allowed to be recovered through the cost recovery clauses on certain assets, primarily related to solar and environmental projects, the unamortized balance of the regulatory asset associated with FPL's acquisition of a 250 MW coal-fired generation facility located in Jacksonville, Florida (Cedar Bay) in September 2015 and nuclear capacity. The decrease in fuel cost recovery revenues for the three months ended September 30, 2016 is primarily due to a decrease of approximately $207 million related to a lower average fuel factor partly offset by an increase of $42 million related to higher retail energy sales. The decrease in fuel cost recovery revenues for the nine months ended September 30, 2016 is primarily due to a decrease of approximately $553 million related to a lower average fuel factor and lower revenues from interchange power sales of $23 million, partly offset by an increase of $40 million related to higher retail energy sales. Net recognition of deferred retail fuel revenues totaled $79 million during the three months ended September 30, 2016 due to the previous overrecovery of costs through rates. Net recognition of deferred retail fuel revenues totaled approximately $5 million during the nine months ended September 30, 2016 due to the previous overrecovery of costs through rates, partly offset by the provision for refund described below.

Declines in revenues from other cost recovery clauses and pass-through costs were largely due to reductions in purchased power and capacity expenses associated with the capacity clause. Cost recovery clauses contributed approximately $21 million and $20 million to FPL's net income for the three months ended September 30, 2016 and 2015, respectively, and $68 million and $55 million for the comparable nine-month periods. The increase in both 2016 periods primarily relates to the acquisition of Cedar Bay in September 2015.

Provision for Refund

In March 2015, after receiving FPSC approval, a wholly owned subsidiary of FPL partnered with a third party to develop up to 38 natural gas production wells in the Woodford Shale region in southeastern Oklahoma and in return began receiving its ownership share of the natural gas produced from these wells. In May 2016, the Florida Supreme Court (Court) reversed the FPSC's order approving FPL's investment in the Woodford Shale wells because the Court concluded that the FPSC exceeded its statutory authority when approving recovery of FPL's costs and investment in these wells. During the nine months ended September 30, 2016, FPL recorded a provision for refund of approximately $21 million ($13 million after tax) associated with the Court's decision. FPL's wholly owned subsidiary, which is not subject to FPSC authority, plans to sell its future share of the natural gas produced from the Woodford Shale wells to third parties at market price. Also, in response to the Court's decision on the Woodford Shale order, the FPSC vacated its July 2015 order approving a set of guidelines under which FPL could participate in additional natural gas production projects.

Other Items Impacting FPL's Condensed Consolidated Statements of Income

Fuel, Purchased Power and Interchange Expense

The major components of FPL's fuel, purchased power and interchange expense are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Fuel and energy charges during the period	**$ 1,006**	$ 1,021	**$ 2,377**	$ 2,765
Net recognition of deferred retail fuel costs	**—**	46	**29**	155
Net deferral of retail fuel costs	**(8)**	—	**—**	—
Other, primarily capacity charges, net of any capacity deferral	**47**	128	**150**	378
Total	**$ 1,045**	$ 1,195	**$ 2,556**	$ 3,298

The decrease in fuel and energy charges for the three and nine months ended September 30, 2016 primarily reflects approximately $54 million and $398 million, respectively, of lower fuel and energy prices partly offset by $38 million and $14 million, respectively, related to higher energy sales. In addition, FPL deferred approximately $8 million of retail fuel costs during the three months ended September 30, 2016 and recognized approximately $29 million of deferred retail fuel costs during the nine months ended September 30, 2016 compared to recognition of $46 million and $155 million of deferred retail fuel costs in the three and nine months ended September 30, 2015, respectively. The decrease in other in both periods is primarily due to lower capacity fees in part related to the termination of certain long-term purchased power agreements, including the Cedar Bay purchased power agreement after FPL assumed ownership of Cedar Bay in September 2015.

O&M Expenses

FPL's O&M expenses decreased approximately $7 million for the three months ended September 30, 2016 reflecting lower cost

recovery clause costs which, as discussed above, do not have a significant impact on net income, partly offset by higher nuclear generation costs. FPL's O&M expenses increased approximately $56 million for the nine months ended September 30, 2016 reflecting higher fossil and nuclear generation costs, employee-related costs and weather-related restoration costs.

Depreciation and Amortization Expense
The major components of FPL's depreciation and amortization expense are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Reserve reversal (amortization) recorded under the 2012 rate agreement	**$ 159**	$ 115	**$ (33)**	$ 81
Other depreciation and amortization recovered under base rates	**352**	317	**1,020**	939
Depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization	**76**	53	**220**	134
Total	**$ 587**	$ 485	**$ 1,207**	$ 1,154

The reserve amortization, or reversal of such amortization, reflects adjustments to the depreciation and fossil dismantlement reserve provided under the 2012 rate agreement in order to achieve the targeted regulatory ROE. At September 30, 2016, approximately $230 million of the reserve remains available for future amortization over the term of the 2012 rate agreement. Reserve amortization is recorded as a reduction to (or when reversed as an increase to) regulatory liabilities - accrued asset removal costs on the condensed consolidated balance sheets. The increase in other depreciation and amortization expense recovered under base rates for the three and nine months ended September 30, 2016 is due to higher transmission and distribution and plant in service balances, including the modernized Port Everglades power plant that was placed in service on April 1, 2016. The increase in depreciation and amortization recovered under cost recovery clauses and securitized storm-recovery cost amortization for the three and nine months ended September 30, 2016 primarily relates to the amortization of a regulatory asset associated with the September 2015 acquisition of Cedar Bay.

AFUDC - Equity
AFUDC - equity for the three and nine months ended September 30, 2016 primarily reflects additional AFUDC - equity recorded on construction expenditures associated with the peaker upgrade project and three solar PV projects. The additional AFUDC - equity was more than offset for the three months ended September 30, 2016 and partly offset for the nine months ended September 30, 2016 by lower AFUDC - equity associated with the modernized Port Everglades power plant which was placed in service in April 2016.

FPL Rate Case

In March 2016, FPL filed a petition with the FPSC requesting, among other things, an increase to base annual revenue requirements effective January 2017. Hearings on the base rate proceeding were held during the third quarter of 2016. On October 6, 2016, FPL and several intervenors in FPL's base rate proceeding filed with the FPSC a joint motion for the FPSC to approve a stipulation and settlement signed by those parties (proposed 2016 rate agreement) that would resolve all matters in FPL's pending base rate proceeding and related dockets. Key elements of the proposed 2016 rate agreement, which would be effective from January 2017 through December 2020, include the following:

- New retail base rates and charges would be established resulting in the following increases in annualized retail base revenues commencing as follows:
  - $400 million beginning January 1, 2017,
  - $211 million beginning January 1, 2018, and
  - $200 million when a new approximately 1,600 MW natural gas-fired combined-cycle unit in Okeechobee County, Florida (Okeechobee power plant) achieves commercial operation, which is expected to occur in mid-2019.
- In addition, FPL would be eligible to receive, subject to conditions specified in the proposed 2016 rate agreement, base rate increases associated with the addition of up to 300 MW annually of new solar generation in each of 2017 through 2020, and could carry forward any unused MW to subsequent years. FPL would be required to demonstrate that any proposed solar facilities are cost effective and has agreed to an installed cost cap of $1,750 per kW.
- FPL's allowed regulatory ROE would be 10.55%, with a range of 9.60% to 11.60%. If FPL's earned regulatory ROE were to fall below 9.60%, FPL could seek retail base rate relief. If the earned regulatory ROE were to rise above 11.60%, any party other than FPL could seek a review of FPL's retail base rates.
- Subject to certain conditions, FPL could amortize, over the term of the proposed 2016 rate agreement, up to $1.0 billion of depreciation reserve surplus plus any reserve amount remaining under FPL's 2012 rate agreement at the end of 2016, provided that in any year of the proposed 2016 rate agreement, FPL would amortize at least enough reserve to maintain a 9.60% earned regulatory ROE but would not amortize any reserve that would result in an earned regulatory ROE in excess of 11.60%.
- Future storm restoration costs would be recoverable on an interim basis beginning 60 days from the filing of a cost recovery petition, but capped at an amount that could produce a surcharge of no more than $4 for every 1,000 kWh of usage on residential bills during the first 12 months of cost recovery. Any additional costs would be eligible for recovery in subsequent years. If storm

restoration costs were to exceed $800 million in any given calendar year, FPL could request an increase to the $4 surcharge to recover the amount above $400 million.

The proposed 2016 rate agreement is subject to FPSC approval. A hearing on the proposed 2016 rate agreement was held October 27, 2016 and the FPSC is expected to rule on the proposed 2016 rate agreement on November 29, 2016.

Storm Restoration

FPL was impacted by Hurricane Hermine in September 2016 and Hurricane Matthew in October 2016. Hurricane Matthew resulted in damage in much of FPL's service territory and caused approximately 1.2 million of FPL's customers to lose electrical service, all of which has been restored. Damage to FPL property was primarily limited to the transmission and distribution systems. Although FPL has not completed the final accounting of all storm restoration costs, FPL estimates storm restoration costs for both events will total approximately $350 million, the majority of which relates to Hurricane Matthew. Prior to these storms, FPL's storm and property insurance reserve had the capacity to absorb approximately $112 million in additional storm restoration costs. Storm restoration costs that exceed this amount will be deferred and recorded as a regulatory asset on NEE's and FPL's balance sheets. Under the 2012 rate agreement, beginning 60 days following the filing of a cost recovery petition with the FPSC, FPL is authorized to recover the excess of storm restoration costs over the reserve amount on an interim basis through surcharges, plus approximately $117 million to replenish the reserve to the level authorized by the 2012 rate agreement. Interim recovery is available for storm restoration costs that in total for a calendar year do not exceed $4 for every 1,000 kWh of usage on monthly residential bills based on a 12 month recovery period. FPL intends to file a petition with the FPSC in the fourth quarter of 2016 to seek interim recovery of the storm restoration costs and to replenish the reserve under this mechanism.

Capital Initiatives

During the nine months ended September 30, 2016, FPL began construction on three solar PV projects that are each expected to provide approximately 74 MW and received final approval to begin construction on the Okeechobee power plant. In April 2016, FPL placed in service the modernized natural gas-fired combined-cycle unit at its Port Everglades power plant with approximately 1,237 MW of capacity. In addition, FPL has entered into a purchase agreement under which it will assume ownership of a 330 MW coal-fired generation facility located in Indiantown, Florida (see Note 9 - Contracts).

NEER: Results of Operations

NEER's net income less net income attributable to noncontrolling interests for the three months ended September 30, 2016 and 2015 was $307 million and $379 million, respectively, representing a decrease of $72 million. NEER's net income less net income attributable to noncontrolling interests for the nine months ended September 30, 2016 and 2015 was $765 million and $936 million, respectively, representing a decrease of $171 million. The primary drivers, on an after-tax basis, of the changes are in the following table.

	Increase (Decrease) From Prior Year Period	
	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2016
	(millions)	
New investments[a]	$ 126	$ 281
Existing assets[a]	(12)	(13)
Gas infrastructure[b]	(43)	(49)
Customer supply and proprietary power and gas trading[b]	1	(20)
Interest and other general and administrative expenses[c]	(19)	(57)
Other	1	16
Change in unrealized mark-to-market non-qualifying hedge activity[d]	(130)	(498)
Change in OTTI losses on securities held in nuclear decommissioning funds, net of OTTI reversals[d]	13	9
Operating results of the Spain solar projects[d]	(9)	(9)
Gain on sale of the Texas natural gas generation facilities[d]	—	164
Resolution of contingencies related to a previous asset sale[d]	—	5
Decrease in net income less net income attributable to noncontrolling interests	$ (72)	$ (171)

(a) Includes PTCs, ITCs and deferred income tax and other benefits associated with convertible ITCs for wind and solar projects, as applicable, as well as income tax benefits related to the Canadian tax restructuring, but excludes allocation of interest expense and corporate general and administrative expenses. Results from projects are included in new investments during the first twelve months of operation or ownership. An electric energy project's results are included in existing assets beginning with the thirteenth month of operation.
(b) Excludes allocation of interest expense and corporate general and administrative expenses.
(c) Includes differential membership interest costs.
(d) See Overview - Adjusted Earnings for additional information.

New Investments

Results from new investments for the three months ended September 30, 2016 increased due to:

- higher earnings of approximately $65 million, including the deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 1,204 MW of wind generation and 884 MW of solar generation during or after the three months ended September 30, 2015, and
- higher earnings of approximately $61 million related to the acquisition of the Texas pipelines in October 2015, including a $41 million after-tax fair value adjustment to reduce the contingent holdback (see Note 9 - Contracts), and additional investments in other natural gas pipeline projects.

Results from new investments for the nine months ended September 30, 2016 increased due to:

- higher earnings of approximately $175 million, including the deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 1,455 MW of wind generation and 905 MW of solar generation during or after the nine months ended September 30, 2015, and
- higher earnings of approximately $106 million related to the acquisition of the Texas pipelines, including $48 million of after-tax fair value adjustments to reduce the contingent holdback (see Note 9 - Contracts), and additional investments in other natural gas pipeline projects.

Existing Assets

Results from NEER's existing asset portfolio for the three months ended September 30, 2016 decreased primarily due to:

- lower results from merchant natural gas and oil assets of approximately $13 million primarily due to the sale of the Texas natural gas generation facilities (see Overview - Adjusted Earnings).

Results from NEER's existing asset portfolio for the nine months ended September 30, 2016 decreased primarily due to:

- lower results from nuclear assets of approximately $15 million primarily due to lower gains on sales of securities held in NEER's nuclear decommissioning funds and outages at two nuclear plants, offset in part by favorable pricing, and
- lower results from merchant natural gas and oil assets of $7 million primarily due to the sale of the Texas natural gas generation facilities (see Overview - Adjusted Earnings),

partly offset by,

- higher results of $11 million from natural gas generation facilities held for sale as of September 30, 2016 (see Note 8 - Assets and Liabilities Associated with Assets Held for Sale), and
- higher results from wind assets of $3 million primarily due to income tax benefits related to the Canadian tax restructuring and higher wind generation, offset in part by lower state tax credits, PTC roll off and an increase in the amount of earnings attributable to noncontrolling interest.

Gas Infrastructure

The decrease in gas infrastructure results for the three months ended September 30, 2016 is primarily due to lower commodity prices and increased depreciation expense reflecting higher depletion rates. The decrease in gas infrastructure results for the nine months ended September 30, 2016 is primarily due to lower commodity prices and increased depreciation expense reflecting higher depletion rates, partly offset by gains from exiting the hedged positions on a number of future gas production opportunities; such gains were previously reflected in unrealized mark-to-market non-qualifying hedge activity. NEER continues to monitor its oil and gas producing properties for potential impairments due to low prices for oil and natural gas commodity products.

Customer Supply and Proprietary Power and Gas Trading

Results from customer supply and proprietary power and gas trading decreased for the nine months ended September 30, 2016 primarily due to lower margins and less favorable market conditions as compared to the same period in 2015.

Interest and Other General and Administrative Expenses

For the three and nine months ended September 30, 2016, interest and other general and administrative expenses reflect higher borrowing and other costs to support the growth of the business.

Other Factors

Supplemental to the primary drivers of the changes in NEER's net income less net income attributable to noncontrolling interests discussed above, the discussion below describes changes in certain line items set forth in NEE's condensed consolidated statements of income as they relate to NEER.

Operating Revenues
Operating revenues for the three months ended September 30, 2016 decreased $156 million primarily due to:

- lower unrealized mark-to-market gains from non-qualifying commodity hedges ($123 million for the three months ended September 30, 2016 compared to $278 million for the comparable period in 2015), and
- lower revenues from existing assets of approximately $133 million primarily reflecting the sale of the Texas natural gas generation facilities in April 2016,

partly offset by,

- higher revenues from new investments of $129 million.

Operating revenues for the nine months ended September 30, 2016 decreased $474 million primarily due to:

- unrealized mark-to-market losses from non-qualifying commodity hedges ($83 million of losses for the nine months ended September 30, 2016 compared to $338 million of gains for the comparable period in 2015),
- lower revenues from existing assets of approximately $350 million primarily reflecting the sale of the Texas natural gas generation facilities in April 2016 and weather-related decrease in dispatch in the New England Power Pool (NEPOOL) region, offset in part by higher revenues from wind assets due to stronger wind resource, and
- lower revenues from the customer supply and proprietary power and gas trading business and the gas infrastructure business of $22 million,

partly offset by,

- higher revenues from new investments of $322 million.

Operating Expenses
Operating expenses for the three months ended September 30, 2016 increased $2 million primarily due to:

- higher operating expenses associated with new investments of approximately $60 million, and
- higher depreciation expense of approximately $48 million primarily related to higher depletion rates at the natural gas infrastructure business, offset in part by the absence of depreciation on the Texas natural gas generation facilities sold in April 2016,

partly offset by,

- lower fuel expense of approximately $99 million primarily due to the sale of the Texas natural gas generation facilities in April 2016.

Operating expenses for the nine months ended September 30, 2016 decreased $343 million primarily due to:

- the $254 million gain on the sale of the Texas natural gas generation facilities, and
- lower fuel expense of approximately $289 million primarily due to the sale of the Texas natural gas generation facilities in April 2016, a weather-related decrease in dispatch in the NEPOOL region and lower gas prices,

partly offset by,

- higher operating expenses associated with new investments of approximately $161 million, and
- higher depreciation expense of approximately $30 million primarily reflecting higher depletion rates at the natural gas infrastructure business, offset in part by the absence of depreciation on the Texas natural gas generation facilities sold in April 2016.

Interest Expense
NEER's interest expense for the three months ended September 30, 2016 increased approximately $53 million primarily reflecting $44 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $12 million of unfavorable changes in the comparable period in 2015. NEER's interest expense for the nine months ended September 30, 2016 increased approximately $396 million primarily reflecting $355 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $1 million of unfavorable changes in the comparable period in 2015. These increases primarily reflect the discontinuance of hedge accounting in January 2016 discussed above. Additionally, interest expense increased due to higher average debt balances.

Benefits Associated with Differential Membership Interests - net
Benefits associated with differential membership interests - net for all periods presented reflect benefits recognized by NEER as third-party investors received their portion of the economic attributes, including income tax attributes, of the underlying wind and solar projects, net of associated costs. The increase for the three and nine months ended September 30, 2016 primarily relates to lower interest costs associated with the ongoing paydown of the differential membership interest obligations, sales of differential membership interests and increased results of the underlying wind and solar projects.

Equity in Earnings of Equity Method Investees
Equity in earnings of equity method investees increased for the three and nine months ended September 30, 2016 primarily due to increased earnings from AFUDC on NEER's investments in natural gas pipeline projects as construction continues and NEER's investment in a wind project that was placed in service in the fourth quarter of 2015.

Revaluation of Contingent Consideration
For the three and nine months ended September 30, 2016, revaluation of contingent consideration reflects fair value adjustments of approximately $101 million and $118 million, respectively, to reduce the contingent holdback associated with the acquisition of the Texas pipelines. For the three and nine months ended September 30, 2016, approximately $35 million and $40 million, respectively, of the fair value adjustments is attributable to noncontrolling interests. See Note 9 - Contracts.

Tax Credits, Benefits and Expenses
PTCs from wind projects and ITCs and deferred income tax benefits associated with convertible ITCs from solar and certain wind projects are reflected in NEER's earnings. PTCs are recognized as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes. A portion of the PTCs and ITCs have been allocated to investors in connection with sales of differential membership interests. Also see Summary above and Note 4 for a discussion of PTCs, ITCs and deferred income tax benefits associated with convertible ITCs, as well as benefits associated with differential membership interests - net above.

Capital Initiatives

During the nine months ended September 30, 2016, NEER placed into service approximately 100 MW of new wind generation and 650 MW of new solar generation. Additionally, on April 1, 2016, NEER increased its ownership interest in the Sabal Trail natural gas pipeline project (see Note 9 - Contracts). NEER expects to add new contracted wind generation of approximately 1,500 MW and new contracted solar generation of approximately 1,000 MW in 2016, including the 100 MW of wind and 650 MW of solar discussed above, which will bring NEER's 2015-2016 renewables development program to approximately 4,000 MW.

Sale of Assets to NEP

In March 2016, indirect subsidiaries of NEER sold two wind generation facilities with a combined generating capacity of approximately 299 MW located in Oklahoma to indirect subsidiaries of NEP.

In July 2016, an indirect subsidiary of NEER sold two wind generation facilities with a combined generating capacity of approximately 285 MW located in Kansas and California to an indirect subsidiary of NEP.

On October 28, 2016, an indirect subsidiary of NEER sold an indirect 24% ownership interest in a 550 MW solar generation facility located in California to an indirect subsidiary of NEP.

Corporate and Other: Results of Operations

Corporate and Other is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as corporate interest income and expenses. Corporate and Other allocates a portion of NEECH's corporate interest expense and shared service costs to NEER. Interest expense is allocated based on a deemed capital structure of 70% debt and, for purposes of allocating NEECH's corporate interest expense, the deferred credit associated with differential membership interests sold by NEER's subsidiaries is included with debt. Each subsidiary's income taxes are calculated based on the "separate return method," except that tax benefits that could not be used on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits. Any remaining consolidated income tax benefits or expenses are recorded at Corporate and Other. The major components of Corporate and Other's results, on an after-tax basis, are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
		(millions)		
Interest expense, net of allocations to NEER	**$ (22)**	$ (21)	**$ (167)**	$ (65)
Interest income	**10**	8	**26**	24
Federal and state income tax benefits (expenses)	**(2)**	17	**(26)**	32
Merger-related expenses	**(83)**	(5)	**(88)**	(16)
Other - net	**28**	12	**80**	51
Net income (loss)	**$ (69)**	$ 11	**$ (175)**	$ 26

The increase in interest expense, net of allocations to NEER, for the nine months ended September 30, 2016 primarily reflects net after-tax unrealized losses on interest rate and foreign currency derivative instruments and foreign currency transaction losses. See Note 2. The federal and state income tax benefits (expenses) for all periods presented reflect consolidating income tax adjustments including, for the nine months ended September 30, 2016, an approximately $58 million income tax charge related to the sale of the Texas natural gas generation facilities and, for the three and nine months ended September 30, 2016, the adoption of an accounting standards update. See Note 4 and Note 6 - Stock-Based Compensation. Merger-related expenses increased for three and nine months ended September 30, 2016 primarily related to the termination of the proposed merger between NEE, HEI and two wholly owned direct subsidiaries of NEE (see Note 8 - Merger Termination). Other includes all other corporate income and expenses, as well as other business activities. Also, see Note 8 - Proposed Sale Transaction.

LIQUIDITY AND CAPITAL RESOURCES

NEE and its subsidiaries, including FPL, require funds to support and grow their businesses. These funds are used for, among other things, working capital, capital expenditures, investments in or acquisitions of assets and businesses, payment of maturing debt obligations and, from time to time, redemption or repurchase of outstanding debt or equity securities. It is anticipated that these requirements will be satisfied through a combination of cash flows from operations, short- and long-term borrowings, the issuance of short- and long-term debt and, from time to time, equity securities, and proceeds from differential membership investors, consistent with NEE's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. NEE, FPL and NEECH rely on access to credit and capital markets as significant sources of liquidity for capital requirements and other operations that are not satisfied by operating cash flows. The inability of NEE, FPL and NEECH to maintain their current credit ratings could affect their ability to raise short- and long-term capital, their cost of capital and the execution of their respective financing strategies, and could require the posting of additional collateral under certain agreements.

Cash Flows

Sources and uses of NEE's and FPL's cash for the nine months ended September 30, 2016 and 2015 were as follows:

	NEE		FPL	
	Nine Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
	(millions)			
Sources of cash:				
Cash flows from operating activities	**$ 5,294**	$ 4,513	**$ 3,790**	$ 2,668
Long-term borrowings	**4,644**	3,462	**150**	85
Proceeds from the sale of differential membership interests	**328**	46	**—**	—
Sale of independent power and other investments of NEER	**395**	34	**—**	—
Capital contribution from NEE	**—**	—	**—**	1,454
Issuances of common stock - net	**528**	1,274	**—**	—
Net increase in short-term debt	**392**	1,021	**758**	—
Proceeds from the sale of a noncontrolling interest in subsidiaries	**645**	319	**—**	—
Other sources - net	**—**	—	**45**	9
Total sources of cash	**12,226**	10,669	**4,743**	4,216
Uses of cash:				
Capital expenditures, independent power and other investments and nuclear fuel purchases	**(7,929)**	(5,676)	**(3,097)**	(2,618)
Retirements of long-term debt	**(2,654)**	(3,097)	**(262)**	(550)
Net decrease in short-term debt	**—**	—	**—**	(896)
Dividends	**(1,205)**	(1,031)	**(1,300)**	—
Payments to differential membership investors	**(84)**	(68)	**—**	—
Other uses - net	**(244)**	(193)	**(61)**	(136)
Total uses of cash	**(12,116)**	(10,065)	**(4,720)**	(4,200)
Net increase in cash and cash equivalents	**$ 110**	$ 604	**$ 23**	$ 16

NEE's primary capital requirements are for expanding and enhancing FPL's electric system and generation facilities to continue to provide reliable service to meet customer electricity demands and for funding NEER's investments in independent power and other projects. The following table provides a summary of the major capital investments for the nine months ended September 30, 2016 and 2015.

	Nine Months Ended September 30,	
	2016	2015
	(millions)	
FPL:		
Generation:		
New	**$ 969**	$ 540
Existing	**443**	500
Transmission and distribution	**1,407**	1,151
Nuclear fuel	**121**	178
General and other	**209**	248
Other, primarily change in accrued property additions and the exclusion of AFUDC - equity	**(52)**	1
Total	**3,097**	2,618
NEER:		
Wind	**2,141**	923
Solar	**1,416**	1,112
Nuclear, including nuclear fuel	**167**	233
Natural gas pipelines	**631**	177
Other	**328**	557
Total	**4,683**	3,002
Corporate and Other	**149**	56
Total capital expenditures, independent power and other investments and nuclear fuel purchases	**$ 7,929**	$ 5,676

Liquidity

At September 30, 2016, NEE's total net available liquidity was approximately $9.1 billion, of which FPL's portion was approximately $2.9 billion. The table below provides the components of FPL's and NEECH's net available liquidity at September 30, 2016:

				Maturity Date	
	FPL	NEECH	Total	FPL	NEECH
		(millions)			
Bank revolving line of credit facilities[a]	$ 3,000	$ 4,850	$ 7,850	2017 - 2021	2016 - 2021
Issued letters of credit	(3)	(310)	(313)		
	2,997	4,540	7,537		
Revolving credit facilities	1,000	1,010	2,010	2017 - 2019	2017 - 2020
Borrowings	(600)	—	(600)		
	400	1,010	1,410		
Letter of credit facilities[b]	—	650	650		2017 - 2019
Issued letters of credit	—	(385)	(385)		
	—	265	265		
Subtotal	3,397	5,815	9,212		
Cash and cash equivalents	46	634	680		
Outstanding commercial paper and notes payable	(564)	(204)	(768)		
Net available liquidity	$ 2,879	$ 6,245	$ 9,124		

(a) Provide for the funding of loans up to $7,850 million ($3,000 million for FPL) and the issuance of letters of credit up to $3,050 million ($670 million for FPL). The entire amount of the credit facilities is available for general corporate purposes and to provide additional liquidity in the event of a loss to the companies' or their subsidiaries' operating facilities (including, in the case of FPL, a transmission and distribution property loss). FPL's bank revolving line of credit facilities are also available to support the purchase of $718 million of pollution control, solid waste disposal and industrial development revenue bonds (tax exempt bonds) in the event they are tendered by individual bond holders and not remarketed prior to maturity. Approximately $2,255 million of FPL's and $3,700 million of NEECH's bank revolving line of credit facilities expire in 2021.

(b) Only available for the issuance of letters of credit.

Additionally, at September 30, 2016, certain subsidiaries of NEP had credit or loan facilities with available liquidity as set forth in the table below.

	Amount	Amount Remaining Available at September 30, 2016	Rate	Maturity Date	Related Project Use
	(millions)				
Senior secured revolving credit facility[a]	$250	$250	Variable	2019	Working capital, expansion projects, acquisitions and general business purposes
Senior secured limited-recourse revolving loan facility[b]	$150	$50	Variable	2020	General business purposes

(a) NEP OpCo and one of its direct subsidiaries are required to comply with certain financial covenants on a quarterly basis and NEP OpCo's ability to pay cash distributions to its unit holders is subject to certain other restrictions. The revolving credit facility includes borrowing capacity for letters of credit and incremental commitments to increase the revolving credit facility up to $1 billion in the aggregate. Borrowings under the revolving credit facility are guaranteed by NEP OpCo and NEP.

(b) A certain NEP subsidiary (borrower) is required to satisfy certain conditions, including among other things, maintaining a leverage ratio at the time of any borrowing that does not exceed a specified ratio. Borrowings under this revolving loan facility are secured by liens on certain of the borrower's assets and certain of the borrower's subsidiaries' assets, as well as the ownership interest in the borrower. The revolving loan facility contains default and related acceleration provisions relating to, among other things, failure of the borrower to maintain a leverage ratio at or below the specified rate and a minimum interest coverage ratio.

Capital Support

Guarantees, Letters of Credit, Surety Bonds and Indemnifications (Guarantee Arrangements)

Certain subsidiaries of NEE, including FPL, issue guarantees and obtain letters of credit and surety bonds, as well as provide indemnities, to facilitate commercial transactions with third parties and financings. Substantially all of the guarantee arrangements are on behalf of NEE's or FPL's consolidated subsidiaries, as discussed in more detail below. NEE and FPL are not required to recognize liabilities associated with guarantee arrangements issued on behalf of their consolidated subsidiaries unless it becomes probable that they will be required to perform. At September 30, 2016, NEE and FPL believe it is unlikely that they would be required to perform under, or otherwise incur any losses associated with, these guarantee arrangements.

As of September 30, 2016, NEE subsidiaries had approximately $2.2 billion in guarantees related primarily to equity contribution agreements associated with the development, construction and financing of certain power generation facilities, engineering, procurement and construction agreements and natural gas pipeline development projects. In addition, as of September 30, 2016, NEE subsidiaries had approximately $6.0 billion in guarantees ($18 million for FPL) related to indemnifications associated with asset divestitures, obligations under purchased power agreements, nuclear-related activities, the payment obligations related to renewable tax credits and the non-receipt of proceeds from cash grants under the Recovery Act, as well as other types of contractual obligations.

In some instances, subsidiaries of NEE elect to issue guarantees instead of posting other forms of collateral required under certain financing arrangements. As of September 30, 2016, these guarantees totaled approximately $814 million and support, among other things, required cash management reserves, including those related to debt service and O&M service agreements, as well as other specific project financing requirements.

Subsidiaries of NEE also issue guarantees to support customer supply and proprietary power and gas trading activities, including the buying and selling of wholesale and retail energy commodities. As of September 30, 2016, the estimated mark-to-market exposure (the total amount that these subsidiaries of NEE could be required to fund based on energy commodity market prices at September 30, 2016) plus contract settlement net payables, net of collateral posted for obligations under these guarantees totaled $680 million.

As of September 30, 2016, subsidiaries of NEE also had approximately $1.1 billion of standby letters of credit ($3 million for FPL) and approximately $333 million of surety bonds ($78 million for FPL) to support certain of the commercial activities discussed above. FPL's and NEECH's credit facilities are available to support the amount of the standby letters of credit.

In addition, as part of contract negotiations in the normal course of business, certain subsidiaries of NEE, including FPL, have agreed and in the future may agree to make payments to compensate or indemnify other parties for possible unfavorable financial consequences resulting from specified events. The specified events may include, but are not limited to, an adverse judgment in a lawsuit or the imposition of additional taxes due to a change in tax law or interpretations of the tax law. NEE and FPL are unable to estimate the maximum potential amount of future payments under some of these contracts because events that would obligate them to make payments have not yet occurred or, if any such event has occurred, they have not been notified of its occurrence.

Certain guarantee arrangements described above contain requirements for NEECH and FPL to maintain a specified credit rating. NEE has guaranteed certain payment obligations of NEECH, including most of its debt and all of its debentures and commercial paper issuances, as well as most of its payment guarantees and indemnifications, and NEECH has guaranteed certain debt and other obligations of NEER and its subsidiaries.

Credit Ratings

As a result of a recent change by Fitch Ratings (Fitch) in its methodology for issuing short-term credit ratings, Fitch downgraded NEECH's commercial paper credit rating to F2 from F1 effective October 21, 2016. All other credit ratings for NEECH and all credit ratings for NEE and FPL remain unchanged. A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.

New Accounting Rules and Interpretations

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability and a right-of-use asset for all leases. See Note 8 - Leases.

Stock-Based Compensation - During the second quarter of 2016, NEE early adopted the provisions of the accounting standards update related to the accounting for employee share-based payment awards. See Note 6 - Stock-Based Compensation.

ENERGY MARKETING AND TRADING AND MARKET RISK SENSITIVITY

NEE and FPL are exposed to risks associated with adverse changes in commodity prices, interest rates and equity prices. Financial instruments and positions affecting the financial statements of NEE and FPL described below are held primarily for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage such market risks, as well as credit risks.

Commodity Price Risk

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity. In addition, NEE, through NEER, uses derivatives to optimize the value of its power generation and gas infrastructure assets and engages in power and gas marketing and trading activities to take advantage of expected future favorable price movements. See Note 2.

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three and nine months ended September 30, 2016 were as follows:

	Trading	Hedges on Owned Assets: Non-Qualifying	Hedges on Owned Assets: FPL Cost Recovery Clauses	NEE Total
		(millions)		
Three months ended September 30, 2016				
Fair value of contracts outstanding at June 30, 2016	$ 445	$ 1,010	$ 39	$ 1,494
Reclassification to realized at settlement of contracts	(73)	(56)	25	(104)
Inception value of new contracts	10	(2)	—	8
Changes in fair value excluding reclassification to realized	24	240	(36)	228
Fair value of contracts outstanding at September 30, 2016	406	1,192	28	1,626
Net margin cash collateral paid (received)				(241)
Total mark-to-market energy contract net assets (liabilities) at September 30, 2016	$ 406	$ 1,192	$ 28	$ 1,385

	Trading	Hedges on Owned Assets: Non-Qualifying	Hedges on Owned Assets: FPL Cost Recovery Clauses	NEE Total
		(millions)		
Nine months ended September 30, 2016				
Fair value of contracts outstanding at December 31, 2015	$ 359	$ 1,185	$ (218)	$ 1,326
Reclassification to realized at settlement of contracts	(146)	(338)	211	(273)
Inception value of new contracts	29	15	—	44
Net option premium purchases (issuances)	(13)	3	—	(10)
Changes in fair value excluding reclassification to realized	177	327	35	539
Fair value of contracts outstanding at September 30, 2016	406	1,192	28	1,626
Net margin cash collateral paid (received)				(241)
Total mark-to-market energy contract net assets (liabilities) at September 30, 2016	$ 406	$ 1,192	$ 28	$ 1,385

NEE's total mark-to-market energy contract net assets (liabilities) at September 30, 2016 shown above are included on the condensed consolidated balance sheets as follows:

	September 30, 2016
	(millions)
Current derivative assets	$ 587
Noncurrent derivative assets	1,356
Current derivative liabilities	(271)
Noncurrent derivative liabilities	(287)
NEE's total mark-to-market energy contract net assets	$ 1,385

The sources of fair value estimates and maturity of energy contract derivative instruments at September 30, 2016 were as follows:

	Maturity						
	2016	2017	2018	2019	2020	Thereafter	Total
	(millions)						
Trading:							
Quoted prices in active markets for identical assets	$ (9)	$ 19	$ 7	$ 1	$ (3)	$ —	$ 15
Significant other observable inputs	(1)	42	35	16	1	(7)	86
Significant unobservable inputs	53	112	32	17	26	65	305
Total	43	173	74	34	24	58	406
Owned Assets - Non-Qualifying:							
Quoted prices in active markets for identical assets	3	(10)	10	8	1	—	12
Significant other observable inputs	84	185	120	112	91	103	695
Significant unobservable inputs	23	55	49	40	41	277	485
Total	110	230	179	160	133	380	1,192
Owned Assets - FPL Cost Recovery Clauses:							
Quoted prices in active markets for identical assets	—	—	—	—	—	—	—
Significant other observable inputs	(12)	40	—	—	—	—	28
Significant unobservable inputs	—	—	—	—	—	—	—
Total	(12)	40	—	—	—	—	28
Total sources of fair value	$ 141	$ 443	$ 253	$ 194	$ 157	$ 438	$ 1,626

The changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments for the three and nine months ended September 30, 2015 were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Three months ended September 30, 2015				
Fair value of contracts outstanding at June 30, 2015	$ 330	$ 984	$ (218)	$ 1,096
Reclassification to realized at settlement of contracts	(53)	(76)	129	—
Inception value of new contracts	15	(1)	—	14
Net option premium purchases (issuances)	(3)	—	—	(3)
Changes in fair value excluding reclassification to realized	41	355	(141)	255
Fair value of contracts outstanding at September 30, 2015	330	1,262	(230)	1,362
Net margin cash collateral paid (received)				(325)
Total mark-to-market energy contract net assets (liabilities) at September 30, 2015	$ 330	$ 1,262	$ (230)	$ 1,037

	Trading	Hedges on Owned Assets: Non-Qualifying	Hedges on Owned Assets: FPL Cost Recovery Clauses	NEE Total
		(millions)		
Nine months ended September 30, 2015				
Fair value of contracts outstanding at December 31, 2014	$ 320	$ 898	$ (363)	$ 855
Reclassification to realized at settlement of contracts	(158)	(243)	337	(64)
Inception value of new contracts	34	—	—	34
Net option premium purchases (issuances)	(75)	2	—	(73)
Changes in fair value excluding reclassification to realized	209	605	(204)	610
Fair value of contracts outstanding at September 30, 2015	330	1,262	(230)	1,362
Net margin cash collateral paid (received)				(325)
Total mark-to-market energy contract net assets (liabilities) at September 30, 2015	$ 330	$ 1,262	$ (230)	$ 1,037

With respect to commodities, the EMC, which is comprised of certain members of senior management, and NEE's chief executive officer are responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC and NEE's chief executive officer receive periodic updates on market positions and related exposures, credit exposures and overall risk management activities.

NEE uses a value-at-risk (VaR) model to measure commodity price market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. The VaR figures are as follows:

	Trading			Non-Qualifying Hedges and Hedges in FPL Cost Recovery Clauses[a]			Total		
	FPL	NEER	NEE	FPL	NEER	NEE	FPL	NEER	NEE
				(millions)					
December 31, 2015	$ —	$ 3	$ 3	$ 51	$ 44	$ 23	$ 51	$ 46	$ 25
September 30, 2016	**$ —**	**$ 2**	**$ 2**	**$ 18**	**$ 23**	**$ 18**	**$ 18**	**$ 23**	**$ 18**
Average for the nine months ended September 30, 2016	**$ —**	**$ 2**	**$ 2**	**$ 24**	**$ 30**	**$ 26**	**$ 24**	**$ 31**	**$ 27**

(a) Non-qualifying hedges are employed to reduce the market risk exposure to physical assets or contracts which are not marked to market. The VaR figures for the non-qualifying hedges and hedges in FPL cost recovery clauses category do not represent the economic exposure to commodity price movements.

Interest Rate Risk

NEE's and FPL's financial results are exposed to risk resulting from changes in interest rates as a result of their respective outstanding and expected future issuances of debt, investments in special use funds and other investments. NEE and FPL manage their respective interest rate exposure by monitoring current interest rates, entering into interest rate contracts and using a combination of fixed rate and variable rate debt. Interest rate contracts are used to mitigate and adjust interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements.

The following are estimates of the fair value of NEE's and FPL's financial instruments that are exposed to interest rate risk:

	September 30, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Fixed income securities:				
Special use funds	$ 1,912	$ 1,912 (a)	$ 1,789	$ 1,789 (a)
Other investments:				
Debt securities	$ 129	$ 129 (a)	$ 124	$ 124 (a)
Primarily notes receivable	$ 535	$ 721 (b)	$ 512	$ 722 (b)
Long-term debt, including current maturities	$ 30,555	$ 32,952 (c)	$ 28,897	$ 30,412 (c)
Interest rate contracts - net unrealized losses	$ (727)	$ (727) (d)	$ (285)	$ (285) (d)
FPL:				
Fixed income securities - special use funds	$ 1,450	$ 1,450 (a)	$ 1,378	$ 1,378 (a)
Long-term debt, including current maturities	$ 9,913	$ 11,768 (c)	$ 10,020	$ 11,028 (c)

(a) Primarily estimated using quoted market prices for these or similar issues.
(b) Primarily estimated using a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower.
(c) Estimated using either quoted market prices for the same or similar issues or discounted cash flow valuation technique, considering the current credit spread of the debtor.
(d) Modeled internally using discounted cash flow valuation technique and applying a credit valuation adjustment.

The special use funds of NEE and FPL consist of restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of NEE's and FPL's nuclear power plants. A portion of these funds is invested in fixed income debt securities primarily carried at estimated fair value. At FPL, changes in fair value, including any OTTI losses, result in a corresponding adjustment to the related liability accounts based on current regulatory treatment. The changes in fair value of NEE's non-rate regulated operations result in a corresponding adjustment to OCI, except for impairments deemed to be other than temporary, including any credit losses, which are reported in current period earnings. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not scheduled to begin until at least 2030 (2032 at FPL).

As of September 30, 2016, NEE had interest rate contracts with a notional amount of approximately $14.0 billion related to outstanding and expected future debt issuances and borrowings, of which approximately $12.4 billion manages exposure to the variability of cash flows associated with outstanding and expected future debt issuances at NEECH and NEER. The remaining $1.6 billion of notional amount of interest rate contracts effectively convert fixed-rate debt to variable-rate debt instruments at NEECH. See Note 2.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of NEE's net liabilities would increase by approximately $1,484 million ($446 million for FPL) at September 30, 2016.

Equity Price Risk

NEE and FPL are exposed to risk resulting from changes in prices for equity securities. For example, NEE's nuclear decommissioning reserve funds include marketable equity securities primarily carried at their market value of approximately $2,834 million and $2,674 million ($1,714 million and $1,598 million for FPL) at September 30, 2016 and December 31, 2015, respectively. At September 30, 2016, a hypothetical 10% decrease in the prices quoted on stock exchanges, which is a reasonable near-term market change, would result in a $263 million ($156 million for FPL) reduction in fair value. For FPL, a corresponding adjustment would be made to the related liability accounts based on current regulatory treatment, and for NEE's non-rate regulated operations, a corresponding adjustment would be made to OCI to the extent the market value of the securities exceeded amortized cost and to OTTI loss to the extent the market value is below amortized cost.

Credit Risk

NEE and its subsidiaries are also exposed to credit risk through their energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. NEE manages counterparty credit risk for its subsidiaries with energy marketing and trading operations through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit, cash and other collateral and guarantees.

Credit risk is also managed through the use of master netting agreements. NEE's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis. For all derivative and contractual transactions, NEE's energy marketing and trading operations, which include FPL's energy marketing and trading division, are exposed to losses in the event of nonperformance by counterparties to these transactions. Some relevant considerations when assessing NEE's energy marketing and trading operations' credit risk exposure include the following:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the U.S.
- Overall credit risk is managed through established credit policies and is overseen by the EMC.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various credit enhancements or secured payment terms, such as letters of credit or the posting of margin cash collateral.
- Master netting agreements are used to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. NEE's policy is to have master netting agreements in place with significant counterparties.

Based on NEE's policies and risk exposures related to credit, NEE and FPL do not anticipate a material adverse effect on their financial statements as a result of counterparty nonperformance. As of September 30, 2016, approximately 95% of NEE's and 100% of FPL's energy marketing and trading counterparty credit risk exposure is associated with companies that have investment grade credit ratings.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion - Energy Marketing and Trading and Market Risk Sensitivity.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

As of September 30, 2016, each of NEE and FPL had performed an evaluation, under the supervision and with the participation of its management, including NEE's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of each company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)). Based upon that evaluation, the chief executive officer and the chief financial officer of each of NEE and FPL concluded that the company's disclosure controls and procedures were effective as of September 30, 2016.

(b) Changes in Internal Control Over Financial Reporting

NEE and FPL are continuously seeking to improve the efficiency and effectiveness of their operations and of their internal controls. This results in refinements to processes throughout NEE and FPL. However, there has been no change in NEE's or FPL's internal control over financial reporting (as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f)) that occurred during NEE's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, NEE's or FPL's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in the 2015 Form 10-K. The factors discussed in Part I, Item 1A. Risk Factors in the 2015 Form 10-K, as well as other information set forth in this report, which could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects should be carefully considered. The risks described in the 2015 Form 10-K are not the only risks facing NEE and FPL. Additional risks and uncertainties not currently known to NEE or FPL, or that are currently deemed to be immaterial, also may materially adversely affect NEE's or FPL's business, financial condition, results of operations and prospects.

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

(a) Information regarding purchases made by NEE of its common stock during the three months ended September 30, 2016 is as follows:

Period	Total Number of Shares Purchased[a]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program	Maximum Number of Shares that May Yet be Purchased Under the Program[b]
7/1/16 - 7/31/16	—	—	—	13,274,748
8/1/16 - 8/31/16	9,297	$ 125.32	—	13,274,748
9/1/16 - 9/30/16	482	$ 122.23	—	13,274,748
Total	9,779	$ 125.17	—	

(a) Includes: (1) in August 2016, shares of common stock withheld from employees to pay certain withholding taxes upon the vesting of stock awards granted to such employees under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan; and (2) in September 2016, shares of common stock purchased as a reinvestment of dividends by the trustee of a grantor trust in connection with NEE's obligation under a February 2006 grant under the NextEra Energy, Inc. Amended and Restated Long-Term Incentive Plan (former LTIP) to an executive officer of deferred retirement share awards.

(b) In February 2005, NEE's Board of Directors authorized common stock repurchases of up to 20 million shares of common stock over an unspecified period, which authorization was most recently reaffirmed and ratified by the Board of Directors in July 2011.

Item 5. Other Information

(a) None

(b) None

(c) Other events

(i) Reference is made to Item 1. Business - NEE's Operating Subsidiaries - FPL - FPL Sources of Generation - Nuclear Operations - Spent Nuclear Fuel in the 2015 Form 10-K and Part II, Item 5. (c)(ii) in the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016 for NEE and FPL.

In August 2016, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) denied the petition for rehearing before the entire panel of the D.C. Circuit judges of its decision to uphold the NRC's Continued Storage of Spent Nuclear Fuel Rule and its determination that licensees can safely store spent nuclear fuel at nuclear power plants indefinitely. Parties may petition for review by the U.S. Supreme Court.

(ii) Reference is made to Item 1. Business - NEE Environmental Matters - Waters of the U.S. in the 2015 Form 10-K.

The U.S. Court of Appeals for the Sixth Circuit has claimed jurisdiction to hear challenges to the EPA's final rule redefining "waters of the U.S." under the Clean Water Act and final briefs are due in February 2017.

Item 6. Exhibits

Exhibit Number	Description	NEE	FPL
*2(a)	Agreement and Plan of Merger, dated as of July 29, 2016, by and among NextEra Energy, Inc., EFH Merger Co., LLC, Energy Future Intermediate Holding Company LLC and Energy Future Holdings Corp. (filed as Exhibit 2.1 to Form 8-K dated July 29, 2016, File No. 1-8841)**	x	
*2(b)	Amendment No. 1 to Agreement and Plan of Merger dated as of September 18, 2016 (filed as Exhibit 2 to Form 8-K dated September 18, 2016, File No. 1-8841)	x	
*2(c)	Form of Third Amended Joint Plan of Reorganization of Energy Future Holdings Corp., et al., Pursuant to Chapter 11 of the Bankruptcy Code (filed as Exhibit 2.2 to Form 8-K dated July 29, 2016, File No. 1-8841)	x	
*2(d)	Merger Agreement between NextEra Energy, Inc., WSS Acquisition Company, Texas Transmission Holding Corporation, Cheyne Walk Investment Pte Ltd, Borealis Power Holdings Inc. and BPC Health Corporation dated October 30, 2016 (filed as Exhibit 2 to Form 8-K dated October 29, 2016, File No. 1-8841)**	x	
*3(ii)	Amended and Restated Bylaws of NextEra Energy, Inc., effective October 14, 2016 (filed as Exhibit 3(ii)(b) to Form 8-K dated October 14, 2016, File No. 1-8841)	x	
*4(a)	Purchase Contract Agreement, dated as of August 1, 2016, between NextEra Energy, Inc. and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(a) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*4(b)	Pledge Agreement, dated as of August 1, 2016, between NextEra Energy, Inc., Deutsche Bank Trust Company Americas, as Collateral Agent, Custodial Agent and Securities Intermediary, and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(b) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*4(c)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated August 8, 2016, creating the Series I Debentures due September 1, 2021 (filed as Exhibit 4(c) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*4(d)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated September 25, 2013, creating the Series G Debentures due September 1, 2018 (filed as Exhibit 4(c) to Form 8-K dated September 25, 2013, File No. 1-8841)	x	
*4(e)	Letter, dated September 1, 2016, from NextEra Energy Capital Holdings, Inc. to The Bank of New York Mellon, as trustee, setting forth certain terms of the Series G Debentures due September 1, 2018 effective September 1, 2016 (filed as Exhibit 4(b) to Form 8-K dated September 1, 2016, File No. 1-8841)	x	
*10(a)	Plan Support Agreement dated as of July 29, 2016 (filed as Exhibit 10.1 to Form 8-K dated July 29, 2016, File No. 1-8841)	x	
*10(b)	Amended and Restated Plan Support Agreement dated as of September 19, 2016 (filed as Exhibit 10 to Form 8-K dated September 18, 2016, File No. 1-8841)	x	
*10(c)	Form of Oncor Letter Agreement (filed as Exhibit 10.2 to Form 8-K dated July 29, 2016, File No. 1-8841)	x	
10(d)	Appendix A2 (revised as of September 19, 2016) to the Supplemental Executive Retirement Plan, amended and restated effective January 1, 2005	x	x
12(a)	Computation of Ratios	x	
12(b)	Computation of Ratios		x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of NextEra Energy, Inc.	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of NextEra Energy, Inc.	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of Florida Power & Light Company		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of Florida Power & Light Company		x
32(a)	Section 1350 Certification of NextEra Energy, Inc.	x	
32(b)	Section 1350 Certification of Florida Power & Light Company		x
101.INS	XBRL Instance Document	x	x
101.SCH	XBRL Schema Document	x	x
101.PRE	XBRL Presentation Linkbase Document	x	x
101.CAL	XBRL Calculation Linkbase Document	x	x
101.LAB	XBRL Label Linkbase Document	x	x
101.DEF	XBRL Definition Linkbase Document	x	x

* Incorporated herein by reference
** Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. NEE will furnish the omitted schedules to the SEC upon request.

NEE and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that NEE and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Date: November 1, 2016

NEXTERA ENERGY, INC.
(Registrant)

TERRELL KIRK CREWS, II

Terrell Kirk Crews, II
Vice President, Controller and Chief Accounting Officer
of NextEra Energy, Inc.
(Principal Accounting Officer of NextEra Energy, Inc.)

FLORIDA POWER & LIGHT COMPANY
(Registrant)

KIMBERLY OUSDAHL

Kimberly Ousdahl
Vice President and Chief Accounting Officer
of Florida Power & Light Company
(Principal Accounting Officer of
Florida Power & Light Company)

Exhibit 10(d)

Appendix A2
Last Revised On: September 19, 2016

Name	Company	Pre-4/1/1997 Participant	Class A "Bonus SERP" Status	Double Basic Credits	Double Transition Credits
ARECHABALA, MIGUEL *	NextEra Energy, Inc		X[1]	X[1]	
CAPLAN, DEBORAH H. *	NextEra Energy, Inc		X[1]	X[1]	
KELLIHER, JOSEPH T. *	NextEra Energy, Inc		X[1]	X[1]	
KETCHUM, JOHN W.	NextEra Energy, Inc.		X[1]	X[1]	
SIEVING, CHARLES E. *	NextEra Energy, Inc		X[1]	X[1]	
SILAGY, ERIC E.*	Florida Power & Light Company		X[1]	X[1]	
YEAGER, WILLIAM L. *	NextEra Energy, Inc		X[1]	X[1]	
CUTLER, PAUL I. *	NextEra Energy, Inc		X[1]		
CREWS, T. KIRK II *	NextEra Energy, Inc		X[1]		
ARCARI, CRAIG W.	Florida Power & Light Company		X[1]		
BARRETT, ROBERT E., JR.	Florida Power & Light Company		X[1]		
BEILHART, KATHY	NextEra Energy Resources, LLC		X[1]		
BROAD, THOMAS F.	NextEra Energy, Inc		X[1]		
CHAPEL, CHRISTOPHER T.	NextEra Energy, Inc		X[1]		
CHARANJIVA, LAKSHMAN	NextEra Energy, Inc		X[1]		
COFFEY, ROBERT	NextEra Point Beach				
CONEYS, JOHN J.	NextEra Energy, Inc		X[1]		
COSTANZO, CHRISTOPHER R.	Florida Power & Light Company		X[1]		
CURTLAND, DEAN	Florida Power & Light Company		X[1]		
DI DONATO, JOHN	NextEra Energy Resources, LLC		X[1]		
FORREST, SAM A.	Florida Power & Light Company		X[1]		
GLEASON, ERIC S.	NextEra Transmission, LLC		X[1]		
GOLDSTEIN, MITCHELL P.	Florida Power & Light Company		X[1]		
GOSSELIN, DEAN R.	NextEra Energy Resources, LLC		X[1]		
GOULD, ROBERT L.	Florida Power & Light Company		X[1]		
HANDEL, MATTHEW S.	NextEra Energy Resources, LLC		X[1]		
HARDY, G. KEITH, JR	Florida Power & Light Company		X[1]		
HICKSON, MARK E.	NextEra Energy, Inc		X[1]		
HOFFMAN, KENNETH A.	Florida Power & Light Company		X[1]		
JENSEN, JOSEPH N.	Florida Power & Light Company		X[1]		
KENNEDY, ROXANE R.	Florida Power & Light Company		X[1]		
KILEY, MICHAEL W.	Florida Power & Light Company		X[1]		
KUJAWA, REBECCA	NextEra Energy Resources, LLC		X[1]		
LABAUVE, RANDALL R.	NextEra Energy, Inc		X[1]		
LANDRUM, BRIAN	NextEra Power Marketing, LLC		X[1]		
LEMASNEY, MARK	NextEra Energy Resources, LLC		X[1]		
LITCHFIELD, R. WADE	Florida Power & Light Company		X[1]		
MAISTO, MARK	NextEra Energy Resources, LLC		X[1]		
MCCARTNEY, ERIC	NextEra Point Beach		X[1]		

[1] The Compensation Committee has expressly identified these items and acknowledged that they are subject to Internal Revenue Code Section 409A. In particular, these items include: (i) the additional deferred compensation provided by the designation of certain officers as Class A Executives, effective on or after January 1, 2006; and (ii) the additional deferred compensation set forth in SERP Amendment #4 to the Prior Plan (meaning amounts deferred by certain senior officers specified by the Compensation Committee who became participants in the SERP on or after April 1, 1997 at the rate of two times the basic credit and, to the extent applicable, the transition credit under the cash balance formula in the SERP for their pensionable earnings on or after January 1, 2006). Importantly, nothing in Amendment #4 to the Prior Plan, the SERP, Compensation Committee resolutions, or any other document shall be construed as subjecting to Code Section 409A any deferrals made under the SERP *prior* to January 1, 2005, except as expressly noted herein.

* Executive Officer of NextEra Energy, Inc.

Appendix A2, continued
Last Revised On: September 19, 2016

Name	Company	Pre-4/1/1997 Participant	Class A "Bonus SERP" Status	Double Basic Credits	Double Transition Credits
MIRANDA, MANNY B.	Florida Power & Light Company		X[1]		
MURPHY, BRIAN R.	NextEra Energy, Inc		X[1]		
OLNICK, BRYAN J.	Florida Power & Light Company		X[1]		
O'SULLIVAN, MICHAEL	NextEra Energy Resources, LLC		X[1]		
OUSDAHL, KIMBERLY	Florida Power & Light Company		X[1]		
PEREZ, CARMEN M.	FPL FiberNet, LLC		X[1]		
PRIORE, CARMINE A., III	NextEra Energy Resources, LLC		X[1]		
RAUCH, PAMELA M.	Florida Power & Light Company		X[1]		
REAGAN, RONALD R.	NextEra Energy, Inc		X[1]		
ROSS, MITCHELL S.	NextEra Energy Resources, LLC		X[1]		
SANCHEZ, MANNY A.	NextEra Energy Resources, LLC		X[1]		
SANTOS, MARLENE M.	Florida Power & Light Company		X[1]		
SEELEY, W. SCOTT	NextEra Energy, Inc		X[1]		
SILVERSTEIN, LAWRENCE	NextEra Energy Power Marketing, LLC		X[1]		
SOLE, MICHAEL W.	Florida Power & Light Company		X[1]		
SORENSEN, MARK R.	NextEra Energy Resources, LLC		X[1]		
SPOOR, MICHAEL G	Florida Power & Light Company		X[1]		
STENGLE, KATE E.	NextEra Energy, Inc		X[1]		
SUMMERS, THOMAS	Florida Power & Light Company		X[1]		
SUNCINE, KEVIN T.	NextEra Energy Resources, LLC		X[1]		
TUSCAI, TJ	NextEra Project Management, LLC		X[1]		
VEHEC, THOMAS	NextEra Duane Arnold		X[1]		
WEISS, ALEXANDER	NextEra Energy Resources, LLC		X[1]		
WHEELER, MICHELE T.	NextEra Energy Resources, LLC		X[1]		

[1] The Compensation Committee has expressly identified these items and acknowledged that they are subject to Internal Revenue Code Section 409A. In particular, these items include: (i) the additional deferred compensation provided by the designation of certain officers as Class A Executives, effective on or after January 1, 2006; and (ii) the additional deferred compensation set forth in SERP Amendment #4 to the Prior Plan (meaning amounts deferred by certain senior officers specified by the Compensation Committee who became participants in the SERP on or after April 1, 1997 at the rate of two times the basic credit and, to the extent applicable, the transition credit under the cash balance formula in the SERP for their pensionable earnings on or after January 1, 2006). Importantly, nothing in Amendment #4 to the Prior Plan, the SERP, Compensation Committee resolutions, or any other document shall be construed as subjecting to Code Section 409A any deferrals made under the SERP *prior* to January 1, 2005, except as expressly noted herein.

Exhibit 12(a)

NEXTERA ENERGY, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Nine Months Ended September 30, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 1,988
Income taxes	879
Fixed charges included in the determination of net income, as below	1,546
Amortization of capitalized interest	27
Distributed income of equity method investees	68
Less equity in earnings of equity method investees	147
Total earnings, as defined	$ 4,361
Fixed charges, as defined:	
Interest expense	$ 1,480
Rental interest factor	48
Allowance for borrowed funds used during construction	18
Fixed charges included in the determination of net income	1,546
Capitalized interest	84
Total fixed charges, as defined	$ 1,630
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	2.68

(a) NextEra Energy, Inc. has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Nine Months Ended September 30, 2016
	(millions of dollars)
Earnings, as defined:	
Net income	$ 1,356.0
Income taxes	822.5
Fixed charges, as below	369.4
Total earnings, as defined	$ 2,547.9
Fixed charges, as defined:	
Interest expense	$ 342.4
Rental interest factor	10.1
Allowance for borrowed funds used during construction	16.9
Total fixed charges, as defined	$ 369.4
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	6.90

(a) Florida Power & Light Company has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, James L. Robo, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended September 30, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended September 30, 2016 of NextEra Energy, Inc. (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and
Chief Financial Officer
of NextEra Energy, Inc.

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Eric E. Silagy, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended September 30, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-Q for the quarterly period ended September 30, 2016 of Florida Power & Light Company (the registrant);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2016

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

Exhibit 32(a)

Section 1350 Certification

We, James L. Robo and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of NextEra Energy, Inc. (the registrant) for the quarterly period ended September 30, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: November 1, 2016

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and
Chief Financial Officer
of NextEra Energy, Inc.

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Eric E. Silagy and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of Florida Power & Light Company (the registrant) for the quarterly period ended September 30, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: November 1, 2016

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 3 (d)

Annual Report on Form 10-K for the year ended December 31, 2016.

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended **December 31, 2016**

Commission File Number	Exact name of registrants as specified in their charters, address of principal executive offices and registrants' telephone number	IRS Employer Identification Number
1-8841	**NEXTERA ENERGY, INC.**	59-2449419
2-27612	**FLORIDA POWER & LIGHT COMPANY**	59-0247775

700 Universe Boulevard
Juno Beach, Florida 33408
(561) 694-4000

State or other jurisdiction of incorporation or organization: Florida

		Name of exchange on which registered
Securities registered pursuant to Section 12(b) of the Act:		
NextEra Energy, Inc.:	Common Stock, $0.01 Par Value	New York Stock Exchange
	6.371% Corporate Units	New York Stock Exchange
	6.123% Corporate Units	New York Stock Exchange

Florida Power & Light Company: None

Indicate by check mark if the registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act of 1933.

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934.

NextEra Energy, Inc. Yes ☐ No ☑ Florida Power & Light Company Yes ☐ No ☑

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

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months.

NextEra Energy, Inc. Yes ☑ No ☐ Florida Power & Light Company Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the registrants are a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934.

NextEra Energy, Inc.	Large Accelerated Filer ☑	Accelerated Filer ☐	Non-Accelerated Filer ☐	Smaller Reporting Company ☐
Florida Power & Light Company	Large Accelerated Filer ☐	Accelerated Filer ☐	Non-Accelerated Filer ☑	Smaller Reporting Company ☐

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes ☐ No ☑

Aggregate market value of the voting and non-voting common equity of NextEra Energy, Inc. held by non-affiliates as of June 30, 2016 (based on the closing market price on the Composite Tape on June 30, 2016) was $60,089,366,330.

There was no voting or non-voting common equity of Florida Power & Light Company held by non-affiliates as of June 30, 2016.

Number of shares of NextEra Energy, Inc. common stock, $0.01 par value, outstanding as of January 31, 2017: 467,581,899

Number of shares of Florida Power & Light Company common stock, without par value, outstanding as of January 31, 2017, all of which were held, beneficially and of record, by NextEra Energy, Inc.: 1,000

DOCUMENTS INCORPORATED BY REFERENCE

Portions of NextEra Energy, Inc.'s Proxy Statement for the 2017 Annual Meeting of Shareholders are incorporated by reference in Part III hereof.

This combined Form 10-K represents separate filings by NextEra Energy, Inc. and Florida Power & Light Company. Information contained herein relating to an individual registrant is filed by that registrant on its own behalf. Florida Power & Light Company makes no representations as to the information relating to NextEra Energy, Inc.'s other operations.

Florida Power & Light Company meets the conditions set forth in General Instruction I.(1)(a) and (b) of Form 10-K and is therefore filing this Form with the reduced disclosure format.

DEFINITIONS

Acronyms and defined terms used in the text include the following:

Term	Meaning
AFUDC	allowance for funds used during construction
AFUDC - equity	equity component of AFUDC
AOCI	accumulated other comprehensive income
Bcf	billion cubic feet
capacity clause	capacity cost recovery clause, as established by the FPSC
CO_2	carbon dioxide
DOE	U.S. Department of Energy
Duane Arnold	Duane Arnold Energy Center
environmental clause	environmental cost recovery clause
EPA	U.S. Environmental Protection Agency
ERCOT	Electric Reliability Council of Texas
FERC	U.S. Federal Energy Regulatory Commission
Florida Southeast Connection	Florida Southeast Connection, LLC, a wholly owned NEER subsidiary
FPL	Florida Power & Light Company
FPSC	Florida Public Service Commission
fuel clause	fuel and purchased power cost recovery clause, as established by the FPSC
GAAP	generally accepted accounting principles in the U.S.
GHG	greenhouse gas(es)
IPO	initial public offering
ISO	independent system operator
ITC	investment tax credit
kW	kilowatt
kWh	kilowatt-hour(s)
Management's Discussion	Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
MMBtu	One million British thermal units
mortgage	mortgage and deed of trust dated as of January 1, 1944, from FPL to Deutsche Bank Trust Company Americas, as supplemented and amended
MW	megawatt(s)
MWh	megawatt-hour(s)
NEE	NextEra Energy, Inc.
NEECH	NextEra Energy Capital Holdings, Inc.
NEER	NextEra Energy Resources, LLC
NEET	NextEra Energy Transmission, LLC
NEP	NextEra Energy Partners, LP
NEP OpCo	NextEra Energy Operating Partners, LP
NERC	North American Electric Reliability Corporation
Note __	Note __ to consolidated financial statements
NOx	nitrogen oxide
NRC	U.S. Nuclear Regulatory Commission
NYISO	New York ISO
O&M expenses	other operations and maintenance expenses in the consolidated statements of income
OCI	other comprehensive income
OTC	over-the-counter
OTTI	other than temporary impairment
PJM	PJM Interconnection, L.L.C.
PMI	NextEra Energy Marketing, LLC
Point Beach	Point Beach Nuclear Power Plant
PTC	production tax credit
PUCT	Public Utility Commission of Texas
PURPA	Public Utility Regulatory Policies Act of 1978, as amended
PV	photovoltaic
Recovery Act	The American Recovery and Reinvestment Act of 2009, as amended
regulatory ROE	return on common equity as determined for regulatory purposes
RFP	request for proposal
ROE	return on common equity
RPS	renewable portfolio standards
RTO	regional transmission organization
Sabal Trail	Sabal Trail Transmission, LLC, an entity in which a NEER subsidiary has a 42.5% ownership interest
Seabrook	Seabrook Station
SEC	U.S. Securities and Exchange Commission
SO_2	sulfur dioxide
U.S.	United States of America

NEE, FPL, NEECH and NEER each has subsidiaries and affiliates with names that may include NextEra Energy, FPL, NextEra Energy Resources, NextEra, FPL Group, FPL Group Capital, FPL Energy, FPLE, NEP and similar references. For convenience and simplicity, in this report the terms NEE, FPL, NEECH and NEER are sometimes used as abbreviated references to specific subsidiaries, affiliates or groups of subsidiaries or affiliates. The precise meaning depends on the context.

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FORWARD-LOOKING STATEMENTS

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, strategies, future events or performance (often, but not always, through the use of words or phrases such as may result, are expected to, will continue, is anticipated, believe, will, could, should, would, estimated, may, plan, potential, future, projection, goals, target, outlook, predict and intend or words of similar meaning) are not statements of historical facts and may be forward looking. Forward-looking statements involve estimates, assumptions and uncertainties. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, important factors included in Part I, Item 1A. Risk Factors (in addition to any assumptions and other factors referred to specifically in connection with such forward-looking statements) that could have a significant impact on NEE's and/or FPL's operations and financial results, and could cause NEE's and/or FPL's actual results to differ materially from those contained or implied in forward-looking statements made by or on behalf of NEE and/or FPL in this combined Form 10-K, in presentations, on their respective websites, in response to questions or otherwise.

Any forward-looking statement speaks only as of the date on which such statement is made, and NEE and FPL undertake no obligation to update any forward-looking statement to reflect events or circumstances, including, but not limited to, unanticipated events, after the date on which such statement is made, unless otherwise required by law. New factors emerge from time to time and it is not possible for management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained or implied in any forward-looking statement.

PART I

Item 1. Business

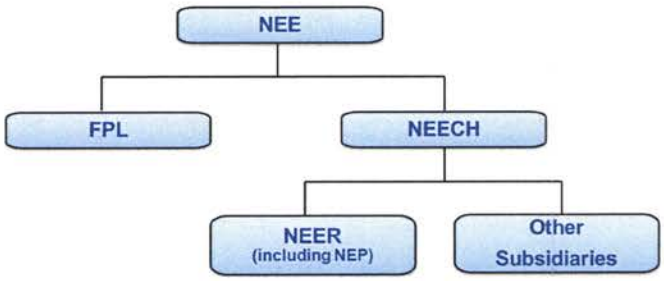
OVERVIEW

NEE is one of the largest electric power companies in North America and, through its subsidiary NEER and its affiliated entities, is the largest generator of renewable energy from the wind and sun in the world based on 2016 MWh produced. NEE also owns and/or operates generation, transmission and distribution facilities to support its services to retail and wholesale customers, and has investments in gas infrastructure assets. NEE also provides risk management services related to power and gas consumption related to its own generation assets and for a limited number of wholesale customers in selected markets. NEE's business strategy has emphasized the development, acquisition and operation of renewable, nuclear and natural gas-fired generation facilities in response to long-term federal policy trends supportive of zero and low air emissions sources of power. As of December 31, 2016, NEE's business included the following:

- approximately 45,900 MW of generating capacity with electric generation facilities located in 30 states in the U.S., 4 provinces in Canada and in Spain;
- approximately 16% of the installed base of U.S. wind power production capacity;
- approximately 11% of the installed base of U.S. universal solar power production capacity;
- one of the largest fleets of nuclear power stations in the U.S., with 8 reactors at 5 sites located in 4 states, representing approximately 6% of U.S. nuclear power electric generating capacity;
- a generation fleet with significantly lower rates of emissions of CO_2, SO_2 and NO_x than the average rates of the U.S. electric power industry with approximately 98% of its 2016 generation, measured by MWh produced, coming from renewable, nuclear and natural gas-fired facilities;
- approximately 800 substations and 76,700 miles of transmission and distribution lines;
- more than 5.4 million retail and wholesale electric customer accounts; and
- approximately 14,700 people employed, primarily in the U.S.

NEE was incorporated in 1984 under the laws of Florida and conducts its operations principally through two wholly owned subsidiaries, FPL and NEER. NEECH, another wholly owned subsidiary of NEE, owns and provides funding for NEER's and NEE's operating subsidiaries, other than FPL and its subsidiaries. During 2014, NEE formed NEP to acquire, manage and own contracted clean energy projects with stable, long-term cash flows. See NEER section below for further discussion of NEP. When discussed in this combined Form 10-K, NEE's and NEER's generating capacity as of December 31, 2016 includes approximately 971 MW associated with noncontrolling interests related to NEP.

NEE Organizational Chart



NEE's two principal businesses, FPL and NEER, also constitute NEE's reportable segments for financial reporting purposes. See Note 14 for certain financial information about these segments. NEE seeks to create value in its two principal businesses by meeting its customers' needs more economically and more reliably than its competitors, as described in more detail in the following sections. NEE's strategy has resulted in profitable growth over sustained periods at both FPL and NEER. Management seeks to grow each business in a manner consistent with the varying opportunities available to it; however, management believes that the diversification and balance represented by FPL and NEER is a valuable characteristic of the enterprise and recognizes that each business contributes to NEE's credit profile in different ways. FPL and NEER, as well as other NEE subsidiaries, share common support functions with the objective of lowering costs and creating efficiencies for their businesses. NEE and its subsidiaries continue to develop and implement enterprise wide initiatives focused mainly on improving productivity and reducing O&M expenses (cost savings initiatives).

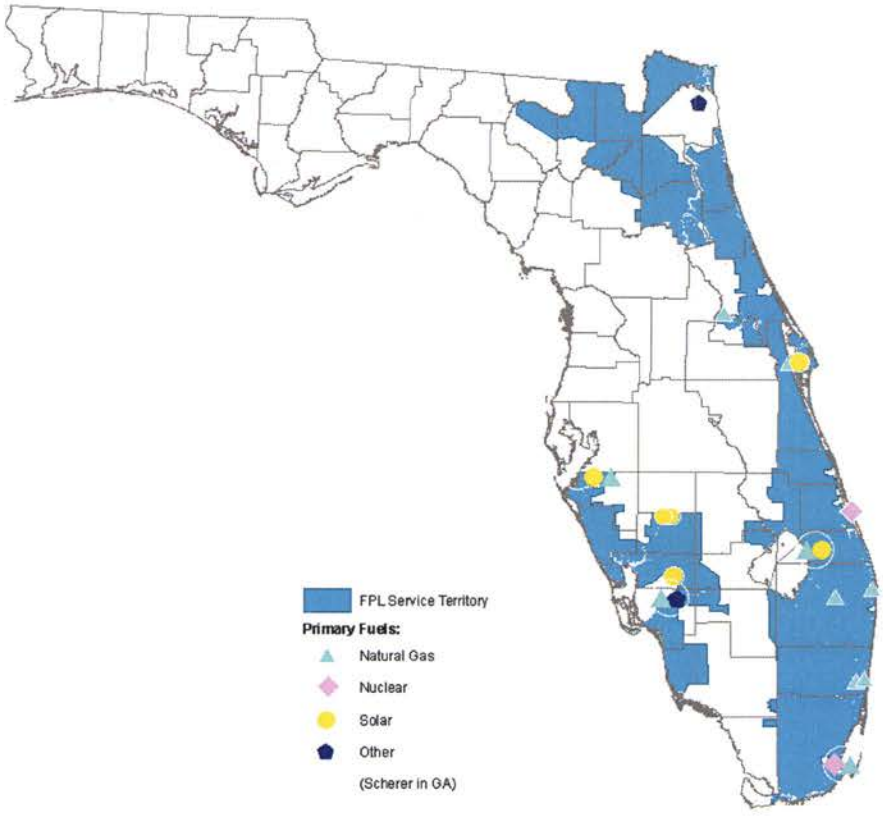
In July 2016, NEE announced a proposed merger (EFH merger) under which a newly formed subsidiary of NEE will acquire 100% of the equity of reorganized Energy Future Holdings Corp. (reorganized EFH) and certain of its direct and indirect subsidiaries, including its indirect ownership of approximately 80% of the outstanding equity interests of Oncor Electric Delivery Company LLC

(Oncor), a regulated electric distribution and transmission business that operates the largest distribution and transmission system in Texas. The merger agreement (EFH merger agreement) provides that the consideration for the transaction funded by NEE will be $9.796 billion, which will be paid almost all in cash, with the balance in shares of NEE common stock. The amount of consideration will be subject to adjustment as provided in the EFH merger agreement. In late October 2016, additional agreements were entered into with other parties that, when combined with the EFH merger agreement, if completed, would result in NEE owning 100% of Oncor. The aggregate consideration to be paid by NEE under these additional agreements will be approximately $2.4 billion and will be subject to adjustment as provided in the additional agreements. On February 17, 2017, the U.S. Bankruptcy Court for the District of Delaware confirmed Energy Future Holdings Corp.'s Eighth Amended Joint Plan of Reorganization. Completion and actual closing dates of the EFH merger and the other Oncor-related transactions remain subject to, among other things, approval by the PUCT and receipt of a supplemental private letter ruling from the Internal Revenue Service (IRS). The PUCT hearings regarding the merger transactions were conducted the week of February 20, 2017. NEE, EFH and the other parties to the EFH merger agreement, and the parties to the other Oncor-related transaction agreements, have certain specified termination rights. NEE expects the EFH merger and the other Oncor-related transactions to be completed in the first half of 2017. See Note 7 - Pending Oncor-Related Transactions.

In January 2017, a subsidiary of NEE completed the sale of its fiber-optic telecommunications business (FPL FiberNet) for net cash proceeds of approximately $1.1 billion, after repayment of $370 million of related long-term debt. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale.

FPL

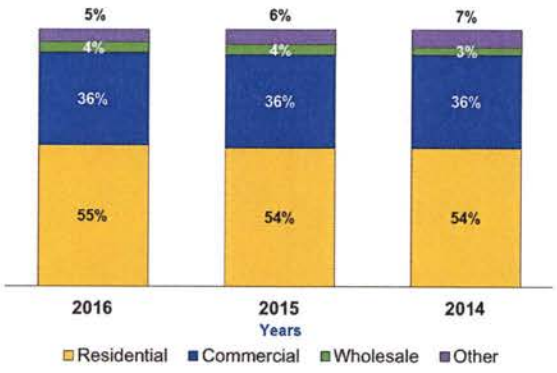
FPL was incorporated under the laws of Florida in 1925 and is a rate-regulated electric utility engaged primarily in the generation, transmission, distribution and sale of electric energy in Florida. FPL is the largest electric utility in the state of Florida and one of the largest electric utilities in the U.S. based on retail MWh sales. At December 31, 2016, FPL had approximately 26,000 MW of net generating capacity, 74,800 miles of transmission and distribution lines and 600 substations. FPL provides service to its customers through an integrated transmission and distribution system that links its generation facilities to its customers. At December 31, 2016, FPL served approximately 10 million people through approximately 4.9 million customer accounts. FPL's service territory, which covers most of the east and lower west coasts of Florida, and plant locations as of December 31, 2016 were as follows (see Sources of Generation below):



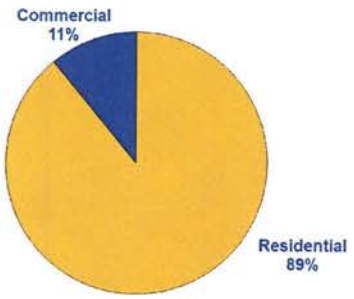
CUSTOMERS AND REVENUE

FPL's primary source of operating revenues is from its retail customer base; it also serves a limited number of wholesale customers within Florida. The percentage of FPL's operating revenues and customer accounts by customer class were as follows:

Operating Revenues



2016 Customer Accounts

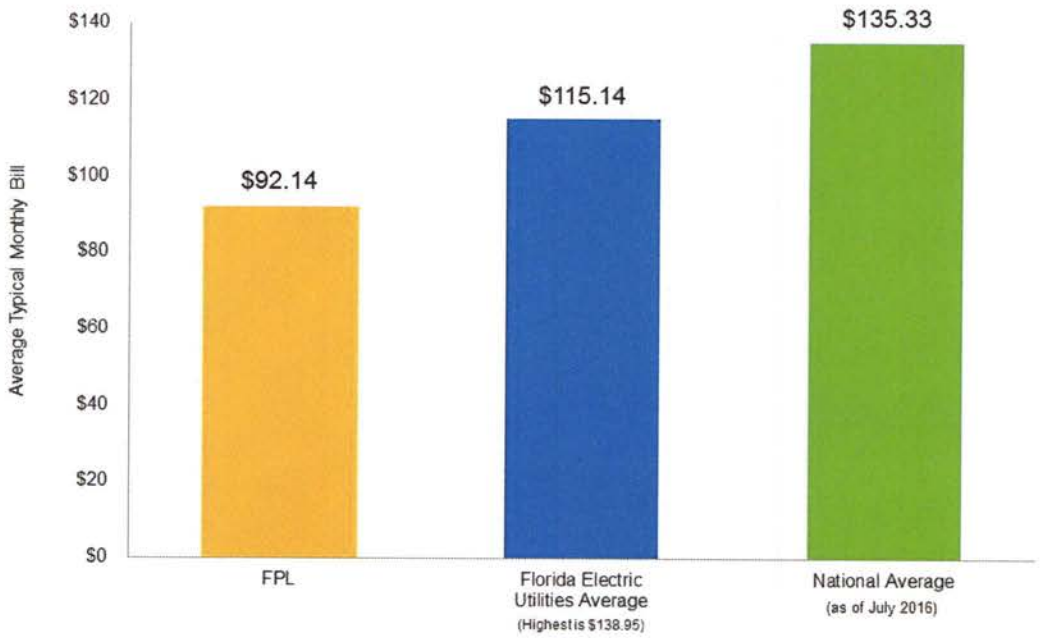


Industrial, Wholesale and Other collectively less than 1%

For both retail and wholesale customers, the prices (or rates) that FPL may charge are approved by regulatory bodies, by the FPSC in the case of retail customers, and by the FERC in the case of wholesale customers. In general, under U.S. and Florida law, regulated rates are intended to cover the cost of providing service, including a reasonable rate of return on invested capital. Since the regulatory bodies have authority to determine the relevant cost of providing service and the appropriate rate of return on capital employed, there can be no guarantee that FPL will be able to earn any particular rate of return or recover all of its costs through regulated rates. See FPL Regulation below.

FPL seeks to maintain attractive rates for its customers. Since rates are largely cost-based, maintaining low rates requires a strategy focused on developing and maintaining a low-cost position, including the implementation of ideas generated from the cost savings initiatives discussed above. A common benchmark used in the electric power industry for comparing rates across companies is the price of 1,000 kWh of consumption per month for a residential customer. FPL's 2016 average bill for 1,000 kWh of monthly residential usage was the lowest among reporting electric utilities within Florida and well below the July 2016 national average (the latest date for which this data is available) as indicated below:

Florida Electric Utility Residential Bill Comparison of
2016 Annual Average Typical Monthly Bill
Residential 1,000 kWh Bill



FRANCHISE AGREEMENTS AND COMPETITION

FPL's service to its retail customers is provided primarily under franchise agreements negotiated with municipalities or counties. During the term of a franchise agreement, which is typically 30 years, the municipality or county agrees not to form its own utility, and FPL has the right to offer electric service to residents. FPL currently holds 180 franchise agreements with various municipalities and counties in Florida with varying expiration dates through 2046. These franchise agreements cover approximately 88% of FPL's retail customer base in Florida. FPL also provides service to 13 other municipalities and to 21 unincorporated areas within its service area without franchise agreements pursuant to the general obligation to serve as a public utility. FPL relies upon Florida law for access to public rights of way.

Because any customer may elect to provide his/her own electric services, FPL effectively must compete for an individual customer's business. As a practical matter, few customers provide their own service at the present time since FPL's cost of service is lower than the cost of self-generation for the vast majority of customers. Changing technology, economic conditions and other factors could alter the favorable relative cost position that FPL currently enjoys; however, FPL seeks as a matter of strategy to ensure that it delivers superior value, in the form of high reliability, low bills and excellent customer service.

In addition to self-generation by residential, commercial and industrial customers, FPL also faces competition from other suppliers of electrical energy to wholesale customers and from alternative energy sources. In each of 2016, 2015 and 2014, operating revenues from wholesale and industrial customers combined represented approximately five percent of FPL's total operating revenues.

For the building of new steam and solar generating capacity of 75 MW or greater, the FPSC requires investor-owned electric utilities, including FPL, to issue an RFP except when the FPSC determines that an exception from the RFP process is in the public interest. The RFP process allows independent power producers and others to bid to supply the new generating capacity. If a bidder has the most cost-effective alternative, meets other criteria such as financial viability and demonstrates adequate expertise and experience in building and/or operating generating capacity of the type proposed, the investor-owned electric utility would seek to negotiate a purchased power agreement with the selected bidder and request that the FPSC approve the terms of the purchased power agreement and, if appropriate, provide the required authorization for the construction of the bidder's generating capacity.

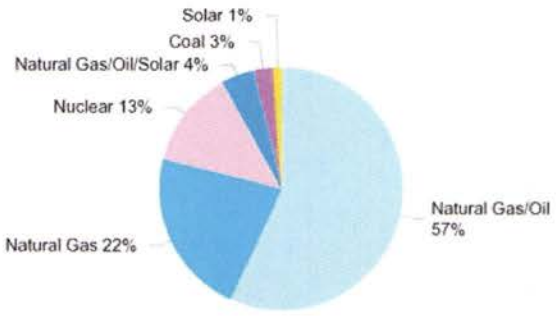
FPL SOURCES OF GENERATION

At December 31, 2016, FPL's resources for serving load consisted of 26,836 MW, of which 26,017 MW were from FPL-owned facilities and approximately 819 MW were available through purchased power agreements, including 330 MW associated with a coal-fired generation facility located in Indiantown, Florida that FPL purchased in January 2017 (Indiantown generation facility) (see Note 13 - Contracts). FPL owned and operated 33 units that used fossil fuels, primarily natural gas, and had joint ownership interests in 3 coal units with an aggregate generating capacity of 22,305 MW. In addition, FPL owned, or had undivided interests in, and operated 4 nuclear units with generating capacity totaling 3,453 MW (see Nuclear Operations below) and 5 solar generation facilities with generating capacity totaling 259 MW (excluding 75 MW of non-incremental solar capability which is provided through a natural gas generation facility). FPL customer usage and operating revenues are typically higher during the summer months, largely due to the prevalent use of air conditioning in FPL's service territory. Occasionally, unusually cold temperatures during the winter months result in significant increases in electricity usage for short periods of time.

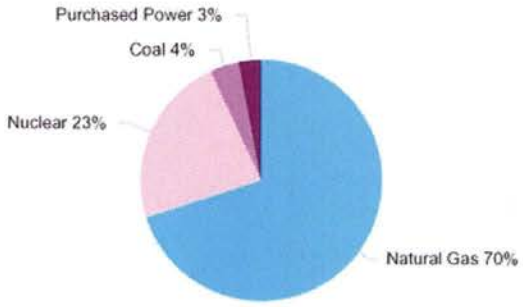
Fuel Sources

FPL relies upon a mix of fuel sources for its generation facilities, the ability of some of its generation facilities to operate on both natural gas and oil, and on purchased power to maintain the flexibility to achieve a more economical fuel mix in order to respond to market and industry developments.

2016 Generation Capacity by Asset Type*
MW



2016 Generation by Fuel Type*
MWh



*Oil is less than 1%

*Oil and Solar are collectively less than 1%

Significant Fuel Contracts. As of December 31, 2016, FPL had the following significant fuel contracts in place:

- FPL has firm transportation contracts for existing natural gas pipeline capacity with five different transportation suppliers, which provide for an aggregate maximum delivery quantity of 1,969,000 MMBtu/day with expiration dates ranging from 2017 to 2036. Together, these contracts are expected to satisfy substantially all of the currently anticipated needs for natural gas transportation through mid-2017. To the extent desirable, FPL also purchases interruptible natural gas transportation service from the five transportation suppliers.
- FPL has 25-year natural gas transportation agreements with each of Sabal Trail and Florida Southeast Connection for a quantity of 400,000 MMBtu/day beginning in mid-2017 and increasing to 600,000 MMBtu/day in mid-2020. These new agreements, when combined with FPL's existing agreements, are expected to satisfy substantially all of FPL's natural gas transportation needs through at least 2020. FPL's firm commitments under the new agreements are contingent upon the occurrence of certain events, including the completion of construction of the pipeline system to be built by Sabal Trail and Florida Southeast Connection. See NEER - Generation and Other Operations - Other Operations below and Note 13 - Contracts.

- FPL has several short- and medium-term natural gas supply contracts to provide a portion of FPL's anticipated needs for natural gas. The remainder of FPL's natural gas requirements is purchased in the spot market. FPL has an agreement for the storage of natural gas that expires in 2018.
- FPL has several contracts for the supply of uranium and the conversion, enrichment and fabrication of nuclear fuel with expiration dates ranging from late February 2017 through 2031.

Nuclear Operations

At December 31, 2016, FPL owned, or had undivided interests in, and operated the following four nuclear units in Florida with a total net generating capacity of 3,453 MW. FPL's nuclear units are periodically removed from service to accommodate planned refueling and maintenance outages, including inspections, repairs and certain other modifications. Scheduled nuclear refueling outages typically require the unit to be removed from service for variable lengths of time.

Facility	FPL's Ownership (MW)	Beginning of Current or Next Scheduled Refueling Outage	Operating License Expiration Dates
St. Lucie Unit No. 1	981	March 2018	2036
St. Lucie Unit No. 2	840	February 2017	2043
Turkey Point Unit No. 3	811	March 2017	2032
Turkey Point Unit No. 4	821	October 2017	2033

NRC regulations require FPL to submit a plan for decontamination and decommissioning five years before the projected end of plant operation. FPL's current plans, under the applicable operating licenses, provide for prompt dismantlement of Turkey Point Units Nos. 3 and 4 with decommissioning activities commencing in 2032 and 2033, respectively. Current plans provide for St. Lucie Unit No. 1 to be mothballed beginning in 2036 with decommissioning activities to be integrated with the prompt dismantlement of St. Lucie Unit No. 2 commencing in 2043.

FPL's nuclear facilities use both on-site storage pools and dry storage casks to store spent nuclear fuel generated by these facilities, which are expected to provide sufficient storage of spent nuclear fuel at these facilities through license expiration.

Projects to Add Additional Capacity

FPL is in the process of adding the following additional capacity during the term of the 2016 rate agreement (see FPL Rate Regulation - Base Rates - Rates Effective January 2017 through December 2020 below):

- an approximately 1,750 MW natural gas-fired combined-cycle unit in Okeechobee County, Florida (Okeechobee Clean Energy Center), with a planned in-service date of mid-2019; and
- up to 300 MW annually of new solar generation in each of 2017 through 2020.

FPL ENERGY MARKETING AND TRADING

FPL's Energy Marketing & Trading division (EMT) buys and sells wholesale energy commodities, such as natural gas, oil and electricity. EMT procures natural gas and oil for FPL's use in power generation and sells excess natural gas, oil and electricity. Prior to January 2017, EMT had utilized derivative instruments (primarily swaps, options and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity. Under the 2016 rate agreement that is effective beginning January 2017 and discussed below, EMT will not enter into any new derivative instruments to manage its commodity price risk for the term of the 2016 rate agreement. Substantially all of the results of EMT's activities are passed through to customers in the fuel or capacity clauses. See Management's Discussion - Energy Marketing and Trading and Market Risk Sensitivity and Note 3.

FPL REGULATION

FPL's operations are subject to regulation by a number of federal, state and other organizations, including, but not limited to, the following:

- the FPSC, which has jurisdiction over retail rates, service territory, issuances of securities, planning, siting and construction of facilities, among other things;
- the FERC, which oversees the acquisition and disposition of generation, transmission and other facilities, transmission of electricity and natural gas in interstate commerce, proposals to build and operate interstate natural gas pipelines and storage facilities, and wholesale purchases and sales of electric energy, among other things;
- the NERC, which, through its regional entities, establishes and enforces mandatory reliability standards, subject to approval by the FERC, to ensure the reliability of the U.S. electric transmission and generation system and to prevent major system blackouts;
- the NRC, which has jurisdiction over the operation of nuclear power plants through the issuance of operating licenses, rules, regulations and orders; and
- the EPA, which has the responsibility to maintain and enforce national standards under a variety of environmental laws. The EPA also works with industries and all levels of government, including federal and state governments, in a wide variety of voluntary pollution prevention programs and energy conservation efforts.

FPL Rate Regulation

The FPSC sets rates at a level that is intended to allow FPL the opportunity to collect from retail customers total revenues (revenue requirements) equal to FPL's cost of providing service, including a reasonable rate of return on invested capital. To accomplish this, the FPSC uses various ratemaking mechanisms, including, among other things, base rates and cost recovery clauses.

Base Rates. In general, the basic costs of providing electric service, other than fuel and certain other costs, are recovered through base rates, which are designed to recover the costs of constructing, operating and maintaining the utility system. These basic costs include O&M expenses, depreciation and taxes, as well as a return on FPL's investment in assets used and useful in providing electric service (rate base). At the time base rates are established, the allowed rate of return on rate base approximates the FPSC's determination of FPL's estimated weighted-average cost of capital, which includes its costs for outstanding debt and an allowed ROE. The FPSC monitors FPL's actual regulatory ROE through a surveillance report that is filed monthly by FPL with the FPSC. The FPSC does not provide assurance that any regulatory ROE will be achieved. Base rates are determined in rate proceedings or through negotiated settlements of those proceedings. Proceedings can occur at the initiative of FPL or upon action by the FPSC. Base rates remain in effect until new base rates are approved by the FPSC.

Rates Effective January 2017 through December 2020 - In December 2016, the FPSC issued a final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2016 rate agreement). Key elements of the 2016 rate agreement, which is effective from January 2017 through at least December 2020, include, among other things, the following:

- New retail base rates and charges were established resulting in the following increases in annualized retail base revenues:
  - $400 million beginning January 1, 2017;
  - $211 million beginning January 1, 2018; and
  - $200 million when the Okeechobee Clean Energy Center achieves commercial operation, which is expected to occur in mid-2019.
- In addition, FPL is eligible to receive, subject to conditions specified in the 2016 rate agreement, base rate increases associated with the addition of up to 300 MW annually of new solar generation in each of 2017 through 2020 and may carry forward any unused MW to subsequent years during the term of the 2016 rate agreement. FPL will be required to demonstrate that any proposed solar facilities are cost effective and scheduled to be in service before December 31, 2021. FPL has agreed to an installed cost cap of $1,750 per kW.
- FPL's allowed regulatory ROE is 10.55%, with a range of 9.60% to 11.60%. If FPL's earned regulatory ROE falls below 9.60%, FPL may seek retail base rate relief. If the earned regulatory ROE rises above 11.60%, any party other than FPL may seek a review of FPL's retail base rates.
- Subject to certain conditions, FPL may amortize, over the term of the 2016 rate agreement, up to $1.0 billion of depreciation reserve surplus plus the reserve amount remaining under FPL's 2012 rate agreement discussed below (approximately $250 million), provided that in any year of the 2016 rate agreement, FPL must amortize at least enough reserve to maintain a 9.60% earned regulatory ROE but may not amortize any reserve that would result in an earned regulatory ROE in excess of 11.60%.
- Future storm restoration costs would be recoverable on an interim basis beginning 60 days from the filing of a cost recovery petition, but capped at an amount that could produce a surcharge of no more than $4 for every 1,000 kWh of usage on residential bills during the first 12 months of cost recovery. Any additional costs would be eligible for recovery in subsequent years. If storm restoration costs exceed $800 million in any given calendar year, FPL may request an increase to the $4 surcharge to recover amounts above $400 million.

In January 2017, the Sierra Club filed a notice of appeal challenging the FPSC's final order approving the 2016 rate agreement, which notice of appeal is pending before the Florida Supreme Court.

Rates Effective January 2013 through December 2016 - Effective January 2013, pursuant to an FPSC final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2012 rate agreement), new retail base rates and charges for FPL were established resulting in an increase in retail base revenues of $350 million on an annualized basis. The 2012 rate agreement, provided for, among other things, the following:

- a regulatory ROE of 10.50% with a range of plus or minus 100 basis points;
- an increase in annualized base revenue requirements as each of three FPL modernized power plants became operational in April 2013, April 2014 and April 2016;
- the continuation of cost recovery through the capacity clause (reported as retail base revenues) for a generating unit which was placed in service in May 2011 (beginning January 2017, under the 2016 rate agreement, cost recovery will be through base rates);
- subject to certain conditions, the right to reduce depreciation expense up to $400 million (reserve), provided that in any year of the 2012 rate agreement, FPL was required to amortize enough reserve to maintain an earned regulatory ROE within the range of 9.50% to 11.50% (see below regarding a subsequent reduction in the reserve amount);
- an interim cost recovery mechanism for storm restoration costs (see Note 1 - Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve); and

- an incentive mechanism whereby customers receive 100% of certain gains, including but not limited to gains from the purchase and sale of electricity and natural gas (including transportation and storage), up to a specified threshold; gains exceeding that specified threshold were shared by FPL and its customers.

In August 2015, the FPSC approved a stipulation and settlement between the Office of Public Counsel and FPL regarding issues relating to the ratemaking treatment for FPL's purchase of a 250 MW coal-fired generation facility located in Jacksonville, Florida (Cedar Bay generation facility), which FPL retired in December 2016. As part of this settlement, the amount of the reserve was reduced by $30 million to $370 million.

Cost Recovery Clauses. Cost recovery clauses are designed to permit full recovery of certain costs and provide a return on certain assets allowed to be recovered through the various clauses. Cost recovery clause costs are recovered through levelized monthly charges per kWh or kW, depending on the customer's rate class. These cost recovery clause charges are calculated at least annually based on estimated costs and estimated customer usage for the following year, plus or minus true-up adjustments to reflect the estimated over or under recovery of costs for the current and prior periods. An adjustment to the levelized charges may be approved during the course of a year to reflect revised estimates. FPL recovers costs from customers through the following clauses:

- Fuel - fuel costs and energy charges relating to purchased power agreements, the most significant of the cost recovery clauses in terms of operating revenues (see Note 1 - Rate Regulation);
- Capacity - primarily capacity payments to non-utility generators and other utilities and certain costs associated with the acquisition of the Cedar Bay generation facility (see Note 1 - Rate Regulation);
- Energy Conservation - costs associated with implementing energy conservation programs; and
- Environmental - certain costs of complying with federal, state and local environmental regulations enacted after April 1993 and costs associated with three of FPL's solar facilities.

The FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred. These costs may include, among others, fuel and O&M expenses, the cost of replacing power lost when fossil and nuclear units are unavailable, storm restoration costs and costs associated with the construction or acquisition of new facilities.

FERC

The Federal Power Act grants the FERC exclusive ratemaking jurisdiction over wholesale sales of electricity and the transmission of electricity and natural gas in interstate commerce. Pursuant to the Federal Power Act, electric utilities must maintain tariffs and rate schedules on file with the FERC which govern the rates, terms and conditions for the provision of FERC-jurisdictional wholesale power and transmission services. The Federal Power Act also gives the FERC authority to certify and oversee a national electric reliability organization with authority to establish and independently enforce mandatory reliability standards applicable to all users, owners and operators of the bulk-power system. See NERC below. Electric utilities are subject to accounting, record-keeping and reporting requirements administered by the FERC. The FERC also places certain limitations on transactions between electric utilities and their affiliates.

NERC

The NERC has been certified by the FERC as the national electric reliability organization. The NERC's mandate is to ensure the reliability and security of the North American bulk-power system through the establishment and enforcement of reliability standards approved by FERC. The NERC's regional entities also enforce reliability standards approved by the FERC. FPL is subject to these reliability standards and incurs costs to ensure compliance with continually heightened requirements, and can incur significant penalties for failing to comply with them.

FPL Environmental Regulation

FPL is subject to environmental laws and regulations as described in the NEE Environmental Matters section below. FPL expects to seek recovery through the environmental clause for compliance costs associated with any new environmental laws and regulations.

FPL EMPLOYEES

FPL had approximately 8,900 employees at December 31, 2016. Approximately 34% of the employees are represented by the International Brotherhood of Electrical Workers (IBEW) under a collective bargaining agreement with FPL that expires October 31, 2017.

NEER

NEER, a limited liability company organized under the laws of Delaware, was formed in 1998 to aggregate NEE's competitive energy businesses. NEER is a diversified clean energy company with a business strategy that emphasizes the development, acquisition and operation of long-term contracted assets with a focus on renewable projects. Through its subsidiaries, NEER currently owns, develops, constructs, manages and operates electric generation facilities in wholesale energy markets primarily in the U.S., as well

as in Canada and Spain. See Note 14 for information on revenues from foreign sources and long–lived assets located in foreign countries. NEER, with approximately 19,882 MW of generating capacity at December 31, 2016, is one of the largest wholesale generators of electric power in the U.S., with approximately 18,862 MW of generating capacity across 29 states, and has 920 MW of generating capacity in 4 Canadian provinces and 99.8 MW of generating capacity in Spain. NEER produces the majority of its electricity from clean and renewable sources as described more fully below. NEER is the largest generator in the world of electric power from wind and universal solar energy projects based on 2016 MWh produced. NEER also owned and operated approximately 200 substations and 1,240 circuit miles of transmission lines at December 31, 2016.

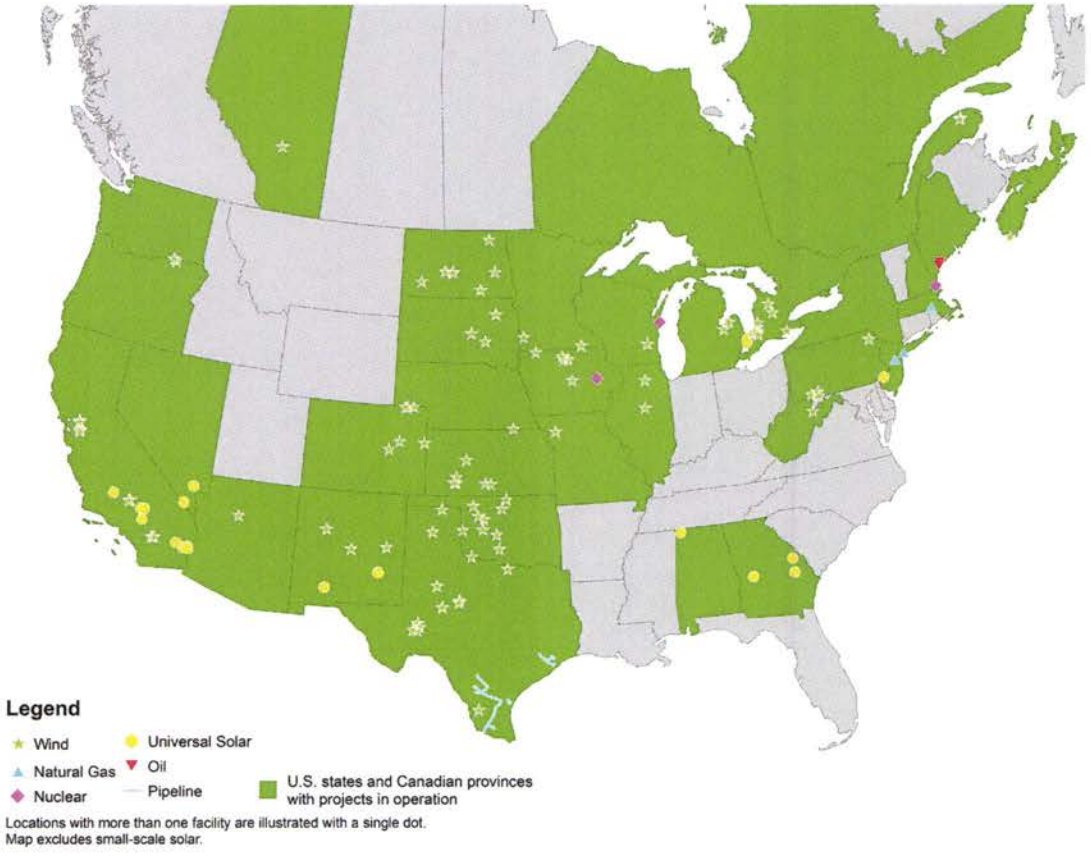
NEER also engages in energy-related commodity marketing and trading activities, including entering into financial and physical contracts, to hedge the production from its generation assets that is not sold under long-term power supply agreements. These contracts primarily include power and gas commodities and their related products, as well as provide full energy and capacity requirements services primarily to distribution utilities in certain markets and offer customized power and gas and related risk management services to wholesale customers. In addition, NEER participates in natural gas, natural gas liquids and oil production primarily through non-operating ownership interests, and in pipeline infrastructure development, construction, management and operations, through either wholly owned subsidiaries or noncontrolling or joint venture interests, hereafter referred to as the gas infrastructure business. NEER also hedges the expected output from its gas infrastructure production assets to protect against price movements.

As discussed in the Overview above, during 2014, NEP was formed to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NEP OpCo. Through an indirect wholly owned subsidiary, NEE owns 101,440,000 common units of NEP OpCo representing a noncontrolling interest in NEP's operating projects of approximately 65.2% as of December 31, 2016. NEE owns a controlling general partner interest in NEP and consolidates NEP for financial reporting purposes. See Note 1 - NextEra Energy Partners, LP. As of December 31, 2016, NEP, through the combination of NEER's contribution of energy projects to NEP OpCo in connection with NEP's IPO in July 2014 and the acquisition of additional energy projects from NEER in 2015 and 2016, owns, or has an interest in, a portfolio of 22 wind and solar projects with generating capacity totaling approximately 2,787 MW and long-term contracted natural gas pipeline assets as discussed below. In addition in 2015, NEP OpCo issued 2 million NEP OpCo Class B Units to NEER in exchange for an approximately 50% ownership interest in three solar projects with a total generating capacity of 277 MW. NEER, as holder of the Class B Units, will retain 100% of the economic interests if, and until, NEER offers to sell the economic interests to NEP and NEP accepts such offer. NEP OpCo has a right of first offer for certain of NEER's assets (ROFO assets) if NEER should seek to sell the assets. The ROFO assets remaining as of December 31, 2016, include contracted wind and solar projects with a combined capacity of approximately 1,076 MW. In 2015, NEP completed the acquisition of the membership interests in NET Holdings Management, LLC (Texas pipeline business), a developer, owner and operator of a portfolio of seven intrastate long-term contracted natural gas pipeline assets located in Texas (Texas pipelines). See Generation and Other Operations - Contracted, Merchant and Other Operations - Other Operations below.

GENERATION AND OTHER OPERATIONS

NEER sells products associated with its own generation facilities (energy, capacity, renewable energy credits (RECs) and ancillary services) in competitive markets in regions where those facilities are located. Customer transactions may be supplied from NEER generation facilities or from purchases in the wholesale markets, or from a combination thereof. See Markets and Competition below.

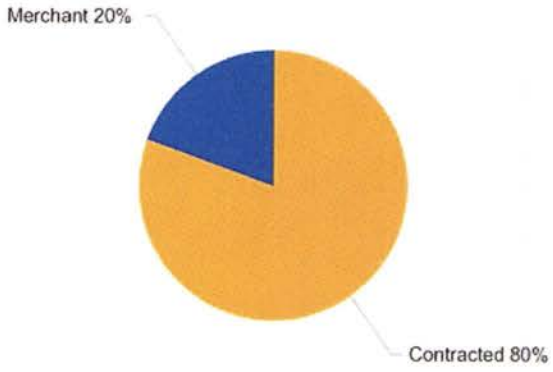
At December 31, 2016, NEER managed or participated in the management of essentially all of its generation projects and all of its natural gas pipeline assets in which it has an ownership interest. At December 31, 2016, the locations of NEER's generation facilities and natural gas pipeline assets in North America were as follows:



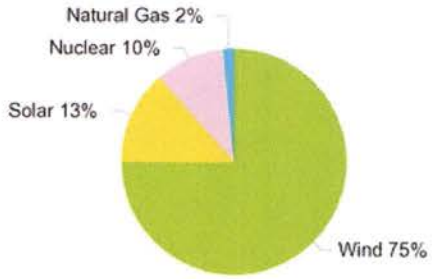
Contracted, Merchant and Other Operations

NEER's portfolio of generation operations based on the presence/absence of long-term power sales agreements and other operations was as follows:

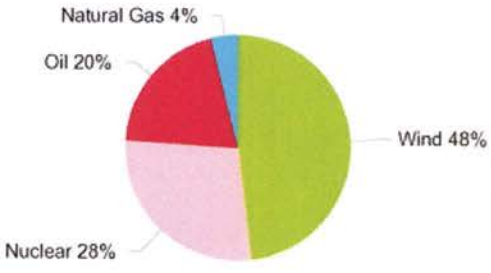
2016 Generation Assets
MW



2016 Contracted Generation Assets
MW



2016 Merchant Generation Assets*
MW



*Solar is less than 1%

Contracted Generation Assets. Contracted generation assets are generation facilities with long-term power sales agreements for substantially all of their

capacity and/or energy output. Information related to contracted generation assets as of December 31, 2016 was as follows:

- represented approximately 15,994 MW of generating capacity;
- weighted average remaining contract term of approximately 17 years, based on forecasted contributions to earnings; and
- contracts for the supply of uranium and the conversion, enrichment and fabrication of nuclear fuel have expiration dates ranging from late February 2017 through 2032 (see Note 13 - Contracts).

Merchant Generation Assets. Merchant generation assets are generation facilities that do not have long-term power sales agreements to sell their capacity and/or energy output and therefore require active marketing and hedging. Information related to merchant generation assets as of December 31, 2016 was as follows:

- represented approximately 3,888 MW of generating capacity, including 781 MW of oil-fired peak generation facilities;
- primarily located in Texas and the Northeast regions of the U.S.;
- contracts for the supply of uranium and the conversion, enrichment and fabrication of nuclear fuel have expiration dates ranging from August 2017 through 2029 (see Note 13 - Contracts); and
- utilize swaps, options, futures and forwards to lock in pricing and manage the commodity price risk inherent in power sales and fuel purchases.

Other Operations.

Gas Infrastructure Business - At December 31, 2016, NEER had approximately $3.5 billion invested in the natural gas pipelines discussed below and ownership interests in investments located in oil and gas shale formations primarily in the Midwest and South regions of the U.S.

	Miles of Pipeline	Pipeline Location/Route	NEER's Ownership	Total Capacity (per day)	Actual/Expected In-Service Dates
Operational:					
Texas Pipelines[a]	542	South Texas	61.6%	4.05 Bcf	1950 - 2014
Under Construction or In Development:					
Sabal Trail[b]	515	Southwestern Alabama to Central Florida	42.5%	0.83 Bcf - 1.075 Bcf	Mid-2017 - Mid-2021
Florida Southeast Connection[b]	126	Central Florida to Martin County, Florida	100%	0.64 Bcf	Mid-2017
Mountain Valley Pipeline[c]	301	Marcellus and Utica shale regions to markets in the Mid-Atlantic and Southeast regions of the U.S.	31%	2.00 Bcf	End of 2018

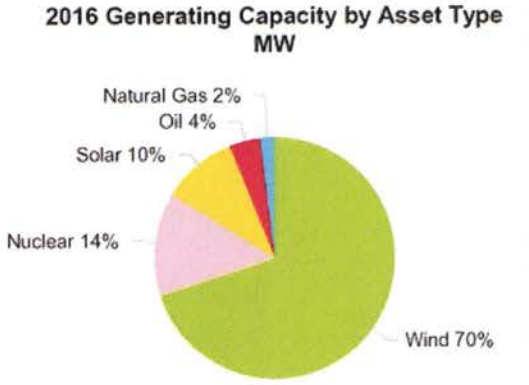
(a) A portfolio of seven natural gas pipelines, of which a third party owns a 10% interest in a 120 mile pipeline with a daily capacity of approximately 2.3 Bcf. The pipelines have a total existing capacity of approximately 4 Bcf per day, of which 3 Bcf per day is contracted with firm ship-or-pay contracts that have a weighted-average remaining contract life of approximately 14 years.
(b) See FPL - FPL Sources of Generation - Fuel Sources - Significant Fuel Contracts and Note 13 - Commitments and - Contracts.
(c) Construction of the natural gas pipeline is subject to certain conditions, including FERC approval. See Note 13 - Commitments.

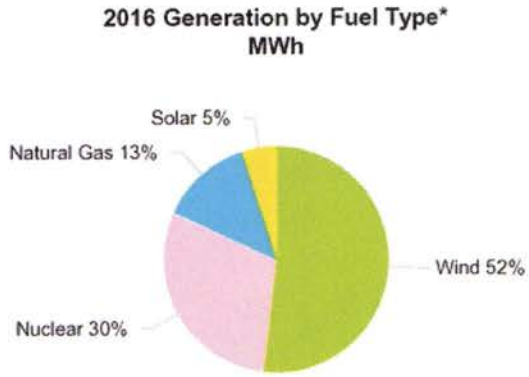
Customer Supply and Proprietary Power and Gas Trading - NEER provides commodities-related products to customers, engages in energy-related commodity marketing and trading activities and includes the operations of a retail electricity provider. Through its subsidiary PMI, NEER:

- manages risk associated with fluctuating commodity prices and optimizes the value of NEER's power generation and gas infrastructure production assets through the use of swaps, options, futures and forwards;
- sells output from NEER's plants that is not sold under long-term contracts and procures fossil fuel for use by NEER's generation fleet;
- provides full energy and capacity requirements to customers; and
- markets and trades energy-related commodity products and provides a wide range of electricity and fuel commodity products as well as marketing and trading services to customers.

NEER Fuel/Technology Mix

NEER owns and operates the majority of its generation facilities, which utilize the following mix of fuel sources:





*Oil is less than 1%

Wind Facilities

- ownership interests in and operated a total net generating capacity of 13,852 MW at December 31, 2016;
- located in 20 states in the U.S. and 4 provinces in Canada;
- approximately 12,008 MW is from contracted wind assets located primarily throughout the West and Midwest regions of the U.S. and Canada;
- approximately 1,844 MW is from merchant wind assets located in Texas;
- added approximately 1,465 MW in the U.S. in 2016; and
- expects to add new contracted wind generation of approximately 2,400 to 4,100 MW and approximately 1,600 MW of additional repowering generation within the existing U.S. wind portfolio in 2017 to 2018 (see Policy Incentives for Renewable Energy Projects below for additional discussion of NEER's expectations regarding wind development, construction and retrofitting).

Solar Facilities

- ownership interests in and operated the majority of PV and solar thermal facilities with a total net generating capacity of 2,108 MW at December 31, 2016;
- located in 11 states in the U.S., 1 province in Canada and 1 province in Spain;
- essentially all MW is from contracted solar facilities located primarily throughout the West region of the U.S.;
- added approximately 980 MW in the U.S. in 2016; and
- expects to add new contracted solar generation of approximately 400 to 1,300 MW in 2017 to 2018.

Fossil Facilities

- ownership interests in and operated natural gas generation facilities with a total net generating capacity of 420 MW at December 31, 2016; approximately 262 MW is contracted and 158 MW is merchant; located in 3 states in the Northeast region of the U.S.;
- completed the sales of its ownership interests in merchant natural gas generation facilities located in Texas with a total generating capacity of 2,884 MW and in natural gas generation facilities located primarily in Pennsylvania with a total generating capacity of 840 MW (see Note 1 - Assets and Liabilities Associated with Assets Held for Sale); and

- owned, or had undivided interests in, and operated oil-fired peak generation facilities with a total generating capacity of 781 MW at December 31, 2016 primarily located in Maine.

Nuclear Facilities

At December 31, 2016, NEER owned, or had undivided interests in, and operated the following four nuclear units with a total net generating capacity of 2,721 MW. NEER's nuclear units are periodically removed from service to accommodate planned refueling and maintenance outages, including inspections, repairs and certain other modifications. Scheduled nuclear refueling outages

typically require the unit to be removed from service for variable lengths of time.

Facility	Location	NEER's Ownership (MW)	Portfolio Category	Next Scheduled Refueling Outage	Operating License Expiration Dates
Seabrook	New Hampshire	1,100	Merchant	April 2017	2030[a]
Duane Arnold	Iowa	431	Contracted[b]	September 2018	2034
Point Beach Unit No. 1	Wisconsin	595	Contracted[c]	October 2017	2030
Point Beach Unit No. 2	Wisconsin	595	Contracted[c]	March 2017	2033

(a) In 2010, NEER filed an application with the NRC to renew Seabrook's operating license for an additional 20 years, which license renewal is dependent on NRC regulatory approvals.
(b) NEER sells all of its share of the output of Duane Arnold under a long-term contract expiring in December 2025.
(c) NEER sells all of the output of Point Beach Units Nos. 1 and 2 under long-term contracts through their current operating license expiration dates.

NEER is responsible for all nuclear unit operations and the ultimate decommissioning of the nuclear units, the cost of which is shared on a pro-rata basis by the joint owners for the jointly-owned units. NRC regulations require plant owners to submit a plan for decontamination and decommissioning five years before the projected end of plant operation.

NEER's nuclear facilities use both on-site storage pools and dry storage casks to store spent nuclear fuel generated by these facilities, which are expected to provide sufficient storage of spent nuclear fuel at these facilities through license expiration.

Policy Incentives for Renewable Energy Projects

U.S. federal, state and local governments have established various incentives to support the development of renewable energy projects. These incentives include accelerated tax depreciation, PTCs, ITCs, cash grants, tax abatements and RPS programs. Wind and solar projects qualify as five-year property that is eligible to be depreciated under the U.S. federal Modified Accelerated Cost Recovery System (MACRS). Pursuant to MACRS, wind and solar projects are fully depreciated for tax purposes over a five-year period even though the useful life of such projects is generally much longer than five years.

Owners of utility-scale wind facilities are eligible to claim an income tax credit (the PTC, or an ITC in lieu of the PTC) upon initially achieving commercial operation. The PTC is determined based on the amount of electricity produced by the wind facility during the first ten years of commercial operation. This incentive was created under the Energy Policy Act of 1992 and has been extended several times. Alternatively, an ITC equal to 30% of the cost of a wind facility may be claimed in lieu of the PTC. In December 2015, the PTC (and ITC in lieu of PTC) for wind facilities was extended for five years, subject to the phase-down schedule in the table below. In order to qualify for the PTC (or ITC in lieu of PTC), construction of a wind facility must begin before a specified date. The IRS previously issued guidance setting forth two alternatives pursuant to which a taxpayer may begin construction on a wind facility and providing that the taxpayer must maintain a continuous program of construction or continuous efforts to advance the project to completion. In May 2016, the IRS issued additional guidance relating to the December 2015 extension and phase-down of the PTC and ITC for wind facilities. In general, this guidance modifies and extends the safe harbor for the continuous efforts and continuous construction requirements to four years compared to two years under the previous guidance. The safe harbor will generally be satisfied if the facility is placed in service no more than four calendar years after the calendar year in which construction of the facility began. The IRS also confirmed that retrofitted wind facilities may re-qualify for PTCs or ITCs pursuant to the 5% safe harbor for the begin construction requirement, as long as the cost basis of the new investment is at least 80% of the facility's total fair value.

Owners of solar projects are eligible to claim a 30% ITC for new solar projects, or can elect to receive an equivalent cash payment from the U.S. Department of Treasury for the value of the 30% ITC (convertible ITC) for qualifying solar projects where construction began before the end of 2011 and the projects are placed in service before 2017. In December 2015, the 30% ITC for new solar projects was extended, subject to the following phase-down schedule.

	Year construction of project begins							
	2015	2016	2017	2018	2019	2020	2021	2022
PTC[a]	100%	100%	80%	60%	40%	-	-	-
Wind ITC	30%	30%	24%	18%	12%	-	-	-
Solar ITC[b]	30%	30%	30%	30%	30%	26%	22%	10%

(a) Percentage of the full PTC available for wind projects that begin construction during the applicable year.
(b) ITC is limited to 10% for projects not placed in service before January 1, 2024.

Other countries, including Canada and Spain, provide for incentives like feed-in-tariffs for renewable energy projects. The feed-in-tariffs promote renewable energy investments by offering long-term contracts to renewable energy producers, typically based on the cost of generation of each technology.

MARKETS AND COMPETITION

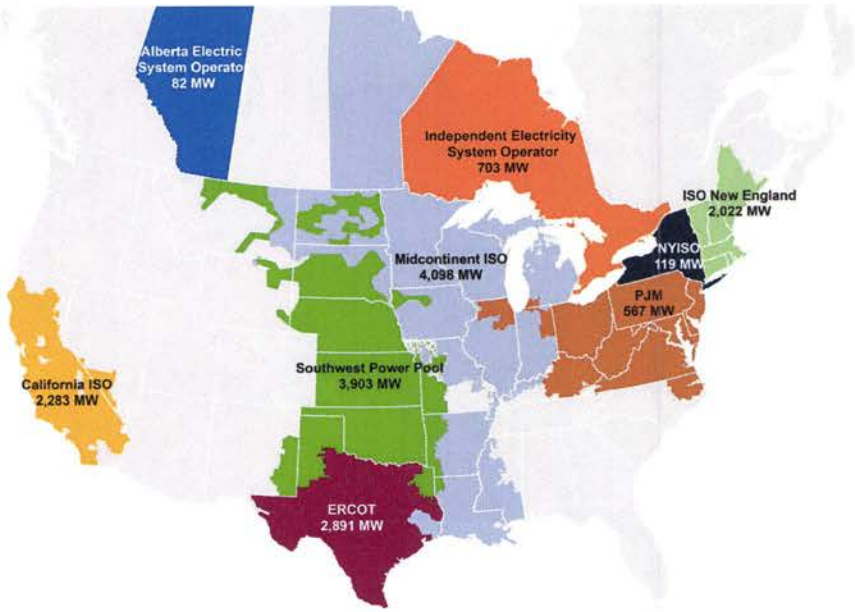
Electricity markets in the U.S. and Canada are regional and diverse in character. All are extensively regulated, and competition in these markets is shaped and constrained by regulation. The nature of the products offered varies based on the specifics of regulation in each region. Generally, in addition to the natural constraints on pricing freedom presented by competition, NEER may also face specific constraints in the form of price caps, or maximum allowed prices, for certain products. NEER's ability to sell the output of its generation facilities may also be constrained by available transmission capacity, which can vary from time to time and can have a significant impact on pricing.

The degree and nature of competition that NEER faces is different in wholesale markets and in retail markets. During 2016, approximately 86% of NEER's revenue was derived from wholesale electricity markets.

Wholesale power generation is a capital-intensive, commodity-driven business with numerous industry participants. NEER primarily competes on the basis of price, but believes the green attributes of NEER's generation assets, its creditworthiness and its ability to offer and manage reliable customized risk solutions to wholesale customers are competitive advantages. Wholesale power generation is a regional business that is highly fragmented relative to many other commodity industries and diverse in terms of industry structure. As such, there is a wide variation in terms of the capabilities, resources, nature and identity of the companies NEER competes with depending on the market. In wholesale markets, customers' needs are met through a variety of means, including long-term bilateral contracts, standardized bilateral products such as full requirements service and customized supply and risk management services.

In general, U.S. electricity markets encompass three classes of services: energy, capacity and ancillary services. Energy services relate to the physical delivery of power; capacity services relate to the availability of MW capacity of a power generation asset; and ancillary services are other services that relate to power generation assets, such as load regulation and spinning and non-spinning reserves. The exact nature of these classes of services is defined in part by regional tariffs. Not all regions have a capacity services class, and the specific definitions of ancillary services vary from region to region.

RTOs and ISOs exist throughout much of North America to coordinate generation and transmission across wide geographic areas and to run markets. NEER operates in all RTO and ISO jurisdictions. As of December 31, 2016, NEER also had operations of approximately 3,114 MWs that fall within reliability regions that are not under the jurisdiction of an established RTO or ISO, including 2,519 MWs within the Western Electricity Coordinating Council. Although each RTO and ISO may have differing objectives and structures, some benefits of these entities include regional planning, managing transmission congestion, developing larger wholesale markets for energy and capacity, maintaining reliability and facilitating competition among wholesale electricity providers. NEER has operations that fall within the following RTOs and ISOs:



NEER competes in different regions to different degrees, but in general it seeks to enter into long-term bilateral contracts for the full output of its generation facilities, and, as of December 31, 2016, approximately 80% of NEER's generating capacity was committed under long-term contracts. Where long-term contracts are not in effect, NEER sells the output of its facilities into daily spot markets. In such cases, NEER will frequently enter into shorter term bilateral contracts, typically of less than three years duration, to hedge the price risk associated with selling into a daily spot market. Such bilateral contracts, which may be hedges either for physical delivery or for financial (pricing) offset, may only protect a portion of the revenue that NEER expects to derive from the associated generation facility and may not qualify for hedge accounting under GAAP. Contracts that serve the economic purpose of hedging some portion of the expected revenue of a generation facility but are not recorded as hedges under GAAP are referred to as "non-qualifying hedges" for adjusted earnings purposes. See Management's Discussion - Overview - Adjusted Earnings.

Certain facilities within the NEER wind and solar generation portfolio produce RECs and other environmental attributes which are typically sold along with the energy from the plants under long-term contracts, or may be sold separately for the wind and solar generation not sold under long-term contracts. The purchasing party is solely entitled to the reporting rights and ownership of the environmental attributes.

While the majority of NEER's revenue is derived from the output of its generation facilities, NEER is also an active competitor in several regions in the wholesale full requirements business and in providing structured and customized power and fuel products and services to a variety of customers. In the full requirements service, typically, the supplier agrees to meet the customer's needs for a full range of products for every hour of the day, at a fixed price, for a predetermined period of time, thereby assuming the risk of fluctuations in the customer's volume requirements.

Expanded competition in a frequently changing regulatory environment presents both opportunities and risks for NEER. Opportunities exist for the selective acquisition of generation assets and for the construction and operation of efficient facilities that can sell power in competitive markets. NEER seeks to reduce its market risk by having a diversified portfolio by fuel type and location, as well as by contracting for the future sale of a significant amount of the electricity output of its facilities.

NEER REGULATION

The energy markets in which NEER operates are subject to domestic and foreign regulation, as the case may be, including local, state and federal regulation, and other specific rules.

At December 31, 2016, NEER had ownership interests in operating independent power projects located in the U.S. that have received exempt wholesale generator status as defined under the Public Utility Holding Company Act of 2005, which represent approximately 99% of NEER's net generating capacity in the U.S. Exempt wholesale generators own or operate a facility exclusively to sell electricity to wholesale customers. They are barred from selling electricity directly to retail customers. NEER's exempt wholesale generators produce electricity from wind, fossil fuels, solar and nuclear facilities. Essentially all of the remaining 1% of NEER's net generating capacity has qualifying facility status under the PURPA. NEER's qualifying facilities generate electricity primarily from wind, solar and fossil fuels. Qualifying facility status exempts the projects from, among other things, many of the provisions of the Federal Power Act, as well as state laws and regulations relating to rates and financial or organizational regulation of electric utilities. While projects with qualifying facility and/or exempt wholesale generator status are exempt from various restrictions, each project must still comply with other federal, state and local laws, including, but not limited to, those regarding siting, construction, operation, licensing, pollution abatement and other environmental laws.

Additionally, most of the NEER facilities located in the U.S. are subject to FERC regulations and market rules and the NERC's mandatory reliability standards, all of its facilities are subject to environmental laws and the EPA's environmental regulations, and its nuclear facilities are also subject to the jurisdiction of the NRC. See FPL - FPL Regulation for additional discussion of FERC, NERC, NRC and EPA regulations. With the exception of facilities located in ERCOT, the FERC has jurisdiction over various aspects of NEER's business in the U.S., including the oversight and investigation of competitive wholesale energy markets, regulation of the transmission and sale of natural gas, and oversight of environmental matters related to natural gas projects and major electricity policy initiatives. The PUCT has jurisdiction, including the regulation of rates and services, oversight of competitive markets, and enforcement of statutes and rules, over NEER facilities located in ERCOT.

NEER and its affiliates are also subject to federal and provincial or regional regulations in Canada and Spain related to energy operations, energy markets and environmental standards. In Canada, activities related to owning and operating wind and solar projects and participating in wholesale and retail energy markets are regulated at the provincial level. In Ontario, for example, electricity generation facilities must be licensed by the Ontario Energy Board and may also be required to complete registrations and maintain market participant status with the Independent Electricity System Operator, in which case they must agree to be bound by and comply with the provisions of the market rules for the Ontario electricity market as well as the mandatory reliability standards of the NERC.

In addition, NEER is subject to environmental laws and regulations as described in the NEE Environmental Matters section below. In order to better anticipate potential regulatory changes, NEER continues to actively evaluate and participate in regional market redesigns of existing operating rules for the integration of renewable energy resources and for the purchase and sale of energy commodities.

NEER EMPLOYEES

NEER and its subsidiaries had approximately 5,300 employees at December 31, 2016. Certain subsidiaries of NEER have collective bargaining agreements with the IBEW, the Utility Workers Union of America, the Security Police and Fire Professionals of America and the International Union of Operating Engineers, which collectively represent approximately 17% of NEER's employees. The collective bargaining agreements have three- to five-year terms and expire between 2018 and 2021.

NEE ENVIRONMENTAL MATTERS

NEE and FPL are subject to domestic and foreign environmental laws and regulations, including extensive federal, state and local environmental statutes, rules and regulations, for the siting, construction and ongoing operations of their facilities. The U.S. Congress and certain states and regions, as well as the Government of Canada and its provinces, have taken and continue to take certain actions, such as proposing and finalizing regulation or setting targets or goals, regarding the reduction of GHG emissions and the increase of renewable energy generation. Numerous environmental regulations also affecting FPL, NEER and certain other subsidiaries relate to threatened and endangered species and their habitats, as well as other avian and bat species. Complying with these environmental laws and regulations results in, among other things, changes in the design and operation of existing facilities and changes or delays in the location, design, construction and operation of new facilities. The impact of complying with current environmental laws and regulations has not had, and, along with compliance with proposed regulations as currently written, is not expected to have, a material adverse effect on the financial statements of NEE and FPL. As permitted by the environmental clause, FPL expects to seek recovery for compliance costs associated with any new environmental laws and regulations.

WEBSITE ACCESS TO SEC FILINGS

NEE and FPL make their SEC filings, including the annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports, available free of charge on NEE's internet website, www.nexteraenergy.com, as soon as reasonably practicable after those documents are electronically filed with or furnished to the SEC. The information and materials available on NEE's website (or any of its subsidiaries' websites) are not incorporated by reference into this combined Form 10-K. The SEC maintains an internet website that contains reports, proxy and information statements, and other information regarding registrants that file electronically with the SEC at www.sec.gov.

EXECUTIVE OFFICERS OF NEE[a]

Name	Age	Position	Effective Date
Miguel Arechabala	56	Executive Vice President, Power Generation Division of NEE Executive Vice President, Power Generation Division of FPL	January 1, 2014
Deborah H. Caplan	54	Executive Vice President, Human Resources and Corporate Services of NEE Executive Vice President, Human Resources and Corporate Services of FPL	April 15, 2013
Terrell Kirk Crews, II	38	Vice President, Controller and Chief Accounting Officer of NEE	September 19, 2016
Paul I. Cutler	57	Treasurer of NEE Treasurer of FPL Assistant Secretary of NEE	February 19, 2003 February 18, 2003 December 10, 1997
Joseph T. Kelliher	56	Executive Vice President, Federal Regulatory Affairs of NEE	May 18, 2009
John W. Ketchum	46	Executive Vice President, Finance and Chief Financial Officer of NEE Executive Vice President, Finance and Chief Financial Officer of FPL	March 4, 2016
Manoochehr K. Nazar	62	President Nuclear Division and Chief Nuclear Officer of NEE President Nuclear Division and Chief Nuclear Officer of FPL	May 23, 2014 May 30, 2014
Armando Pimentel, Jr.	54	President and Chief Executive Officer of NEER	October 5, 2011
James L. Robo	54	Chairman, President and Chief Executive Officer of NEE Chairman of FPL	December 13, 2013 May 2, 2012
Charles E. Sieving	44	Executive Vice President & General Counsel of NEE Executive Vice President of FPL	December 1, 2008 January 1, 2009
Eric E. Silagy	51	President and Chief Executive Officer of FPL	May 30, 2014
William L. Yeager	58	Executive Vice President, Engineering, Construction and Integrated Supply Chain of NEE Executive Vice President, Engineering, Construction and Integrated Supply Chain of FPL	January 1, 2013

(a) Information is as of February 23, 2017. Executive officers are elected annually by, and serve at the pleasure of, their respective boards of directors. Except as noted below, each officer has held his/her present position for five years or more and his/her employment history is continuous. Mr. Arechabala was president of NextEra Energy España, S.L., an indirect wholly owned subsidiary of NEE, from February 2010 to December 2013. Ms. Caplan was vice president and chief operating officer of FPL from May 2011 to April 2013. Mr. Crews served as NEE's Vice President, Finance from April 2016 to September 2016. From July 2015 to April 2016, he was a Partner in the national office of Deloitte & Touche LLP (Deloitte); from June 2013 to June 2015, he served as a professional accounting fellow in the Office of the Chief Accountant of the SEC; and from June 2010 to June 2013, he was an audit service senior manager at Deloitte. Mr. Ketchum served as NEE's Senior Vice President, Finance from February 2015 to March 2016, and Senior Vice President, Business Management and Finance from December 2013 to February 2015. From December 2012 to December 2013, he was Senior Vice President, Business Management of NEER and Vice President, General Counsel & Secretary of NEER from June 2009 to December 2012. Mr. Nazar has been chief nuclear officer of NEE and FPL since January 2010 and was executive vice president, nuclear division of NEE and FPL from January 2010 to May 2014. Mr. Robo has been president and chief executive officer of NEE since July 2012. Mr. Robo was the chief executive officer of FPL from May 2012 to May 2014 and president and chief operating officer of NEE from December 2006 to June 2012. Mr. Silagy has been president of FPL since December 2011. Mr. Yeager was vice president, engineering, construction and integrated supply chain services of NEE and FPL from October 2012 to December 2012 and vice president, integrated supply chain of NEE and FPL from May 2011 to October 2012.

Item 1A. Risk Factors

Risks Relating to NEE's and FPL's Business

The business, financial condition, results of operations and prospects of NEE and FPL are subject to a variety of risks, many of which are beyond the control of NEE and FPL. These risks, as well as additional risks and uncertainties either not presently known or that are currently believed to not be material to the business, may materially adversely affect the business, financial condition, results of operations and prospects of NEE and FPL and may cause actual results of NEE and FPL to differ substantially from those that NEE or FPL currently expects or seeks. In that event, the market price for the securities of NEE or FPL could decline. Accordingly, the risks described below should be carefully considered together with the other information set forth in this report and in future reports that NEE and FPL file with the SEC.

Regulatory, Legislative and Legal Risks

NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected by the extensive regulation of their business.

The operations of NEE and FPL are subject to complex and comprehensive federal, state and other regulation. This extensive regulatory framework, portions of which are more specifically identified in the following risk factors, regulates, among other things and to varying degrees, NEE's and FPL's industries, businesses, rates and cost structures, operation and licensing of nuclear power facilities, construction and operation of electricity generation, transmission and distribution facilities and natural gas and oil production, natural gas, oil and other fuel transportation, processing and storage facilities, acquisition, disposal, depreciation and amortization of facilities and other assets, decommissioning costs and funding, service reliability, wholesale and retail competition, and commodities trading and derivatives transactions. In their business planning and in the management of their operations, NEE and FPL must address the effects of regulation on their business and any inability or failure to do so adequately could have a material adverse effect on their business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if they are unable to recover in a timely manner any significant amount of costs, a return on certain assets or a reasonable return on invested capital through base rates, cost recovery clauses, other regulatory mechanisms or otherwise.

FPL is an electric utility subject to the jurisdiction of the FPSC over a wide range of business activities, including, among other items, the retail rates charged to its customers through base rates and cost recovery clauses, the terms and conditions of its services, procurement of electricity for its customers and fuel for its plant operations, issuances of securities, and aspects of the siting, construction and operation of its generation plants and transmission and distribution systems for the sale of electric energy. The FPSC has the authority to disallow recovery by FPL of costs that it considers excessive or imprudently incurred and to determine the level of return that FPL is permitted to earn on invested capital. The regulatory process, which may be adversely affected by the political, regulatory and economic environment in Florida and elsewhere, limits or could otherwise adversely impact FPL's earnings. The regulatory process also does not provide any assurance as to achievement of authorized or other earnings levels, or that FPL will be permitted to earn an acceptable return on capital investments it wishes to make. NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected if any material amount of costs, a return on certain assets or a reasonable return on invested capital cannot be recovered through base rates, cost recovery clauses, other regulatory mechanisms or otherwise. Certain other subsidiaries of NEE are transmission utilities subject to the jurisdiction of their regulators and are subject to similar risks.

Regulatory decisions that are important to NEE and FPL may be materially adversely affected by political, regulatory and economic factors.

The local and national political, regulatory and economic environment has had, and may in the future have, an adverse effect on FPSC decisions with negative consequences for FPL. These decisions may require, for example, FPL to cancel or delay planned development activities, to reduce or delay other planned capital expenditures or to pay for investments or otherwise incur costs that it may not be able to recover through rates, each of which could have a material adverse effect on the business, financial condition, results of operations and prospects of NEE and FPL. Certain other subsidiaries of NEE are subject to similar risks.

FPL's use of derivative instruments could be subject to prudence challenges and, if found imprudent, could result in disallowances of cost recovery for such use by the FPSC.

The FPSC engages in an annual prudence review of FPL's use of derivative instruments in its risk management fuel procurement program and should it find any such use to be imprudent, the FPSC could deny cost recovery for such use by FPL. Such an outcome could have a material adverse effect on FPL's business, financial condition, results of operations and prospects.

Any reductions or modifications to, or the elimination of, governmental incentives or policies that support utility scale renewable energy, including, but not limited to, tax laws, policies and incentives, RPS, feed-in tariffs or the Clean Power Plan, or the imposition of additional taxes or other assessments on renewable energy, could result in, among other items, the lack of a satisfactory market for the development and/or financing of new renewable energy projects, NEER abandoning

the development of renewable energy projects, a loss of NEER's investments in renewable energy projects and reduced project returns, any of which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

NEER depends heavily on government policies that support utility scale renewable energy and enhance the economic feasibility of developing and operating wind and solar energy projects in regions in which NEER operates or plans to develop and operate renewable energy facilities. The federal government, a majority of the 50 U.S. states and portions of Canada and Spain provide incentives, such as tax incentives, RPS, feed-in tariffs or the Clean Power Plan, that support or are designed to support the sale of energy from utility scale renewable energy facilities, such as wind and solar energy facilities. As a result of budgetary constraints, political factors or otherwise, governments from time to time may review their laws and policies that support renewable energy and consider actions that would make the laws and policies less conducive to the development and operation of renewable energy facilities. Any reductions or modifications to, or the elimination of, governmental incentives or policies that support renewable energy or the imposition of additional taxes or other assessments on renewable energy, could result in, among other items, the lack of a satisfactory market for the development and/or financing of new renewable energy projects, NEER abandoning the development of renewable energy projects, a loss of NEER's investments in the projects and reduced project returns, any of which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected as a result of new or revised laws, regulations, interpretations or other regulatory initiatives.

NEE's and FPL's business is influenced by various legislative and regulatory initiatives, including, but not limited to, new or revised laws, including international trade laws, regulations, interpretations and other regulatory initiatives regarding deregulation or restructuring of the energy industry, regulation of the commodities trading and derivatives markets, and regulation of environmental matters, such as regulation of air emissions, regulation of water consumption and water discharges, and regulation of gas and oil infrastructure operations, as well as associated environmental permitting. Changes in the nature of the regulation of NEE's and FPL's business could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects. NEE and FPL are unable to predict future legislative or regulatory changes, initiatives or interpretations, although any such changes, initiatives or interpretations may increase costs and competitive pressures on NEE and FPL, which could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

FPL has limited competition in the Florida market for retail electricity customers. Any changes in Florida law or regulation which introduce competition in the Florida retail electricity market, such as government incentives that facilitate the installation of solar generation facilities on residential or other rooftops at below cost or that are otherwise subsidized by non-participants, or would permit third-party sales of electricity, could have a material adverse effect on FPL's business, financial condition, results of operations and prospects. There can be no assurance that FPL will be able to respond adequately to such regulatory changes, which could have a material adverse effect on FPL's business, financial condition, results of operations and prospects.

NEER is subject to FERC rules related to transmission that are designed to facilitate competition in the wholesale market on practically a nationwide basis by providing greater certainty, flexibility and more choices to wholesale power customers. NEE cannot predict the impact of changing FERC rules or the effect of changes in levels of wholesale supply and demand, which are typically driven by factors beyond NEE's control. There can be no assurance that NEER will be able to respond adequately or sufficiently quickly to such rules and developments, or to any other changes that reverse or restrict the competitive restructuring of the energy industry in those jurisdictions in which such restructuring has occurred. Any of these events could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

NEE's and FPL's OTC financial derivatives are subject to rules implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act and similar international regulations that are designed to promote transparency, mitigate systemic risk and protect against market abuse. NEE and FPL cannot predict the impact any proposed or not fully implemented final rules will have on their ability to hedge their commodity and interest rate risks or on OTC derivatives markets as a whole, but such rules and regulations could have a material adverse effect on NEE's and FPL's risk exposure, as well as reduce market liquidity and further increase the cost of hedging activities.

NEE and FPL are subject to numerous environmental laws, regulations and other standards that may result in capital expenditures, increased operating costs and various liabilities, and may require NEE and FPL to limit or eliminate certain operations.

NEE and FPL are subject to domestic and foreign environmental laws, regulations and other standards, including, but not limited to, extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality and usage, climate change, emissions of greenhouse gases, including, but not limited to, CO_2, waste management, hazardous wastes, marine, avian and other wildlife mortality and habitat protection, historical artifact preservation, natural resources, health (including, but not limited to, electric and magnetic fields from power lines and substations), safety and RPS, that could, among other things, prevent or delay the development of power generation, power or natural gas transmission, or other infrastructure projects, restrict the output of some existing facilities, limit the availability and use of some fuels required for the production of electricity, require additional pollution control equipment, and otherwise increase costs, increase capital expenditures and limit or eliminate certain operations.

There are significant capital, operating and other costs associated with compliance with these environmental statutes, rules and regulations, and those costs could be even more significant in the future as a result of new requirements and stricter or more expansive application of existing environmental regulations. For example, among other new, potential or pending changes are federal regulation of CO_2 emissions under the Clean Power Plan and state and federal regulation of the use of hydraulic fracturing or similar technologies to drill for natural gas and related compounds used by NEE's gas infrastructure business.

Violations of current or future laws, rules, regulations or other standards could expose NEE and FPL to regulatory and legal proceedings, disputes with, and legal challenges by, third parties, and potentially significant civil fines, criminal penalties and other sanctions. Proceedings could include, for example, litigation regarding property damage, personal injury, common law nuisance and enforcement by citizens or governmental authorities of environmental requirements such as air, water and soil quality standards.

NEE's and FPL's business could be negatively affected by federal or state laws or regulations mandating new or additional limits on the production of greenhouse gas emissions.

Federal or state laws or regulations may be adopted that would impose new or additional limits on the emissions of greenhouse gases, including, but not limited to, CO_2 and methane, from electric generation units using fossil fuels like coal and natural gas. Although it is currently subject to a stay issued by the U.S. Supreme Court, the Clean Power Plan is an example of such a new regulation at the federal level. The potential effects of greenhouse gas emission limits on NEE's and FPL's electric generation units are subject to significant uncertainties based on, among other things, the timing of the implementation of any new requirements, the required levels of emission reductions, the nature of any market-based or tax-based mechanisms adopted to facilitate reductions, the relative availability of greenhouse gas emission reduction offsets, the development of cost-effective, commercial-scale carbon capture and storage technology and supporting regulations and liability mitigation measures, and the range of available compliance alternatives.

While NEE's and FPL's electric generation units emit greenhouse gases at a lower rate of emissions than most of the U.S. electric generation sector, the results of operations of NEE and FPL could be materially adversely affected to the extent that new federal or state laws or regulations impose any new greenhouse gas emission limits. Any future limits on greenhouse gas emissions could:

- create substantial additional costs in the form of taxes or emission allowances;
- make some of NEE's and FPL's electric generation units uneconomical to operate in the long term;
- require significant capital investment in carbon capture and storage technology, fuel switching, or the replacement of high-emitting generation facilities with lower-emitting generation facilities; or
- affect the availability or cost of fossil fuels.

There can be no assurance that NEE or FPL would be able to completely recover any such costs or investments, which could have a material adverse effect on their business, financial condition, results of operations and prospects.

Extensive federal regulation of the operations and businesses of NEE and FPL exposes NEE and FPL to significant and increasing compliance costs and may also expose them to substantial monetary penalties and other sanctions for compliance failures.

NEE's and FPL's operations and businesses are subject to extensive federal regulation, which generally imposes significant and increasing compliance costs on their operations and businesses. Additionally, any actual or alleged compliance failures could result in significant costs and other potentially adverse effects of regulatory investigations, proceedings, settlements, decisions and claims, including, among other items, potentially significant monetary penalties. As an example, under the Energy Policy Act of 2005, NEE and FPL, as owners and operators of bulk-power transmission systems and/or electric generation facilities, are subject to mandatory reliability standards. Compliance with these mandatory reliability standards may subject NEE and FPL to higher operating costs and may result in increased capital expenditures. If FPL or NEE is found not to be in compliance with these standards, it may incur substantial monetary penalties and other sanctions. Both the costs of regulatory compliance and the costs that may be imposed as a result of any actual or alleged compliance failures could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

Changes in tax laws, guidance or policies, including but not limited to changes in corporate income tax rates, as well as judgments and estimates used in the determination of tax-related asset and liability amounts, could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's and FPL's provision for income taxes and reporting of tax-related assets and liabilities require significant judgments and the use of estimates. Amounts of tax-related assets and liabilities involve judgments and estimates of the timing and probability of recognition of income, deductions and tax credits, including, but not limited to, estimates for potential adverse outcomes regarding tax positions that have been taken and the ability to utilize tax benefit carryforwards, such as net operating loss and tax credit carryforwards. Actual income taxes could vary significantly from estimated amounts due to the future impacts of, among other things, changes in tax laws, guidance or policies, including changes in corporate income tax rates, the financial condition and results of operations of NEE and FPL, and the resolution of audit issues raised by taxing authorities. These factors, including the ultimate resolution of income tax matters, may result in material adjustments to tax-related assets and liabilities, which could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected due to adverse results of litigation.

NEE's and FPL's business, financial condition, results of operations and prospects may be materially affected by adverse results of litigation. Unfavorable resolution of legal proceedings in which NEE is involved or other future legal proceedings, including, but not limited to, class action lawsuits, may have a material adverse effect on the business, financial condition, results of operations and prospects of NEE and FPL.

Operational Risks

NEE's and FPL's business, financial condition, results of operations and prospects could suffer if NEE and FPL do not proceed with projects under development or are unable to complete the construction of, or capital improvements to, electric generation, transmission and distribution facilities, gas infrastructure facilities or other facilities on schedule or within budget.

NEE's and FPL's ability to proceed with projects under development and to complete construction of, and capital improvement projects for, their electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities on schedule and within budget may be adversely affected by escalating costs for materials and labor and regulatory compliance, inability to obtain or renew necessary licenses, rights-of-way, permits or other approvals on acceptable terms or on schedule, disputes involving contractors, labor organizations, land owners, governmental entities, environmental groups, Native American and aboriginal groups, lessors, joint venture partners and other third parties, negative publicity, transmission interconnection issues and other factors. If any development project or construction or capital improvement project is not completed, is delayed or is subject to cost overruns, certain associated costs may not be approved for recovery or otherwise be recoverable through regulatory mechanisms that may be available, and NEE and FPL could become obligated to make delay or termination payments or become obligated for other damages under contracts, could experience the loss of tax credits or tax incentives, or delayed or diminished returns, and could be required to write off all or a portion of their investment in the project. Any of these events could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE and FPL may face risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development agreements that may impede their development and operating activities.

NEE and FPL own, develop, construct, manage and operate electric-generation and transmission facilities and natural gas transmission facilities. A key component of NEE's and FPL's growth is their ability to construct and operate generation and transmission facilities to meet customer needs. As part of these operations, NEE and FPL must periodically apply for licenses and permits from various local, state, federal and other regulatory authorities and abide by their respective conditions. Should NEE or FPL be unsuccessful in obtaining necessary licenses or permits on acceptable terms, should there be a delay in obtaining or renewing necessary licenses or permits or should regulatory authorities initiate any associated investigations or enforcement actions or impose related penalties or disallowances on NEE or FPL, NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected. Any failure to negotiate successful project development agreements for new facilities with third parties could have similar results.

The operation and maintenance of NEE's and FPL's electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities are subject to many operational risks, the consequences of which could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's and FPL's electric generation, transmission and distribution facilities, gas infrastructure facilities and other facilities are subject to many operational risks. Operational risks could result in, among other things, lost revenues due to prolonged outages, increased expenses due to monetary penalties or fines for compliance failures, liability to third parties for property and personal injury damage, a failure to perform under applicable power sales agreements or other agreements and associated loss of revenues from terminated agreements or liability for liquidated damages under continuing agreements, and replacement equipment costs or an obligation to purchase or generate replacement power at higher prices.

Uncertainties and risks inherent in operating and maintaining NEE's and FPL's facilities include, but are not limited to:

- risks associated with facility start-up operations, such as whether the facility will achieve projected operating performance on schedule and otherwise as planned;
- failures in the availability, acquisition or transportation of fuel or other necessary supplies;
- the impact of unusual or adverse weather conditions and natural disasters, including, but not limited to, hurricanes, tornadoes, icing events, floods, earthquakes and droughts;
- performance below expected or contracted levels of output or efficiency;
- breakdown or failure, including, but not limited to, explosions, fires, leaks or other major events, of equipment, transmission and distribution lines or pipelines;
- availability of replacement equipment;

- risks of property damage or human injury from energized equipment, hazardous substances or explosions, fires, leaks or other events;
- availability of adequate water resources and ability to satisfy water intake and discharge requirements;
- inability to identify, manage properly or mitigate equipment defects in NEE's and FPL's facilities;
- use of new or unproven technology;
- risks associated with dependence on a specific type of fuel or fuel source, such as commodity price risk, availability of adequate fuel supply and transportation, and lack of available alternative fuel sources;
- increased competition due to, among other factors, new facilities, excess supply, shifting demand and regulatory changes; and
- insufficient insurance, warranties or performance guarantees to cover any or all lost revenues or increased expenses from the foregoing.

NEE's and FPL's business, financial condition, results of operations and prospects may be negatively affected by a lack of growth or slower growth in the number of customers or in customer usage.

Growth in customer accounts and growth of customer usage each directly influence the demand for electricity and the need for additional power generation and power delivery facilities, as well as the need for energy-related commodities such as natural gas. Customer growth and customer usage are affected by a number of factors outside the control of NEE and FPL, such as mandated energy efficiency measures, demand side management requirements, and economic and demographic conditions, such as population changes, job and income growth, housing starts, new business formation and the overall level of economic activity. A lack of growth, or a decline, in the number of customers or in customer demand for electricity or natural gas and other fuels may cause NEE and FPL to fail to fully realize the anticipated benefits from significant investments and expenditures and could have a material adverse effect on NEE's and FPL's growth, business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather.

Weather conditions directly influence the demand for electricity and natural gas and other fuels and affect the price of energy and energy-related commodities. In addition, severe weather and natural disasters, such as hurricanes, floods, tornadoes, icing events and earthquakes, can be destructive and cause power outages and property damage, reduce revenue, affect the availability of fuel and water, and require NEE and FPL to incur additional costs, for example, to restore service and repair damaged facilities, to obtain replacement power and to access available financing sources. Furthermore, NEE's and FPL's physical plants could be placed at greater risk of damage should changes in the global climate produce unusual variations in temperature and weather patterns, resulting in more intense, frequent and extreme weather events, abnormal levels of precipitation and, particularly relevant to FPL, a change in sea level. FPL operates in the east and lower west coasts of Florida, an area that historically has been prone to severe weather events, such as hurricanes. A disruption or failure of electric generation, transmission or distribution systems or natural gas production, transmission, storage or distribution systems in the event of a hurricane, tornado or other severe weather event, or otherwise, could prevent NEE and FPL from operating their business in the normal course and could result in any of the adverse consequences described above. Any of the foregoing could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

At FPL and other businesses of NEE where cost recovery is available, recovery of costs to restore service and repair damaged facilities is or may be subject to regulatory approval, and any determination by the regulator not to permit timely and full recovery of the costs incurred could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

Changes in weather can also affect the production of electricity at power generation facilities, including, but not limited to, NEER's wind and solar facilities. For example, the level of wind resource affects the revenue produced by wind generation facilities. Because the levels of wind and solar resources are variable and difficult to predict, NEER's results of operations for individual wind and solar facilities specifically, and NEE's results of operations generally, may vary significantly from period to period, depending on the level of available resources. To the extent that resources are not available at planned levels, the financial results from these facilities may be less than expected.

Threats of terrorism and catastrophic events that could result from terrorism, cyber attacks, or individuals and/or groups attempting to disrupt NEE's and FPL's business, or the businesses of third parties, may materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

NEE and FPL are subject to the potentially adverse operating and financial effects of terrorist acts and threats, as well as cyber attacks and other disruptive activities of individuals or groups. There have been cyber attacks on energy infrastructure such as substations, gas pipelines and related assets in the past and there may be such attacks in the future. NEE's and FPL's generation, transmission and distribution facilities, fuel storage facilities, information technology systems and other infrastructure facilities and systems could be direct targets of, or otherwise be materially adversely affected by, such activities.

Terrorist acts, cyber attacks or other similar events affecting NEE's and FPL's systems and facilities, or those of third parties on which NEE and FPL rely, could harm NEE's and FPL's business, for example, by limiting their ability to generate, purchase or transmit power, natural gas or other energy-related commodities by limiting their ability to bill customers and collect and process

payments, and by delaying their development and construction of new generation, distribution or transmission facilities or capital improvements to existing facilities. These events, and governmental actions in response, could result in a material decrease in revenues, significant additional costs (for example, to repair assets, implement additional security requirements or maintain or acquire insurance), significant fines and penalties, and reputational damage, could materially adversely affect NEE's and FPL's operations (for example, by contributing to disruption of supplies and markets for natural gas, oil and other fuels), and could impair NEE's and FPL's ability to raise capital (for example, by contributing to financial instability and lower economic activity). In addition, the implementation of security guidelines and measures has resulted in and is expected to continue to result in increased costs. Such events or actions may materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

The ability of NEE and FPL to obtain insurance and the terms of any available insurance coverage could be materially adversely affected by international, national, state or local events and company-specific events, as well as the financial condition of insurers. NEE's and FPL's insurance coverage does not provide protection against all significant losses.

Insurance coverage may not continue to be available or may not be available at rates or on terms similar to those presently available to NEE and FPL. The ability of NEE and FPL to obtain insurance and the terms of any available insurance coverage could be materially adversely affected by international, national, state or local events and company-specific events, as well as the financial condition of insurers. If insurance coverage is not available or obtainable on acceptable terms, NEE or FPL may be required to pay costs associated with adverse future events. NEE and FPL generally are not fully insured against all significant losses. For example, FPL is not fully insured against hurricane-related losses, but would instead seek recovery of such uninsured losses from customers subject to approval by the FPSC, to the extent losses exceed restricted funds set aside to cover the cost of storm damage. A loss for which NEE or FPL is not fully insured could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE invests in gas and oil producing and transmission assets through NEER's gas infrastructure business. The gas infrastructure business is exposed to fluctuating market prices of natural gas, natural gas liquids, oil and other energy commodities. A prolonged period of low gas and oil prices could impact NEER's gas infrastructure business and cause NEER to delay or cancel certain gas infrastructure projects and for certain existing projects to be impaired, which could materially adversely affect NEE's results of operations.

Natural gas and oil prices are affected by supply and demand, both globally and regionally. Factors that influence supply and demand include operational issues, natural disasters, weather, political instability, conflicts, new discoveries, technological advances, economic conditions and actions by major oil-producing countries. There can be significant volatility in market prices for gas and oil, and price fluctuations could have a material effect on the financial performance of gas and oil producing and transmission assets. For example, in a low gas and oil price environment, NEER would generate less revenue from its gas infrastructure investments in gas and oil producing properties, and as a result certain investments might become less profitable or incur losses. Prolonged periods of low oil and gas prices could also result in oil and gas production and transmission projects to be delayed or cancelled or to experience lower returns, and for certain projects to become impaired, which could materially adversely affect NEE's results of operations.

If supply costs necessary to provide NEER's full energy and capacity requirement services are not favorable, operating costs could increase and materially adversely affect NEE's business, financial condition, results of operations and prospects.

NEER provides full energy and capacity requirements services primarily to distribution utilities, which include load-following services and various ancillary services, to satisfy all or a portion of such utilities' power supply obligations to their customers. The supply costs for these transactions may be affected by a number of factors, including, but not limited to, events that may occur after such utilities have committed to supply power, such as weather conditions, fluctuating prices for energy and ancillary services, and the ability of the distribution utilities' customers to elect to receive service from competing suppliers. NEER may not be able to recover all of its increased supply costs, which could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

Due to the potential for significant volatility in market prices for fuel, electricity and renewable and other energy commodities, NEER's inability or failure to manage properly or hedge effectively the commodity risks within its portfolios could materially adversely affect NEE's business, financial condition, results of operations and prospects.

There can be significant volatility in market prices for fuel, electricity and renewable and other energy commodities. NEE's inability or failure to manage properly or hedge effectively its assets or positions against changes in commodity prices, volumes, interest rates, counterparty credit risk or other risk measures, based on factors both from within, or wholly or partially outside of, NEE's control, may materially adversely affect NEE's business, financial condition, results of operations and prospects.

Reductions in the liquidity of energy markets may restrict the ability of NEE to manage its operational risks, which, in turn, could negatively affect NEE's results of operations.

NEE is an active participant in energy markets. The liquidity of regional energy markets is an important factor in NEE's ability to manage risks in these operations. Market liquidity is driven in part by the number of active market participants, which has declined in recent years as some banks and other financial institutions have withdrawn from power marketing. Liquidity in the energy markets can be adversely affected by price volatility, restrictions on the availability of credit and other factors, and any reduction in the liquidity of energy markets could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

NEE's and FPL's hedging and trading procedures and associated risk management tools may not protect against significant losses.

NEE and FPL have hedging and trading procedures and associated risk management tools, such as separate but complementary financial, credit, operational, compliance and legal reporting systems, internal controls, management review processes and other mechanisms. NEE and FPL are unable to assure that such procedures and tools will be effective against all potential risks, including, without limitation, employee misconduct. If such procedures and tools are not effective, this could have a material adverse effect on NEE's business, financial condition, results of operations and prospects.

If price movements significantly or persistently deviate from historical behavior, NEE's and FPL's risk management tools associated with their hedging and trading procedures may not protect against significant losses.

NEE's and FPL's risk management tools and metrics associated with their hedging and trading procedures, such as daily value at risk, earnings at risk, stop loss limits and liquidity guidelines, are based on historical price movements. Due to the inherent uncertainty involved in price movements and potential deviation from historical pricing behavior, NEE and FPL are unable to assure that their risk management tools and metrics will be effective to protect against material adverse effects on their business, financial condition, results of operations and prospects.

If power transmission or natural gas, nuclear fuel or other commodity transportation facilities are unavailable or disrupted, FPL's and NEER's ability to sell and deliver power or natural gas may be limited.

FPL and NEER depend upon power transmission and natural gas, nuclear fuel and other commodity transportation facilities, many of which they do not own. Occurrences affecting the operation of these facilities that may or may not be beyond FPL's and NEER's control (such as severe weather or a generation or transmission facility outage, pipeline rupture, or sudden and significant increase or decrease in wind generation) may limit or halt the ability of FPL and NEER to sell and deliver power and natural gas, or to purchase necessary fuels and other commodities, which could materially adversely impact NEE's and FPL's business, financial condition, results of operations and prospects.

NEE and FPL are subject to credit and performance risk from customers, hedging counterparties and vendors.

NEE and FPL are exposed to risks associated with the creditworthiness and performance of their customers, hedging counterparties and vendors under contracts for the supply of equipment, materials, fuel and other goods and services required for their business operations and for the construction and operation of, and for capital improvements to, their facilities. Adverse conditions in the energy industry or the general economy, as well as circumstances of individual customers, hedging counterparties and vendors, may adversely affect the ability of some customers, hedging counterparties and vendors to perform as required under their contracts with NEE and FPL. For example, the prolonged downturn in oil and natural gas prices has adversely affected the financial stability of a number of enterprises in the energy industry, including some with which NEE does business.

If any hedging, vending or other counterparty fails to fulfill its contractual obligations, NEE and FPL may need to make arrangements with other counterparties or vendors, which could result in material financial losses, higher costs, untimely completion of power generation facilities and other projects, and/or a disruption of their operations. If a defaulting counterparty is in poor financial condition, NEE and FPL may not be able to recover damages for any contract breach.

NEE and FPL could recognize financial losses or a reduction in operating cash flows if a counterparty fails to perform or make payments in accordance with the terms of derivative contracts or if NEE or FPL is required to post margin cash collateral under derivative contracts.

NEE and FPL use derivative instruments, such as swaps, options, futures and forwards, some of which are traded in the OTC markets or on exchanges, to manage their commodity and financial market risks, and for NEE to engage in trading and marketing activities. Any failures by their counterparties to perform or make payments in accordance with the terms of those transactions could have a material adverse effect on NEE's or FPL's business, financial condition, results of operations and prospects. Similarly, any requirement for FPL or NEE to post margin cash collateral under its derivative contracts could have a material adverse effect on its business, financial condition, results of operations and prospects. These risks may be increased during periods of adverse market or economic conditions affecting the industries in which NEE participates.

NEE and FPL are highly dependent on sensitive and complex information technology systems, and any failure or breach of those systems could have a material adverse effect on their business, financial condition, results of operations and prospects.

NEE and FPL operate in a highly regulated industry that requires the continuous functioning of sophisticated information technology systems and network infrastructure. Despite NEE's and FPL's implementation of security measures, all of their technology systems are vulnerable to disability, failures or unauthorized access due to such activities. If NEE's or FPL's information technology systems were to fail or be breached, sensitive confidential and other data could be compromised and NEE and FPL could be unable to fulfill critical business functions.

NEE's and FPL's business is highly dependent on their ability to process and monitor, on a daily basis, a very large number of transactions, many of which are highly complex and cross numerous and diverse markets. Due to the size, scope, complexity and geographical reach of NEE's and FPL's business, the development and maintenance of information technology systems to keep track of and process information is critical and challenging. NEE's and FPL's operating systems and facilities may fail to operate properly or become disabled as a result of events that are either within, or wholly or partially outside of, their control, such as operator error, severe weather or terrorist activities. Any such failure or disabling event could materially adversely affect NEE's and FPL's ability to process transactions and provide services, and their business, financial condition, results of operations and prospects.

NEE and FPL add, modify and replace information systems on a regular basis. Modifying existing information systems or implementing new or replacement information systems is costly and involves risks, including, but not limited to, integrating the modified, new or replacement system with existing systems and processes, implementing associated changes in accounting procedures and controls, and ensuring that data conversion is accurate and consistent. Any disruptions or deficiencies in existing information systems, or disruptions, delays or deficiencies in the modification or implementation of new information systems, could result in increased costs, the inability to track or collect revenues and the diversion of management's and employees' attention and resources, and could negatively impact the effectiveness of the companies' control environment, and/or the companies' ability to timely file required regulatory reports.

NEE and FPL also face the risks of operational failure or capacity constraints of third parties, including, but not limited to, those who provide power transmission and natural gas transportation services.

NEE's and FPL's retail businesses are subject to the risk that sensitive customer data may be compromised, which could result in a material adverse impact to their reputation and/or have a material adverse effect on the business, financial condition, results of operations and prospects of NEE and FPL.

NEE's and FPL's retail businesses require access to sensitive customer data in the ordinary course of business. NEE's and FPL's retail businesses may also need to provide sensitive customer data to vendors and service providers who require access to this information in order to provide services, such as call center services, to the retail businesses. If a significant breach occurred, the reputation of NEE and FPL could be materially adversely affected, customer confidence could be diminished, or customer information could be subject to identity theft. NEE and FPL would be subject to costs associated with the breach and/or NEE and FPL could be subject to fines and legal claims, any of which may have a material adverse effect on the business, financial condition, results of operations and prospects of NEE and FPL.

NEE and FPL could recognize financial losses as a result of volatility in the market values of derivative instruments and limited liquidity in OTC markets.

NEE and FPL execute transactions in derivative instruments on either recognized exchanges or via the OTC markets, depending on management's assessment of the most favorable credit and market execution factors. Transactions executed in OTC markets have the potential for greater volatility and less liquidity than transactions on recognized exchanges. As a result, NEE and FPL may not be able to execute desired OTC transactions due to such heightened volatility and limited liquidity.

In the absence of actively quoted market prices and pricing information from external sources, the valuation of derivative instruments involves management's judgment and use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these derivative instruments and have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE and FPL may be materially adversely affected by negative publicity.

From time to time, political and public sentiment may result in a significant amount of adverse press coverage and other adverse public statements affecting NEE and FPL. Adverse press coverage and other adverse statements, whether or not driven by political or public sentiment, may also result in investigations by regulators, legislators and law enforcement officials or in legal claims. Responding to these investigations and lawsuits, regardless of the ultimate outcome of the proceeding, can divert the time and effort of senior management from NEE's and FPL's business.

Addressing any adverse publicity, governmental scrutiny or enforcement or other legal proceedings is time consuming and expensive and, regardless of the factual basis for the assertions being made, can have a negative impact on the reputation of NEE and FPL,

on the morale and performance of their employees and on their relationships with their respective regulators. It may also have a negative impact on their ability to take timely advantage of various business and market opportunities. The direct and indirect effects of negative publicity, and the demands of responding to and addressing it, may have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects may be materially adversely affected if FPL is unable to maintain, negotiate or renegotiate franchise agreements on acceptable terms with municipalities and counties in Florida.

FPL must negotiate franchise agreements with municipalities and counties in Florida to provide electric services within such municipalities and counties, and electricity sales generated pursuant to these agreements represent a very substantial portion of FPL's revenues. If FPL is unable to maintain, negotiate or renegotiate such franchise agreements on acceptable terms, it could contribute to lower earnings and FPL may not fully realize the anticipated benefits from significant investments and expenditures, which could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's and FPL's business, financial condition, results of operations and prospects could be materially adversely affected by work strikes or stoppages and increasing personnel costs.

Employee strikes or work stoppages could disrupt operations and lead to a loss of revenue and customers. Personnel costs may also increase due to inflationary or competitive pressures on payroll and benefits costs and revised terms of collective bargaining agreements with union employees. These consequences could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

NEE's ability to successfully identify, complete and integrate acquisitions is subject to significant risks, including, but not limited to, the effect of increased competition for acquisitions resulting from the consolidation of the power industry.

NEE is likely to encounter significant competition for acquisition opportunities that may become available as a result of the consolidation of the power industry in general. In addition, NEE may be unable to identify attractive acquisition opportunities at favorable prices and to complete and integrate them successfully and in a timely manner.

NEP's acquisitions may not be completed and, even if completed, NEE may not realize the anticipated benefits of any acquisitions, which could materially adversely affect NEE's business, financial condition, results of operations and prospects.

NEE may not realize the anticipated benefits from the Texas pipeline business. Although NEP has made a number of acquisitions of wind and solar generation projects, the Texas pipeline business is the first third party acquisition by NEP and is NEP's first acquisition of natural gas pipeline assets.

In the future NEP may make additional acquisitions of assets which are inherently risky and NEE may not realize the anticipated benefits of any acquisitions, which could materially adversely affect NEE's business, financial condition, results of operations and prospects.

Nuclear Generation Risks

The operation and maintenance of NEE's and FPL's nuclear generation facilities involve environmental, health and financial risks that could result in fines or the closure of the facilities and in increased costs and capital expenditures.

NEE's and FPL's nuclear generation facilities are subject to environmental, health and financial risks, including, but not limited to, those relating to site storage of spent nuclear fuel, the disposition of spent nuclear fuel, leakage and emissions of tritium and other radioactive elements in the event of a nuclear accident or otherwise, the threat of a terrorist attack and other potential liabilities arising out of the ownership or operation of the facilities. NEE and FPL maintain decommissioning funds and external insurance coverage which are intended to reduce the financial exposure to some of these risks; however, the cost of decommissioning nuclear generation facilities could exceed the amount available in NEE's and FPL's decommissioning funds, and the exposure to liability and property damages could exceed the amount of insurance coverage. If NEE or FPL is unable to recover the additional costs incurred through insurance or, in the case of FPL, through regulatory mechanisms, their business, financial condition, results of operations and prospects could be materially adversely affected.

In the event of an incident at any nuclear generation facility in the U.S. or at certain nuclear generation facilities in Europe, NEE and FPL could be assessed significant retrospective assessments and/or retrospective insurance premiums as a result of their participation in a secondary financial protection system and nuclear insurance mutual companies.

Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, NEE maintains the maximum amount of private liability insurance obtainable, and participates in a secondary financial protection system, which provides liability insurance coverage for an incident at any nuclear reactor in the U.S. Under the secondary

financial protection system, NEE is subject to retrospective assessments and/or retrospective insurance premiums, plus any applicable taxes, for an incident at any nuclear reactor in the U.S. or at certain nuclear generation facilities in Europe, regardless of fault or proximity to the incident. Such assessments, if levied, could materially adversely affect NEE's and FPL's business, financial condition, results of operations and prospects.

NRC orders or new regulations related to increased security measures and any future safety requirements promulgated by the NRC could require NEE and FPL to incur substantial operating and capital expenditures at their nuclear generation facilities and/or result in reduced revenues.

The NRC has broad authority to impose licensing and safety-related requirements for the operation and maintenance of nuclear generation facilities, the addition of capacity at existing nuclear generation facilities and the construction of new nuclear generation facilities, and these requirements are subject to change. In the event of non-compliance, the NRC has the authority to impose fines and/or shut down a nuclear generation facility, depending upon the NRC's assessment of the severity of the situation, until compliance is achieved. Any of the foregoing events could require NEE and FPL to incur increased costs and capital expenditures, and could reduce revenues.

Any serious nuclear incident occurring at a NEE or FPL plant could result in substantial remediation costs and other expenses. A major incident at a nuclear facility anywhere in the world could cause the NRC to limit or prohibit the operation or licensing of any domestic nuclear generation facility. An incident at a nuclear facility anywhere in the world also could cause the NRC to impose additional conditions or other requirements on the industry, or on certain types of nuclear generation units, which could increase costs, reduce revenues and result in additional capital expenditures.

The inability to operate any of NEE's or FPL's nuclear generation units through the end of their respective operating licenses could have a material adverse effect on NEE's and FPL's business, financial condition, results of operations and prospects.

The operating licenses for NEE's and FPL's nuclear generation facilities extend through at least 2030. If the facilities cannot be operated for any reason through the life of those operating licenses, NEE or FPL may be required to increase depreciation rates, incur impairment charges and accelerate future decommissioning expenditures, any of which could materially adversely affect their business, financial condition, results of operations and prospects.

NEE's and FPL's nuclear units are periodically removed from service to accommodate planned refueling and maintenance outages, and for other purposes. If planned outages last longer than anticipated or if there are unplanned outages, NEE's and FPL's results of operations and financial condition could be materially adversely affected.

NEE's and FPL's nuclear units are periodically removed from service to accommodate planned refueling and maintenance outages, including, but not limited to, inspections, repairs and certain other modifications as well as to replace equipment. In the event that a scheduled outage lasts longer than anticipated or in the event of an unplanned outage due to, for example, equipment failure, such outages could materially adversely affect NEE's or FPL's business, financial condition, results of operations and prospects.

Liquidity, Capital Requirements and Common Stock Risks

Disruptions, uncertainty or volatility in the credit and capital markets may negatively affect NEE's and FPL's ability to fund their liquidity and capital needs and to meet their growth objectives, and can also materially adversely affect the results of operations and financial condition of NEE and FPL.

NEE and FPL rely on access to capital and credit markets as significant sources of liquidity for capital requirements and other operations requirements that are not satisfied by operating cash flows. Disruptions, uncertainty or volatility in those capital and credit markets could increase NEE's and FPL's cost of capital and affect their ability to fund their liquidity and capital needs and to meet their growth objectives. If NEE or FPL is unable to access regularly the capital and credit markets on terms that are reasonable, it may have to delay raising capital, issue shorter-term securities and incur an unfavorable cost of capital, which, in turn, could adversely affect its ability to grow its business, could contribute to lower earnings and reduced financial flexibility, and could have a material adverse effect on its business, financial condition, results of operations and prospects.

Although NEE's competitive energy and certain other subsidiaries have used non-recourse or limited-recourse, project-specific or other financing in the past, market conditions and other factors could adversely affect the future availability of such financing. The inability of NEE's subsidiaries, including, without limitation, NEECH and NEP and their respective subsidiaries, to access the capital and credit markets to provide project-specific or other financing for electric generation or other facilities or acquisitions on favorable terms, whether because of disruptions or volatility in those markets or otherwise, could necessitate additional capital raising or borrowings by NEE and/or NEECH in the future.

The inability of subsidiaries that have existing project-specific or other financing arrangements to meet the requirements of various agreements relating to those financings could give rise to a project-specific financing default which, if not cured or waived, might result in the specific project, and potentially in some limited instances its parent companies, being required to repay the associated debt or other borrowings earlier than otherwise anticipated, and if such repayment were not made, the lenders or security holders

would generally have rights to foreclose against the project assets and related collateral. Such an occurrence also could result in NEE expending additional funds or incurring additional obligations over the shorter term to ensure continuing compliance with project-specific financing arrangements based upon the expectation of improvement in the project's performance or financial returns over the longer term. Any of these actions could materially adversely affect NEE's business, financial condition, results of operations and prospects, as well as the availability or terms of future financings for NEE or its subsidiaries.

NEE's, NEECH's and FPL's inability to maintain their current credit ratings may materially adversely affect NEE's and FPL's liquidity and results of operations, limit the ability of NEE and FPL to grow their business, and increase interest costs.

The inability of NEE, NEECH and FPL to maintain their current credit ratings could materially adversely affect their ability to raise capital or obtain credit on favorable terms, which, in turn, could impact NEE's and FPL's ability to grow their business and service indebtedness and repay borrowings, and would likely increase their interest costs. In addition, certain agreements and guarantee arrangements would require posting of additional collateral in the event of a ratings downgrade. Some of the factors that can affect credit ratings are cash flows, liquidity, the amount of debt as a component of total capitalization, NEE's overall business mix and political, legislative and regulatory actions. There can be no assurance that one or more of the ratings of NEE, NEECH and FPL will not be lowered or withdrawn entirely by a rating agency.

NEE's and FPL's liquidity may be impaired if their credit providers are unable to fund their credit commitments to the companies or to maintain their current credit ratings.

The inability of NEE's, NEECH's and FPL's credit providers to fund their credit commitments or to maintain their current credit ratings could require NEE, NEECH or FPL, among other things, to renegotiate requirements in agreements, find an alternative credit provider with acceptable credit ratings to meet funding requirements, or post cash collateral and could have a material adverse effect on NEE's and FPL's liquidity.

Poor market performance and other economic factors could affect NEE's defined benefit pension plan's funded status, which may materially adversely affect NEE's and FPL's business, financial condition, liquidity and results of operations and prospects.

NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries. A decline in the market value of the assets held in the defined benefit pension plan due to poor investment performance or other factors may increase the funding requirements for this obligation.

NEE's defined benefit pension plan is sensitive to changes in interest rates, since, as interest rates decrease the funding liabilities increase, potentially increasing benefits costs and funding requirements. Any increase in benefits costs or funding requirements may have a material adverse effect on NEE's and FPL's business, financial condition, liquidity, results of operations and prospects.

Poor market performance and other economic factors could adversely affect the asset values of NEE's and FPL's nuclear decommissioning funds, which may materially adversely affect NEE's and FPL's liquidity, financial condition and results of operations.

NEE and FPL are required to maintain decommissioning funds to satisfy their future obligations to decommission their nuclear power plants. A decline in the market value of the assets held in the decommissioning funds due to poor investment performance or other factors may increase the funding requirements for these obligations. Any increase in funding requirements may have a material adverse effect on NEE's and FPL's liquidity, financial condition and results of operations.

Certain of NEE's investments are subject to changes in market value and other risks, which may materially adversely affect NEE's liquidity, financial condition and results of operations.

NEE holds certain investments where changes in the fair value affect NEE's financial results. In some cases there may be no observable market values for these investments, requiring fair value estimates to be based on other valuation techniques. This type of analysis requires significant judgment and the actual values realized in a sale of these investments could differ materially from those estimated. A sale of an investment below previously estimated value, or other decline in the fair value of an investment, could result in losses or the write-off of such investment, and may have a material adverse effect on NEE's liquidity, financial condition and results of operations.

NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if its subsidiaries are unable to pay upstream dividends or repay funds to NEE.

NEE is a holding company and, as such, has no material operations of its own. Substantially all of NEE's consolidated assets are held by its subsidiaries. NEE's ability to meet its financial obligations, including, but not limited to, its guarantees, and to pay dividends on its common stock is primarily dependent on its subsidiaries' net income and cash flows, which are subject to the risks of their respective businesses, and their ability to pay upstream dividends or to repay funds to NEE.

NEE's subsidiaries are separate legal entities and have no independent obligation to provide NEE with funds for its payment obligations. The subsidiaries have financial obligations, including, but not limited to, payment of debt service, which they must satisfy

before they can provide NEE with funds. In addition, in the event of a subsidiary's liquidation or reorganization, NEE's right to participate in a distribution of assets is subject to the prior claims of the subsidiary's creditors.

The dividend-paying ability of some of the subsidiaries is limited by contractual restrictions which are contained in outstanding financing agreements and which may be included in future financing agreements. The future enactment of laws or regulations also may prohibit or restrict the ability of NEE's subsidiaries to pay upstream dividends or to repay funds.

NEE may be unable to meet its ongoing and future financial obligations and to pay dividends on its common stock if NEE is required to perform under guarantees of obligations of its subsidiaries.

NEE guarantees many of the obligations of its consolidated subsidiaries, other than FPL, through guarantee agreements with NEECH. These guarantees may require NEE to provide substantial funds to its subsidiaries or their creditors or counterparties at a time when NEE is in need of liquidity to meet its own financial obligations. Funding such guarantees may materially adversely affect NEE's ability to meet its financial obligations or to pay dividends.

NEP may not be able to access sources of capital on commercially reasonable terms, which would have a material adverse effect on its ability to consummate future acquisitions and on the value of NEE's limited partner interest in NEP OpCo.

NEE understands that NEP expects to finance acquisitions of clean energy projects partially or wholly through the issuance of additional common units. NEP needs to be able to access the capital markets on commercially reasonable terms when acquisition opportunities arise. NEP's ability to access the equity capital markets is dependent on, among other factors, the overall state of the capital markets and investor appetite for investment in clean energy projects in general and NEP's common units in particular. An inability to obtain equity financing on commercially reasonable terms could limit NEP's ability to consummate future acquisitions and to effectuate its growth strategy in the manner currently contemplated. Furthermore there may not be sufficient availability under NEP OpCo's subsidiaries' revolving credit facility or other financing arrangements on commercially reasonable terms when acquisition opportunities arise. If debt financing is available, it may be available only on terms that could significantly increase NEP's interest expense, impose additional or more restrictive covenants and reduce cash distributions to its unitholders. An inability to access sources of capital on commercially reasonable terms could significantly limit NEP's ability to consummate future acquisitions and to effectuate its growth strategy. NEP's inability to effectively consummate future acquisitions could have a material adverse effect on NEP's ability to grow its business and make cash distributions to its unitholders.

Through an indirect wholly owned subsidiary, NEE owns a limited partner interest in NEP OpCo. NEP's inability to access the capital markets on commercially reasonable terms and effectively consummate future acquisitions could have a material adverse effect on NEP's ability to grow its cash distributions to its unitholders, including NEE, and on the value of NEE's limited partnership interest in NEP OpCo.

Disruptions, uncertainty or volatility in the credit and capital markets may exert downward pressure on the market price of NEE's common stock.

The market price and trading volume of NEE's common stock are subject to fluctuations as a result of, among other factors, general credit and capital market conditions and changes in market sentiment regarding the operations, business and financing strategies of NEE and its subsidiaries. As a result, disruptions, uncertainty or volatility in the credit and capital markets may, for example, have a material adverse effect on the market price of NEE's common stock.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

For a description of NEE's principal properties, see Item 1. Business - FPL and Item 1. Business - NEER.

Character of Ownership

Substantially all of FPL's properties are subject to the lien of FPL's mortgage, which secures most debt securities issued by FPL. The majority of FPL's real property is held in fee and is free from other encumbrances, subject to minor exceptions which are not of a nature as to substantially impair the usefulness to FPL of such properties. Some of FPL's electric lines are located on parcels of land which are not owned in fee by FPL but are covered by necessary consents of governmental authorities or rights obtained from owners of private property. The majority of NEER's generation facilities, pipeline facilities and transmission assets are owned by NEER subsidiaries and a number of those facilities and assets, including all of the Texas pipelines, are encumbered by liens securing various financings. Additionally, the majority of NEER's generation facilities, pipeline facilities and transmission lines are located on land leased or under easement from owners of private property. See Note 1 - Electric Plant, Depreciation and Amortization.

Item 3. Legal Proceedings

None

Item 4. Mine Safety Disclosures

Not applicable

PART II

Item 5. Market for Registrants' Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Common Stock Data. All of FPL's common stock is owned by NEE. NEE's common stock is traded on the New York Stock Exchange under the symbol "NEE." The high and low sales prices for the common stock of NEE as reported in the consolidated transaction reporting system of the New York Stock Exchange and the cash dividends per share declared for each quarter during the past two years are as follows:

	2016			2015		
Quarter	High	Low	Cash Dividends	High	Low	Cash Dividends
First	$ 119.37	$ 102.20	$ 0.87	$ 112.64	$ 97.48	$ 0.77
Second	$ 130.43	$ 112.44	$ 0.87	$ 106.63	$ 97.23	$ 0.77
Third	$ 131.98	$ 120.22	$ 0.87	$ 109.98	$ 93.74	$ 0.77
Fourth	$ 128.46	$ 110.49	$ 0.87	$ 105.85	$ 95.84	$ 0.77

The amount and timing of dividends payable on NEE's common stock are within the sole discretion of NEE's Board of Directors. The Board of Directors reviews the dividend rate at least annually (generally in February) to determine its appropriateness in light of NEE's financial position and results of operations, legislative and regulatory developments affecting the electric utility industry in general and FPL in particular, competitive conditions, change in business mix and any other factors the Board of Directors deems relevant. The ability of NEE to pay dividends on its common stock is dependent upon, among other things, dividends paid to it by its subsidiaries. There are no restrictions in effect that currently limit FPL's ability to pay dividends to NEE. In February 2017, NEE announced that it would increase its quarterly dividend on its common stock from $0.87 per share to $0.9825 per share. See Management's Discussion - Liquidity and Capital Resources - Covenants with respect to dividend restrictions and Note 10 - Common Stock Dividend Restrictions regarding dividends paid by FPL to NEE.

As of the close of business on January 31, 2017, there were 19,737 holders of record of NEE's common stock.

Issuer Purchases of Equity Securities. Information regarding purchases made by NEE of its common stock during the three months ended December 31, 2016 is as follows:

Period	Total Number of Shares Purchased[a]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program	Maximum Number of Shares that May Yet be Purchased Under the Program[b]
10/1/2016 - 10/31/16	—	—	—	13,274,748
11/1/2016 - 11/30/16	359	$ 115.03	—	13,274,748
12/1/2016 - 12/31/16	511	$ 115.95	—	13,274,748
Total	870	$ 115.57	—	

(a) Includes: (1) in November 2016, shares of common stock withheld from employees to pay certain withholding taxes upon the vesting of stock awards granted to such employees under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan; and (2) in December 2016, shares of common stock purchased as a reinvestment of dividends by the trustee of a grantor trust in connection with NEE's obligation under a February 2006 grant under the NextEra Energy, Inc. Amended and Restated Long-Term Incentive Plan (former LTIP) to an executive officer of deferred retirement share awards.

(b) In February 2005, NEE's Board of Directors authorized common stock repurchases of up to 20 million shares of common stock over an unspecified period, which authorization was most recently reaffirmed and ratified by the Board of Directors in July 2011.

Item 6. Selected Financial Data

	Years Ended December 31,				
	2016	2015	2014	2013	2012
SELECTED DATA OF NEE (millions, except per share amounts):					
Operating revenues	**$ 16,155**	$ 17,486	$ 17,021	$ 15,136	$ 14,256
Income from continuing operations[a]	**$ 3,005**	$ 2,762	$ 2,469	$ 1,677	$ 1,911
Net income[a][b]	**$ 3,005**	$ 2,762	$ 2,469	$ 1,908	$ 1,911
Net income attributable to NEE:					
Income from continuing operations[a]	**$ 2,912**	$ 2,752	$ 2,465	$ 1,677	$ 1,911
Gain from discontinued operations[b]	**—**	—	—	231	—
Total	**$ 2,912**	$ 2,752	$ 2,465	$ 1,908	$ 1,911
Earnings per share attributable to NEE - basic:					
Continuing operations[a]	**$ 6.29**	$ 6.11	$ 5.67	$ 3.95	$ 4.59
Net income[a][b]	**$ 6.29**	$ 6.11	$ 5.67	$ 4.50	$ 4.59
Earnings per share attributable to NEE - assuming dilution:					
Continuing operations[a]	**$ 6.25**	$ 6.06	$ 5.60	$ 3.93	$ 4.56
Net income[a][b]	**$ 6.25**	$ 6.06	$ 5.60	$ 4.47	$ 4.56
Dividends paid per share of common stock	**$ 3.48**	$ 3.08	$ 2.90	$ 2.64	$ 2.40
Total assets[c]	**$ 89,993**	$ 82,479	$ 74,605	$ 69,007	$ 64,144
Long-term debt, excluding current maturities	**$ 27,818**	$ 26,681	$ 24,044	$ 23,670	$ 22,881
Capital expenditures, independent power and other investments and nuclear fuel purchases:					
FPL	**$ 3,934**	$ 3,633	$ 3,241	$ 2,903	$ 4,285
NEER	**5,521**	4,661	3,701	3,637	4,681
Corporate and Other	**181**	83	75	142	495
Total	**$ 9,636**	$ 8,377	$ 7,017	$ 6,682	$ 9,461

(a) Includes net unrealized mark-to-market after-tax gains (losses) associated with non-qualifying hedges of approximately $(92) million, $183 million, $153 million, $(53) million and $(34) million, respectively. Also, on an after-tax basis, 2013 includes impairment and other charges of approximately $342 million related to solar projects in Spain.
(b) 2013 includes an after-tax gain from discontinued operations of $231 million related to the sale of hydropower generation plants.
(c) Includes assets held for sale of approximately $452 million in 2016, $1,009 million in 2015 and $335 million in 2012. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

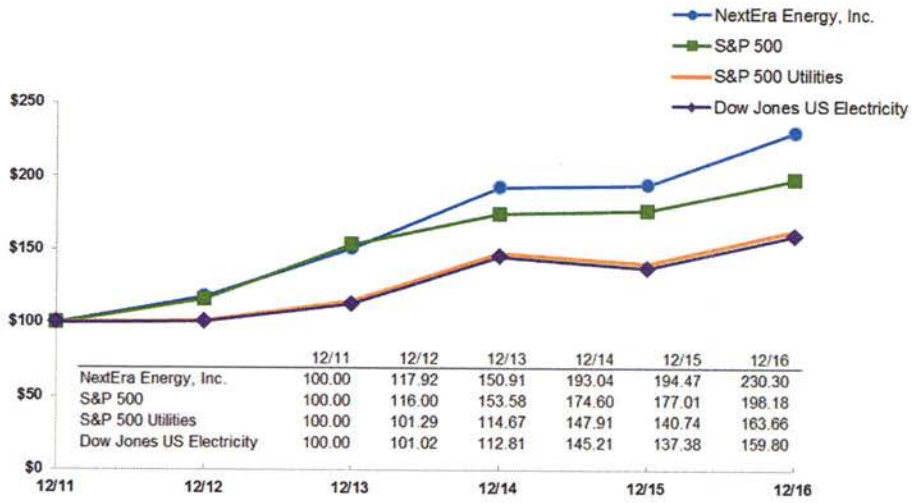
NEE's operating performance is driven primarily by the operations of its two principal subsidiaries, FPL, which serves approximately 4.9 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the U.S., and NEER, which together with affiliated entities is the largest generator in the world of renewable energy from the wind and sun based on MWh produced in 2016. The table below presents net income (loss) attributable to NEE and earnings (loss) per share attributable to NEE, assuming dilution, by reportable segment, FPL and NEER, and by Corporate and Other, which is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as other income and expense items, including interest expense, income taxes and eliminating entries (see Note 14 for additional segment information). The following discussions should be read in conjunction with the Notes to Consolidated Financial Statements contained herein and all comparisons are with the corresponding items in the prior year.

	Net Income (Loss) Attributable to NEE			Earnings (Loss) Per Share Attributable to NEE, Assuming Dilution		
	Years Ended December 31,			Years Ended December 31,		
	2016	2015	2014	**2016**	2015	2014
	(millions)					
FPL	**$ 1,727**	$ 1,648	$ 1,517	**$ 3.71**	$ 3.63	$ 3.45
NEER[a]	**1,125**	1,092	989	**2.41**	2.41	2.25
Corporate and Other	**60**	12	(41)	**0.13**	0.02	(0.10)
NEE	**$ 2,912**	$ 2,752	$ 2,465	**$ 6.25**	$ 6.06	$ 5.60

(a) NEER's results reflect an allocation of interest expense from NEECH based on a deemed capital structure of 70% debt.

For the five years ended December 31, 2016, NEE delivered a total shareholder return of approximately 130.3%, above the S&P 500's 98.2% return, the S&P 500 Utilities' 63.7% return and the Dow Jones U.S. Electricity's 59.8% return. The historical stock performance of NEE's common stock shown in the performance graph below is not necessarily indicative of future stock price performance.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*



	12/11	12/12	12/13	12/14	12/15	12/16
NextEra Energy, Inc.	100.00	117.92	150.91	193.04	194.47	230.30
S&P 500	100.00	116.00	153.58	174.60	177.01	198.18
S&P 500 Utilities	100.00	101.29	114.67	147.91	140.74	163.66
Dow Jones US Electricity	100.00	101.02	112.81	145.21	137.38	159.80

*$100 invested on 12/31/11 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Adjusted Earnings

NEE prepares its financial statements under GAAP. However, management uses earnings excluding certain items (adjusted earnings), a non-GAAP financial measure, internally for financial planning, for analysis of performance, for reporting of results to the Board of Directors and as an input in determining performance-based compensation under NEE's employee incentive compensation plans. NEE also uses adjusted earnings when communicating its financial results and earnings outlook to analysts and investors. NEE's management believes adjusted earnings provides a more meaningful representation of NEE's fundamental earnings power. Although the excluded amounts are properly included in the determination of net income under GAAP, management believes that the amount and/or nature of such items make period to period comparisons of operations difficult and potentially confusing. Adjusted earnings do not represent a substitute for net income, as prepared under GAAP.

Adjusted earnings exclude the unrealized mark-to-market effect of non-qualifying hedges (as described below) and OTTI losses on securities held in NEER's nuclear decommissioning funds, net of the reversal of previously recognized OTTI losses on securities sold and losses on securities where price recovery was deemed unlikely (collectively, OTTI reversals). However, other adjustments may be made from time to time with the intent to provide more meaningful and comparable results of ongoing operations.

NEE segregates into two categories unrealized mark-to-market gains and losses on derivative transactions. The first category, referred to as non-qualifying hedges, represents certain energy derivative, interest rate derivative and foreign currency transactions entered into as economic hedges, which do not meet the requirements for hedge accounting, or for which hedge accounting treatment is not elected or has been discontinued. Changes in the fair value of those transactions are marked to market and reported in the consolidated statements of income, resulting in earnings volatility because the economic offset to certain of the positions are generally not marked to market. As a consequence, NEE's net income reflects only the movement in one part of economically-linked transactions. For example, a gain (loss) in the non-qualifying hedge category for certain energy derivatives is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under GAAP. For this reason, NEE's management views results expressed excluding the unrealized mark-to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. The second category, referred to as trading activities, which is included in adjusted earnings, represents the net unrealized effect of actively traded positions entered into to take advantage of expected market price movements and all other commodity hedging activities. In January 2016, NEE discontinued hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, which could result in increased volatility in the non-qualifying hedge category. In connection with discontinuing hedge accounting for all of its remaining interest rate and foreign currency derivative instruments, in May 2016, NEE also began recording changes in the fair value of interest rate derivatives entered into as economic hedges to offset expected future debt issuances as non-qualifying hedges. At FPL, substantially all changes in the fair value of energy derivative transactions are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. See Note 3.

During 2014, NEER decided not to pursue the sale of NEER's ownership interests in oil-fired generation plants located in Maine (Maine fossil) and recorded an after-tax gain of $12 million to increase Maine fossil's carrying value to its estimated fair value. See Note 4 - Nonrecurring Fair Value Measurements. In 2016, subsidiaries of NEER completed the sales of their ownership interests in certain natural gas generation facilities. In connection with the sales and the related consolidating state income tax effects, gains totaling approximately $445 million ($219 million after tax) were recorded in NEE's consolidated statements of income and are included in losses (gains) on disposal of assets - net. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale. In order to make period to period comparisons more meaningful, adjusted earnings also exclude the items discussed above, as well as costs incurred in 2016 and 2015 associated with the terminated HEI merger agreement (see Note 1 - Merger Termination), costs incurred in 2016 associated with the EFH merger agreement and related transactions (see Note 7 - Pending Oncor-Related Transactions), the resolution of contingencies related to a previous asset sale, the pretax amount of which totaled $9 million and was recorded in 2016 as gains on disposal of investments and other property - net in NEE's consolidated statements of income, and, for all periods, the operating results associated with the solar projects in Spain.

The following table provides details of the after-tax adjustments to net income considered in computing NEE's adjusted earnings discussed above.

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
Net unrealized mark-to-market gains (losses) from non-qualifying hedge activity[a]	$ (92)	$ 183	$ 153
Merger-related expenses - Corporate and Other	$ (92)	$ (20)	$ —
Operating results of solar projects in Spain - NEER	$ (11)	$ 5	$ (32)
Losses from OTTI on securities held in NEER's nuclear decommissioning funds, net of OTTI reversals[b]	$ (1)	$ (15)	$ (2)
Gain associated with Maine fossil - NEER	$ —	$ —	$ 12
Gains on sale of natural gas generation facilities[c]	$ 219	$ —	$ —
Resolution of contingencies related to a previous asset sale - NEER	$ 5	$ —	$ —

(a) For 2016, 2015 and 2014, approximately $233 million of losses, $175 million of gains and $171 million of gains, respectively, are included in NEER's net income; the balance is included in Corporate and Other.
(b) For 2016, 2015 and 2014, approximately $2 million of losses, $14 million of losses and $1 million of income, respectively, are included in NEER's net income; the balance is included in Corporate and Other.
(c) Approximately $276 million of the gains is included in NEER's net income; the balance is included in Corporate and Other. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale and Note 5.

The change in unrealized mark-to-market activity from non-qualifying hedges is primarily attributable to changes in forward power and natural gas prices, interest rates and foreign currency exchange rates, as well as the reversal of previously recognized unrealized mark-to-market gains or losses as the underlying transactions were realized.

2016 Summary

Net income attributable to NEE for 2016 was higher than 2015 by $160 million, or $0.19 per share, assuming dilution, due to higher results at FPL, NEER and Corporate and Other.

FPL's increase in net income in 2016 was primarily driven by continued investments in plant in service while earning an 11.50% regulatory ROE on its retail rate base.

NEER's results increased in 2016 primarily reflecting earnings from new investments, gains from the sales of natural gas generation facilities and fair value adjustments related to contingent consideration, partly offset by net unrealized losses from non-qualifying hedge activity compared to gains from such hedges in 2015, higher growth-related interest and general and administrative expenses and lower earnings on gas infrastructure and existing assets. In 2016, NEER added approximately 1,465 MW of wind capacity and 980 MW of solar capacity in the U.S., completed the sales of its ownership interests in certain natural gas generation facilities with total generating capacity of 3,724 MW and increased its backlog of contracted renewable development projects.

Corporate and Other's results in 2016 increased primarily reflecting net unrealized gains from non-qualifying hedge activity primarily associated with interest rate and foreign currency derivative instruments, partly offset by higher merger-related expenses and unfavorable consolidating income tax adjustments.

NEE and its subsidiaries require funds to support and grow their businesses. These funds are primarily provided by cash flow from operations, borrowings or issuances of short- and long-term debt and proceeds from differential membership investors and, from time to time, issuances of equity securities. See Liquidity and Capital Resources - Liquidity.

RESULTS OF OPERATIONS

Net income attributable to NEE for 2016 was $2.91 billion, compared to $2.75 billion in 2015 and $2.47 billion in 2014. In 2016 and 2015, net income attributable to NEE improved due to higher results at FPL, NEER and Corporate and Other.

NEE's effective income tax rates for 2016, 2015 and 2014 of approximately 31.5%, 30.8% and 32.3%, respectively, primarily reflect income tax expense at the statutory rate of 35% and state income taxes, partly offset by the benefit of PTCs for NEER's wind projects, as well as ITCs and deferred income tax benefits associated with convertible ITCs for solar and certain wind projects at NEER. PTCs, ITCs and deferred income tax benefits associated with convertible ITCs can significantly affect NEE's effective income tax rate depending on the amount of pretax income. The amount of PTCs recognized can be significantly affected by wind generation and by the roll off of PTCs on certain wind projects after ten years of production (PTC roll off). In addition, NEE's effective income tax rate for 2014 was unfavorably affected by a noncash income tax charge of approximately $45 million associated with structuring Canadian assets in connection with the creation of NEP. In April 2016, a court approved a reorganization of certain Canadian assets that provided for tax bases in certain of these assets. NEE recorded approximately $30 million of associated income tax adjustments in 2016, which effectively reversed a portion of the charge recorded in 2014. See Note 1 - Income Taxes and Note 5.

FPL: Results of Operations

FPL obtains its operating revenues primarily from the sale of electricity to retail customers at rates established by the FPSC through base rates and cost recovery clause mechanisms. FPL's net income for 2016, 2015 and 2014 was $1,727 million, $1,648 million and $1,517 million, respectively, representing an increase in 2016 of $79 million and an increase in 2015 of $131 million. The primary drivers, on an after-tax basis, of these changes are in the following table.

	Increase (Decrease) From Prior Period	
	Years Ended December 31,	
	2016	2015
	(millions)	
Investment in plant in service[a]	**$ 131**	$ 77
Change in amount of equity used to finance investments	**(42)**	22
Nonrecoverable expenses	**(16)**	(15)
Woodford shale investment	**(10)**	5
Cost recovery clause earnings	**11**	5
AFUDC - equity	**6**	32
Other	**(1)**	5
Increase in net income	**$ 79**	$ 131

(a) Investment in plant in service grew FPL's average retail rate base by approximately $2.4 billion and $1.0 billion in 2016 and 2015, respectively. For 2016, the increase primarily reflects the modernized Port Everglades Clean Energy Center that was placed in service in April 2016 and ongoing transmission and distribution additions. For 2015, the increase primarily reflects ongoing transmission and distribution additions and the modernized Riviera Beach Clean Energy Center placed in service in April 2014.

The use of reserve amortization was permitted under the 2012 rate agreement and continues during the term of the 2016 rate agreement. See Item 1. Business - FPL - FPL Regulation - FPL Rate Regulation - Base Rates for additional information on the 2012 and 2016 rate agreements. In order to earn a targeted regulatory ROE, subject to limitations associated with the 2012 and 2016 rate agreements, reserve amortization is calculated using a trailing thirteen-month average of retail rate base and capital structure in conjunction with the trailing twelve months regulatory retail base net operating income, which primarily includes the retail base portion of base and other revenues, net of O&M, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items must be adjusted, in part, by reserve amortization to earn a targeted regulatory ROE. In certain periods, reserve amortization is reversed so as not to exceed the targeted regulatory ROE. The drivers of FPL's net income not reflected in the reserve amortization calculation typically include wholesale and transmission service revenues and expenses, cost recovery clause revenues and expenses, AFUDC - equity and costs not allowed to be recovered from retail customers by the FPSC. In 2016, FPL recorded reserve amortization of $13 million, and, in 2015 and 2014, FPL recorded the reversal of reserve amortization of approximately $15 million and $33 million, respectively. FPL's regulatory ROE for 2016, 2015 and 2014 was 11.50%.

FPL's operating revenues consisted of the following:

	Years Ended December 31,		
	2016	2015	2014
	(millions)		
Retail base	**$ 5,807**	$ 5,653	$ 5,347
Fuel cost recovery	**3,120**	3,875	3,876
Net deferral of retail fuel revenues	**—**	(1)	—
Net recognition of deferred retail fuel revenues	**6**	—	—
Other cost recovery clauses and pass-through costs, net of any deferrals	**1,467**	1,645	1,766
Other, primarily wholesale and transmission sales, customer-related fees and pole attachment rentals	**495**	479	432
Total	**$ 10,895**	$ 11,651	$ 11,421

Retail Base

FPSC Rate Orders
FPL's retail base revenues for all years presented reflect the 2012 rate agreement. Retail base revenues increased approximately $175 million in 2016 through a $216 million annualized retail base rate increase associated with the modernized Port Everglades Clean Energy Center which was placed in service in April 2016, and, in 2015, increased $43 million through a $234 million annualized retail base rate increase associated with the modernized Riviera Beach Clean Energy Center which was placed in service in April 2014.

In December 2016, the FPSC issued a final order approving the 2016 rate agreement which became effective January 2017 and will remain in effect until at least December 2020, establishes FPL's allowed regulatory ROE at 10.55%, with a range of 9.60% to 11.60%, and allows for retail rate base increases in 2017, 2018 and upon commencement of commercial operations at the Okeechobee Clean Energy Center. In January 2017, the Sierra Club filed a notice of appeal challenging the FPSC's final order approving the 2016 rate agreement, which notice of appeal is pending before the Florida Supreme Court. See Item 1. Business - FPL - FPL Regulation - FPL Rate Regulation - Base Rates for additional information on the 2016 rate agreement.

Retail Customer Usage and Growth
In 2016 and 2015, FPL experienced a 1.4% increase each year in the average number of customer accounts and a 2.1% decrease and 4.2% increase, respectively, in the average usage per retail customer, which collectively, together with other factors, decreased revenues by approximately $21 million and increased revenues by $263 million, respectively. The decline in 2016 usage per retail customer is primarily due to milder weather and customer service interruptions as a result of hurricanes that impacted FPL's service territory in 2016 which had a modest negative impact on 2016 base revenue (see Note 1 - Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve), while the increase in 2015 usage per retail customer was due to favorable weather. An improvement in the Florida economy contributed to increased revenues in both periods.

Cost Recovery Clauses

Revenues from fuel and other cost recovery clauses and pass-through costs, such as franchise fees, revenue taxes and storm-related surcharges, are largely a pass-through of costs. Such revenues also include a return on investment allowed to be recovered through the cost recovery clauses on certain assets, primarily related to certain solar and environmental projects and the unamortized balance of the regulatory asset associated with FPL's acquisition of the Cedar Bay generation facility. See Item 1. Business - FPL - FPL Regulation - FPL Rate Regulation - Cost Recovery Clauses. Underrecovery or overrecovery of cost recovery clause and other pass-through costs (deferred clause and franchise expenses and revenues) can significantly affect NEE's and FPL's operating cash flows. The 2016 and 2015 net overrecoveries were approximately $94 million and $176 million, respectively, and positively affected NEE's and FPL's cash flows from operating activities.

The decrease in fuel cost recovery revenues in 2016 is primarily due to a decrease of approximately $737 million related to a lower average fuel factor. The slight decrease in fuel cost recovery revenues in 2015 reflects lower revenues totaling approximately $118 million from the incentive mechanism and from interchange power sales and $96 million related to a lower average fuel factor, partly offset by increased revenues of $213 million related to higher energy sales.

Declines in 2016 revenues from other cost recovery clauses and pass-through costs were largely due to reductions in purchased power and capacity expenses associated with the capacity clause. The declines in 2015 revenues from other cost recovery clauses and pass-through costs were largely due to reductions in expenses associated with energy conservation programs and the capacity clause.

In 2016, 2015 and 2014, cost recovery clauses contributed $112 million, $103 million and $93 million, respectively, to FPL's net income. The increase in 2016 primarily relates to the acquisition of the Cedar Bay generation facility. The increase in 2015 primarily relates to gains associated with the incentive mechanism, investments in gas reserves and the acquisition of the Cedar Bay generation facility.

In September 2015, FPL assumed ownership of the Cedar Bay generation facility and terminated its long-term purchased power agreement for substantially all of the facility's capacity and energy for a purchase price of approximately $521 million. FPL will recover the purchase price and associated income tax gross-up as a regulatory asset which will be amortized over approximately nine years. See Note 1 - Rate Regulation for further discussion. Additionally, in January 2017, FPL purchased the Indiantown generation facility (see Note 13 - Contracts).

Woodford Shale Investment
In March 2015, after receiving FPSC approval, a wholly owned subsidiary of FPL partnered with a third party to develop up to 38 natural gas production wells in the Woodford Shale region in southeastern Oklahoma and in return began receiving its ownership share of the natural gas produced from these wells. In May 2016, the Florida Supreme Court (Court) reversed the FPSC's order approving FPL's investment in the Woodford Shale wells concluding that the FPSC exceeded its statutory authority when approving recovery of FPL's costs and investment in these wells. During 2016, FPL recorded a provision for refund of approximately $13 million (after tax) associated with the Court's decision. FPL's wholly owned subsidiary, which is not subject to FPSC authority, sells its share of the natural gas produced from the Woodford Shale wells to third parties at market prices. Also, in response to the Court's

decision on the Woodford Shale order, the FPSC vacated its July 2015 order approving a set of guidelines under which FPL could participate in additional natural gas production projects.

Other

The increase in other revenues for 2016 is primarily due to revenues related to sales of natural gas produced from the Woodford Shale wells discussed above. The increase in other revenues for 2015, which did not result in a significant contribution to earnings, primarily reflects higher wholesale and transmission service revenues along with other miscellaneous service revenues.

Other Items Impacting FPL's Consolidated Statements of Income

Fuel, Purchased Power and Interchange Expense
The major components of FPL's fuel, purchased power and interchange expense are as follows:

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
Fuel and energy charges during the period	**$ 3,113**	$ 3,593	$ 3,951
Net deferral of retail fuel costs	**(11)**	—	(109)
Net recognition of deferred retail fuel costs	**—**	220	—
Other, primarily capacity charges, net of any capacity deferral	**195**	463	533
Total	**$ 3,297**	$ 4,276	$ 4,375

The decrease in fuel and energy charges in 2016 primarily reflects approximately $453 million of lower fuel and energy prices and $27 million related to lower energy sales. The decrease in fuel and energy charges in 2015 was due to lower fuel and energy prices of approximately $491 million and a decrease of $68 million in costs related to the incentive mechanism, partly offset by higher energy sales of approximately $201 million. In addition, FPL deferred approximately $11 million and $109 million of retail fuel costs in 2016 and 2014, respectively, compared to the recognition of deferred retail fuel costs of $220 million in 2015. The decrease in other in both periods is primarily due to lower capacity fees in part related to the termination of the Cedar Bay generation facility long-term purchased power agreement after FPL assumed ownership of the Cedar Bay generation facility in September 2015.

Depreciation and Amortization Expense
The major components of FPL's depreciation and amortization expense are as follows:

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
Reserve reversal (amortization) recorded under the 2012 rate agreement	**$ (13)**	$ 15	$ 33
Other depreciation and amortization recovered under base rates	**1,366**	1,359	1,211
Depreciation and amortization primarily recovered under cost recovery clauses and securitized storm-recovery cost amortization	**298**	202	188
Total	**$ 1,651**	$ 1,576	$ 1,432

The reserve amortization, or reversal of such amortization, reflects adjustments to the depreciation and fossil dismantlement reserve provided under the 2012 rate agreement in order to achieve the targeted regulatory ROE. Reserve amortization is recorded as a reduction to (or when reversed as an increase to) accrued asset removal costs which is reflected in noncurrent regulatory liabilities on the consolidated balance sheets. See Note 1 - Rate Regulation regarding a $30 million reduction in the reserve available for amortization under the 2012 rate agreement. Subject to certain conditions, FPL may amortize, over the term of the 2016 rate agreement, up to $1.0 billion of depreciation reserve surplus plus the reserve amount remaining under FPL's 2012 rate agreement (approximately $250 million at December 31, 2016).

The increase in other depreciation and amortization expense recovered under base rates in 2016 primarily relates to higher plant in service balances, including investments in transmission and distribution assets and the modernized Port Everglades Clean Energy Center that was placed in service in April 2016, partly offset by the absence of 2015 amortization expenses associated with analog meters. The increase in other depreciation and amortization expense recovered under base rates in 2015 is due to higher amortization expenses primarily associated with analog meters and higher plant in service balances. The increase in depreciation and amortization primarily recovered under cost recovery clauses and securitized storm-recovery cost amortization in 2016 primarily relates to amortization of a regulatory asset associated with the September 2015 acquisition of the Cedar Bay generation facility.

Taxes Other Than Income Taxes and Other
Taxes other than income taxes and other decreased $16 million in 2016 primarily due to lower franchise and revenue taxes, neither of which impacts net income, partly offset by higher property taxes reflecting growth in plant in service balances. The increase in 2015 of $39 million was primarily due to higher property taxes reflecting growth in plant in service balances.

Interest Expense
The increase in interest expense in 2016 and 2015 primarily reflects higher average debt balances, partly offset by lower average interest rates. Interest expense on storm-recovery bonds, as well as certain other interest expense on clause-recoverable investments (collectively, clause interest), do not significantly affect net income, as the clause interest is recovered either under cost recovery clause mechanisms or through a storm-recovery bond surcharge. Clause interest for 2016, 2015 and 2014 amounted to approximately $41 million, $41 million and $42 million, respectively.

AFUDC - Equity
The increase in AFUDC - equity in 2016 is primarily due to additional AFUDC - equity recorded on construction expenditures associated with the replacement of certain gas turbines with high efficiency, low-emission turbines (peaker upgrade project) and a solar PV project constructed on three sites, partly offset by lower AFUDC - equity associated with the Port Everglades Clean Energy Center which was placed in service in April 2016. The increase in AFUDC - equity in 2015 is primarily due to additional AFUDC - equity recorded on construction expenditures associated with the modernization project at the Port Everglades Clean Energy Center, the investments in new compressor parts technology at select combined-cycle units and the peaker upgrade project, partly offset by lower AFUDC - equity associated with the modernized Riviera Beach Clean Energy Center which was placed in service in April 2014.

Capital Initiatives
FPL plans to add approximately 1,750 MW of capacity in mid-2019 when the Okeechobee Clean Energy Center is expected to be placed in service, to add up to 300 MW annually in each of 2017 through 2020 of new solar generation and to continue to strengthen its transmission and distribution infrastructure.

NEER: Results of Operations

NEER owns, develops, constructs, manages and operates electric generation facilities in wholesale energy markets primarily in the U.S. and Canada. NEER also provides full energy and capacity requirements services, engages in power and gas marketing and trading activities and invests in natural gas, natural gas liquids and oil production and pipeline infrastructure assets. NEER's net income less net income attributable to noncontrolling interests for 2016, 2015 and 2014 was $1,125 million, $1,092 million and $989 million, respectively, resulting in an increase in 2016 of $33 million and an increase in 2015 of $103 million. The primary drivers, on an after-tax basis, of these changes are in the following table.

	Increase (Decrease) From Prior Period	
	Years Ended December 31,	
	2016	2015
	(millions)	
New investments[a]	**$ 293**	$ 138
Existing assets[a]	**(55)**	(29)
Gas infrastructure[b]	**(75)**	(7)
Customer supply and proprietary power and gas trading[b]	**(16)**	110
Revaluation of contingent consideration	**80**	—
Interest and other general and administrative expenses[c]	**(99)**	(99)
Other	**36**	(24)
Change in unrealized mark-to-market non-qualifying hedge activity[d]	**(408)**	4
Change in OTTI losses on securities held in nuclear decommissioning funds, net of OTTI reversals[d]	**12**	(15)
Maine fossil gain in 2014[d]	**—**	(12)
Operating results of the solar projects in Spain[d]	**(16)**	37
Gains on sale of natural gas generation facilities[d]	**276**	—
Resolution of contingencies related to a previous asset sale[d]	**5**	—
Increase in net income less net income attributable to noncontrolling interests	**$ 33**	$ 103

(a) Includes PTCs, ITCs and deferred income tax and other benefits associated with convertible ITCs for wind and solar projects, as applicable, (see Note 1 - Electric Plant, Depreciation and Amortization, - Income Taxes and - Sale of Differential Membership Interests and Note 5), as well as income tax benefits related to the Canadian tax restructuring, but excludes allocation of interest expense or corporate general and administrative expenses. Results from projects are included in new investments during the first twelve months of operation or ownership. Project results are included in existing assets beginning with the thirteenth month of operation.
(b) Excludes allocation of interest expense and corporate general and administrative expenses.
(c) Includes differential membership interest costs.
(d) See Overview - Adjusted Earnings for additional information.

New Investments

In 2016, results from new investments increased due to:

- higher earnings of approximately $223 million, including deferred income tax and other benefits associated with ITCs and convertible ITCs, related to the addition of approximately 2,819 MW of wind generation and 1,226 MW of solar generation during or after 2015, and
- higher earnings of approximately $70 million related to the acquisition of the Texas pipelines in October 2015 and additional investments in other natural gas pipeline projects.

In 2015, results from new investments increased primarily due to:

- higher earnings of approximately $146 million related to the addition of approximately 2,571 MW of wind generation and 910 MW of solar generation during or after 2014, and
- higher earnings of approximately $16 million related to the acquisition of the Texas pipelines and the development of three additional natural gas pipelines,

partly offset by,

- lower deferred income tax and other benefits associated with convertible ITCs of $21 million and ITCs of $3 million.

Existing Assets

In 2016, results from NEER's existing asset portfolio decreased primarily due to:

- lower results from wind and solar assets of approximately $40 million primarily due to lower state tax credits, PTC roll off, higher project O&M expenses and an increase in the amount of earnings attributable to noncontrolling interest, offset in part by higher wind generation and income tax benefits related to the Canadian tax restructuring, and
- lower results of $6 million related to the sale of certain natural gas generation facilities (see Note 1 - Assets and Liabilities Associated with Assets Held for Sale).

In 2015, results from NEER's existing asset portfolio decreased primarily due to:

- lower results from wind assets of $122 million primarily due to weaker wind resource offset in part by a favorable ITC impact related to changes in state income tax laws and favorable pricing,

partly offset by,

- the absence of a $45 million non cash income tax charge associated with structuring Canadian assets and $22 million in NEP IPO transaction costs recorded in 2014, and
- higher results from merchant assets in the ERCOT region of approximately $27 million primarily due to the absence of a 2014 outage.

Gas Infrastructure

The decrease in gas infrastructure results in 2016 is primarily due to increased depreciation expense reflecting higher depletion rates as well as lower commodity prices. The decrease in gas infrastructure results in 2015 reflects increased depreciation expense mainly related to both higher depletion rates and increased production in 2015, as well as the absence of 2014 gains on the sale of investments in certain wells (collectively, approximately $46 million), partly offset by gains of $42 million related to exiting the hedged positions on a number of future gas production opportunities; such gains were previously reflected in unrealized mark-to-market non-qualifying hedge activity. NEER continues to monitor its oil and gas producing properties for potential impairments due to low prices for oil and natural gas commodity products. However, an impairment analysis performed under GAAP does not take into consideration the mark-to-market value of hedged positions. NEER hedges the expected output from its oil and gas producing properties for a period of time to help protect against price movements; the fair value of such hedged positions at December 31, 2016 was approximately $144 million. At December 31, 2016, approximately $2.2 billion of NEE's property, plant and equipment, net relates to the gas infrastructure business' ownership interests in investments located in oil and gas shale formations.

Customer Supply and Proprietary Power and Gas Trading

Results from customer supply and proprietary power and gas trading decreased in 2016 primarily due to lower margins and less favorable market conditions compared to 2015. Results from customer supply and proprietary power and gas trading increased in 2015 primarily due to improved margins and favorable market conditions compared to lower results in the full requirements business in 2014 due to the impact of extreme winter weather.

Revaluation of Contingent Consideration

For 2016, NEER's results reflect approximately $80 million of after-tax fair value adjustments, net of amounts attributable to noncontrolling interests, to reduce the contingent holdback associated with the acquisition of the Texas pipelines (see Note 7 - Texas Pipeline Business).

Interest and General and Administrative Expenses

Interest and general and administrative expenses includes interest expense, differential membership costs and other corporate general and administrative expenses. In 2016 and 2015, interest and general and administrative expenses reflect higher borrowing and other costs to support the growth of the business.

Other Factors

Supplemental to the primary drivers of the changes in NEER's net income less net income attributable to noncontrolling interests discussed above, the discussion below describes changes in certain line items set forth in NEE's consolidated statements of income as they relate to NEER.

Operating Revenues
Operating revenues for 2016 decreased $551 million primarily due to:

- unrealized mark-to-market losses from non-qualifying hedges of $273 million for 2016 compared to $275 million of gains on such hedges for 2015, and
- lower revenues from existing assets of $409 million reflecting lower revenues from the natural gas generation facilities sold in 2016, offset in part by higher wind generation due to stronger wind resource and higher revenues at Seabrook reflecting the absence of a 2015 refueling outage,

partly offset by,

- higher revenues from new investments of approximately $384 million.

Operating revenues for 2015 increased $248 million primarily due to:

- higher revenues from new investments of approximately $225 million,
- higher revenues from the customer supply business and proprietary power and gas trading business of $218 million reflecting favorable market conditions, and
- higher revenues from the gas infrastructure business of $96 million primarily reflecting gains recorded upon exiting the hedged positions on a number of future gas production opportunities and the acquisition of the Texas pipelines,

partly offset by,

- lower unrealized mark-to-market gains from non-qualifying hedges ($275 million for 2015 compared to $372 million of gains on such hedges for 2014), and
- lower revenues from existing assets of $195 million reflecting lower wind generation due to weaker wind resource, lower revenues at the natural gas generation facility in Pennsylvania and in the ERCOT region due to lower gas prices and lower revenues at Seabrook reflecting a refueling outage, offset in part by higher revenues at Point Beach due to the absence of a 2014 outage and price escalation under the power sales agreement, higher dispatch in Maine due to 2015 weather conditions and higher revenues from the solar projects in Spain.

Operating Expenses - net
Operating expenses - net for 2016 decreased $446 million primarily due to:

- gains of approximately $446 million primarily related to the sale of natural gas generation facilities in 2016 and the profit sharing liability amortization related to ownership interests sold to NEP, and
- lower fuel expense of approximately $284 million primarily reflecting lower fuel expense from the natural gas generation facilities sold in 2016,

partly offset by,

- higher operating expenses associated with new investments of approximately $208 million,
- higher O&M expenses reflecting higher costs associated with growth in the NEER business, and
- higher depreciation of $49 million on existing assets primarily reflecting an increase of $111 million of depreciation from the gas infrastructure business primarily related to higher depletion rates and increased production, partly offset by lower depreciation on the natural gas generation facilities sold in 2016.

Operating expenses - net for 2015 increased $138 million primarily due to:

- higher operating expenses associated with new investments of approximately $123 million,
- higher O&M expenses reflecting higher costs associated with growth in the NEER business, higher taxes other than income taxes and other reflecting the absence of 2014 gains on the sale of investments in certain wells in the gas infrastructure business and the absence of the 2014 reimbursement by a vendor of certain O&M-related costs, and
- higher depreciation associated with the gas infrastructure business of $50 million primarily related to higher depletion rates and increased production,

partly offset by,

- lower fuel expense of approximately $146 million primarily in the ERCOT region and at the natural gas generation facility in Pennsylvania.

Interest Expense
NEER's interest expense for 2016 increased $107 million reflecting approximately $45 million of unfavorable changes in the fair value of interest rate derivative instruments compared to $11 million of favorable changes in 2015 and higher average debt balances reflecting growth in the business. Interest expense decreased $42 million in 2015 primarily reflecting the absence of approximately $64 million of losses in 2014 related to changes in the fair value of interest rate derivative instruments, partly offset by higher average debt balances.

Benefits Associated with Differential Membership Interests - net
Benefits associated with differential membership interests - net for all periods presented reflect benefits recognized by NEER as third-party investors received their portion of the economic attributes, including income tax attributes, of the underlying wind and solar projects, net of associated costs. The increase for 2016 primarily relates to lower interest costs associated with the ongoing paydown of the differential membership interest obligations, sales of differential membership interests and increased results of the underlying wind and solar projects. See Note 1 - Sale of Differential Membership Interests.

Equity in Earnings of Equity Method Investees
Equity in earnings of equity method investees increased in 2016 primarily due to increased earnings from AFUDC on NEER's investments in natural gas pipeline projects as construction continues and earnings from NEER's investment in a wind project that was placed in service in the fourth quarter of 2015. In 2015, the increase was primarily due to NEER's 50% equity investment in a 550 MW solar project that commenced partial operations at the end of 2013 and full operations by the end of 2014.

Gains on Disposal of Investments and Other Property - net
Gains on disposal of investments and other property - net for all periods presented primarily reflect gains on sales of securities held in NEER's nuclear decommissioning funds. Gains on disposal of investments and other property - net also reflect in 2015, a pretax gain of approximately $6 million on the sale of a 41 MW wind project and, in 2014, a pretax gain of approximately $23 million on the sale of a 75 MW wind project.

Revaluation of Contingent Consideration
Revaluation of contingent consideration reflects fair value adjustments to reduce the contingent holdback associated with the acquisition of the Texas pipelines. Approximately $65 million of the fair value adjustments is attributable to noncontrolling interests. See Note 7 - Texas Pipeline Business.

Tax Credits, Benefits and Expenses
PTCs from wind projects and ITCs and deferred income tax benefits associated with convertible ITCs from solar and certain wind projects are reflected in NEER's earnings. PTCs are recognized as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes, and were approximately $120 million, $149 million and $186 million in 2016, 2015 and 2014, respectively. ITCs and deferred income tax benefits associated with convertible ITCs totaled approximately $150 million, $89 million and $84 million in 2016, 2015 and 2014, respectively. A portion of the PTCs and ITCs have been allocated to investors in connection with sales of differential membership interests. Also in 2014, NEE's effective income tax rate was unfavorably affected by a noncash income tax charge of approximately $45 million associated with structuring Canadian assets, approximately $30 million of which was reversed in 2016. See Note 5.

Capital Initiatives

NEER expects to add new contracted wind generation of approximately 2,400 MW to 4,100 MW, approximately 1,600 MW of additional repowering generation within the existing U.S. wind portfolio and new contracted solar generation of approximately 400 MW to 1,300 MW in 2017 to 2018 and will continue to pursue other additional investment opportunities that may develop. Projects developed by NEER might be offered for sale to NEP if NEER should seek to sell the projects. NEER will also continue to invest in the development of its natural gas pipeline infrastructure assets (see Item 1. Business - NEER - Generation and Other Operations - Contracted, Merchant and Other Operations - Other Operations).

Sale of Assets to NEP

In 2016 and 2015, indirect subsidiaries of NEER sold additional ownership interests in wind and solar projects to indirect subsidiaries of NEP. See Note 1 - NextEra Energy Partners, LP.

Corporate and Other: Results of Operations

Corporate and Other is primarily comprised of the operating results of NEET, FPL FiberNet and other business activities, as well as corporate interest income and expenses. Corporate and Other allocates a portion of NEECH's corporate interest expense to NEER. Interest expense is allocated based on a deemed capital structure of 70% debt and, for purposes of allocating NEECH's corporate interest expense, the deferred credit associated with differential membership interests sold by NEER's subsidiaries is included with debt. Each subsidiary's income taxes are calculated based on the "separate return method," except that tax benefits that could not be used on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that

generated the tax benefits. Any remaining consolidated income tax benefits or expenses are recorded at Corporate and Other. The major components of Corporate and Other's results, on an after-tax basis, are as follows:

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
Interest expense, net of allocations to NEER	**$ 58**	$ (87)	$ (95)
Interest income	**29**	32	31
Federal and state income tax benefits (expenses)	**(23)**	20	(7)
Merger-related expenses	**(92)**	(20)	—
Other - net	**88**	67	30
Net income (loss)	**$ 60**	$ 12	$ (41)

The decrease in interest expense, net of allocations to NEER for 2016 primarily reflects net after-tax gains on interest rate and foreign currency derivative instruments and foreign currency transactions as hedge accounting was discontinued effective January 2016. See Note 3. The decrease in 2015 reflects lower average debt balances due in part to a higher allocation of interest costs to NEER reflecting growth in NEER's business. The federal and state income tax benefits (expenses) reflect consolidating income tax adjustments, including, in 2016, approximately $57 million of income tax charges related to the sales of certain of NEER's natural gas generation facilities and the adoption of an accounting standards update (see Note 10 - Stock-Based Compensation), and in 2015, favorable changes in state income tax laws. Merger-related expenses increased in 2016 primarily related to the termination of the proposed merger between NEE, Hawaiian Electric Industries, Inc. (HEI) and two wholly owned direct subsidiaries of NEE (see Note 1 - Merger Termination) as well as costs associated with the EFH merger agreement and related transactions (see Note 7 - Pending Oncor-Related Transactions). Other - net includes all other corporate income and expenses, as well as other business activities. The increase in other - net for 2016 primarily reflects higher 2016 investment gains, debt reacquisition gains and higher results from NEET. The increase in other - net for 2015 primarily reflects 2015 investment gains compared to 2014 investment losses and the absence of debt reacquisition losses recorded in 2014. Substantially all of such investment gains and losses, on a pretax basis, is reflected in other - net in NEE's consolidated statements of income.

In January 2017, an indirect wholly owned subsidiary of NEE completed the sale of its membership interests in FPL FiberNet. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $1.1 billion (approximately $700 million after tax) will be recorded in NEE's consolidated statements of income during the three months ended March 31, 2017. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale.

LIQUIDITY AND CAPITAL RESOURCES

NEE and its subsidiaries require funds to support and grow their businesses. These funds are used for, among other things, working capital, capital expenditures, investments in or acquisitions of assets and businesses, payment of maturing debt obligations and, from time to time, redemption or repurchase of outstanding debt or equity securities. It is anticipated that these requirements will be satisfied through a combination of cash flows from operations, short- and long-term borrowings, the issuance of short- and long-term debt and, from time to time, equity securities, and proceeds from differential membership investors, consistent with NEE's and FPL's objective of maintaining, on a long-term basis, a capital structure that will support a strong investment grade credit rating. NEE, FPL and NEECH rely on access to credit and capital markets as significant sources of liquidity for capital requirements and other operations that are not satisfied by operating cash flows. The inability of NEE, FPL and NEECH to maintain their current credit ratings could affect their ability to raise short- and long-term capital, their cost of capital and the execution of their respective financing strategies, and could require the posting of additional collateral under certain agreements.

In October 2015, NEE authorized a program to purchase, from time to time, up to $150 million of common units representing limited partner interests of NEP. Under the program, any purchases may be made in amounts, at prices and at such times as NEE or its subsidiaries deem appropriate, all subject to market conditions and other considerations. The purchases may be made in the open market or in privately negotiated transactions. Any purchases will be made in such quantities, at such prices, in such manner and on such terms and conditions as determined by NEE or its subsidiaries in their discretion, based on factors such as market and business conditions, applicable legal requirements and other factors. The common unit purchase program does not require NEE to acquire any specific number of common units and may be modified or terminated by NEE at any time. NEE owns and controls the general partner of NEP and beneficially owns approximately 66.1% of NEP's voting power at December 31, 2016. The purpose of the program is not to cause NEP's common units to be delisted from the New York Stock Exchange or to cause the common units to be deregistered with the SEC. As of December 31, 2016, NEE had purchased approximately $36 million of NEP common units under this program. Also in October 2015, NEP put in place an at-the-market equity issuance program pursuant to which NEP may issue from time to time, up to $150 million of its common units. As of December 31, 2016, NEP had issued approximately $41 million of its common units under this program.

Cash Flows

NEE's increase in cash flows from operating activities for 2016 and 2015 primarily reflects operating cash generated from additional wind and solar facilities that were placed in service during or after 2015 and 2014, respectively.

NEE's sources and uses of cash for 2016, 2015 and 2014 were as follows:

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
Sources of cash:			
Cash flows from operating activities	**$ 6,336**	$ 6,116	$ 5,500
Long-term borrowings	**5,657**	5,772	5,054
Proceeds from differential membership investors, net of payments	**1,737**	669	907
Sale of independent power and other investments of NEER	**658**	52	307
Cash grants under the Recovery Act	**335**	8	343
Issuances of common stock - net	**537**	1,298	633
Net increase in commercial paper and other short-term debt	**—**	—	451
Proceeds from sale of noncontrolling interest in subsidiaries	**645**	345	438
Other sources - net	**—**	107	—
Total sources of cash	**15,905**	14,367	13,633
Uses of cash:			
Capital expenditures, independent power and other investments and nuclear fuel purchases	**(9,636)**	(8,377)	(7,017)
Retirements of long-term debt	**(3,310)**	(3,972)	(4,750)
Net decrease in commercial paper and other short-term debt	**(268)**	(356)	—
Dividends	**(1,612)**	(1,385)	(1,261)
Other uses - net	**(358)**	(283)	(466)
Total uses of cash	**(15,184)**	(14,373)	(13,494)
Net increase (decrease) in cash and cash equivalents	**$ 721**	$ (6)	$ 139

NEE's primary capital requirements are for expanding and enhancing FPL's electric system and generation facilities to continue to provide reliable service to meet customer electricity demands and for funding NEER's investments in independent power and other projects. The following table provides a summary of the major capital investments for 2016, 2015 and 2014.

	Years Ended December 31,		
	2016	2015	2014
		(millions)	
FPL:			
Generation:			
New	**$ 1,128**	$ 686	$ 744
Existing	**723**	811	905
Transmission and distribution	**1,848**	1,681	1,307
Nuclear fuel	**158**	205	174
General and other	**331**	384	148
Other, primarily change in accrued property additions and exclusion of AFUDC - equity	**(254)**	(134)	(37)
Total	**3,934**	3,633	3,241
NEER:			
Wind	**2,474**	1,029	2,136
Solar	**1,554**	1,494	546
Nuclear, including nuclear fuel	**255**	315	262
Natural gas pipelines	**853**	1,198	74
Other	**385**	625	683
Total	**5,521**	4,661	3,701
Corporate and Other	**181**	83	75
Total capital expenditures, independent power and other investments and nuclear fuel purchases	**$ 9,636**	$ 8,377	$ 7,017

Liquidity

In early February 2017, FPL and NEECH extended the maturity date for a portion of their bank revolving line of credit facilities and NEECH increased a portion of its revolving credit facilities. The table below provides the components of FPL's and NEECH's estimated net available liquidity as of February 10, 2017 reflecting these changes.

				Maturity Date	
	FPL	NEECH	Total	FPL	NEECH
		(millions)			
Bank revolving line of credit facilities[a]	$ 2,916	$ 4,964	$ 7,880	2018 - 2022	2018 - 2022
Issued letters of credit[b]	(3)	(382)	(385)		
	2,913	4,582	7,495		
Revolving credit facilities	1,200	1,360	2,560	2017 - 2019	2017 - 2022
Borrowings[b]	(1,000)	—	(1,000)		
	200	1,360	1,560		
Letter of credit facilities[c]	—	650	650		2017 - 2019
Issued letters of credit[b]	—	(312)	(312)		
	—	338	338		
Subtotal	3,113	6,280	9,393		
Cash and cash equivalents[b]	35	684	719		
Outstanding commercial paper and other short-term debt[b]	(1,433)	(40)	(1,473)		
Net available liquidity	$ 1,715	$ 6,924 [d]	$ 8,639 [d]		

(a) Provide for the funding of loans up to $7,880 million ($2,916 million for FPL) and the issuance of letters of credit up to $3,050 million ($670 million for FPL). The entire amount of the credit facilities is available for general corporate purposes and to provide additional liquidity in the event of a loss to the companies' or their subsidiaries' operating facilities (including, in the case of FPL, a transmission and distribution property loss). FPL's bank revolving line of credit facilities are also available to support the purchase of $778 million of pollution control, solid waste disposal and industrial development revenue bonds (tax exempt bonds) in the event they are tendered by individual bond holders and not remarketed prior to maturity. Approximately $2,315 million of FPL's and $3,730 million of NEECH's bank revolving line of credit facilities expire in 2022.
(b) As of January 31, 2017.
(c) Only available for the issuance of letters of credit.
(d) Excludes two variable rate bi-lateral term loan agreements totaling $7.5 billion discussed below.

As of February 23, 2017, 67 banks participate in FPL's and NEECH's revolving credit facilities, with no one bank providing more than 7% of the combined revolving credit facilities. European banks provide approximately 23% of the combined revolving credit facilities. Pursuant to a 1998 guarantee agreement, NEE guarantees the payment of NEECH's debt obligations under its revolving credit facilities. In order for FPL or NEECH to borrow or to have letters of credit issued under the terms of their respective revolving credit facilities and, also for NEECH, its letter of credit facilities, FPL, in the case of FPL, and NEE, in the case of NEECH, are required, among other things, to maintain a ratio of funded debt to total capitalization that does not exceed a stated ratio. The FPL and NEECH revolving credit facilities also contain default and related acceleration provisions relating to, among other things, failure of FPL and NEE, as the case may be, to maintain the respective ratio of funded debt to total capitalization at or below the specified ratio. At December 31, 2016, each of NEE and FPL was in compliance with its required ratio.

Additionally, at December 31, 2016, certain subsidiaries of NEP had credit or loan facilities with available liquidity as set forth in the table below.

	Amount	Amount Remaining Available at December 31, 2016	Rate	Maturity Date	Purpose
	(millions)				
Senior secured revolving credit facility[a]	$250	$250	Variable	2019	Working capital, expansion projects, acquisitions and general business purposes
Senior secured limited-recourse revolving loan facility[b]	$150	$—	Variable	2020	General business purposes

(a) NEP OpCo and one of its direct subsidiaries are required to comply with certain financial covenants on a quarterly basis and NEP OpCo's ability to pay cash distributions to its unit holders is subject to certain other restrictions. The revolving credit facility includes borrowing capacity for letters of credit and incremental commitments to increase the revolving credit facility up to $1 billion in the aggregate. Borrowings under the revolving credit facility are guaranteed by NEP OpCo and NEP.
(b) A certain NEP subsidiary (borrower) is required to satisfy certain conditions, including among other things, meeting a leverage ratio at the time of any borrowing that does not exceed a specified ratio. Borrowings under this revolving loan facility are secured by liens on certain of the borrower's assets and certain of the borrower's subsidiaries' assets, as well as the ownership interest in the borrower. The revolving loan facility contains default and related acceleration provisions relating to, among other things, failure of the borrower to maintain a leverage ratio at or below the specified ratio and a minimum interest coverage ratio.

In February 2017, NEECH entered into two variable rate bi-lateral term loan agreements each providing for a $3.75 billion short-term, non-revolving term loan facility, for a total of $7.5 billion, the loan proceeds of which are available for general corporate purposes, including to finance a portion of the purchase price payable by NEE for the acquisition of Oncor (see Item 1. Business - Overview). The obligation to make loans pursuant to these bi-lateral term loan agreements terminates in August 2017 and each loan agreement expires in February 2018. Each of these bi-lateral term loan agreements contain default and related acceleration provisions relating to, among other things, the failure to make required payments or to observe other covenants in the loan agreement, including financial covenants relating to the ratio of NEE's funded debt to total capitalization, and certain bankruptcy-related events. NEE guarantees the payment of debt obligations under the loan agreements pursuant to a 1998 guarantee agreement. There are currently no amounts outstanding under these facilities.

Capital Support

Guarantees, Letters of Credit, Surety Bonds and Indemnifications (Guarantee Arrangements)
Certain subsidiaries of NEE issue guarantees and obtain letters of credit and surety bonds, as well as provide indemnities, to facilitate commercial transactions with third parties and financings. Substantially all of the guarantee arrangements are on behalf of NEE's consolidated subsidiaries, as discussed in more detail below. NEE is not required to recognize liabilities associated with guarantee arrangements issued on behalf of its consolidated subsidiaries unless it becomes probable that they will be required to perform. At December 31, 2016, NEE believes that there is no material exposure related to these guarantee arrangements.

NEE subsidiaries issue guarantees related to equity contribution agreements associated with the development, construction and financing of certain power generation facilities, engineering, procurement and construction agreements and natural gas pipeline development projects. Commitments associated with these activities are included in the contracts table in Note 13.

In addition, as of December 31, 2016, NEE subsidiaries had approximately $2.4 billion in guarantees related to obligations under purchased power agreements, nuclear-related activities, payment obligations related to PTCs and the non-receipt of proceeds from cash grants under the Recovery Act, as well as other types of contractual obligations.

In some instances, subsidiaries of NEE elect to issue guarantees instead of posting other forms of collateral required under certain financing arrangements, as well as for other project-level cash management activities. As of December 31, 2016, these guarantees totaled approximately $607 million and support, among other things, cash management activities, including those related to debt service and O&M service agreements, as well as other specific project financing requirements.

Subsidiaries of NEE also issue guarantees to support customer supply and proprietary power and gas trading activities, including the buying and selling of wholesale and retail energy commodities. As of December 31, 2016, the estimated mark-to-market exposure (the total amount that these subsidiaries of NEE could be required to fund based on energy commodity market prices at December 31, 2016) plus contract settlement net payables, net of collateral posted for obligations under these guarantees totaled approximately $650 million.

As of December 31, 2016, subsidiaries of NEE also had approximately $1.0 billion of standby letters of credit and approximately $333 million of surety bonds to support certain of the commercial activities discussed above. FPL's and NEECH's credit facilities are available to support the amount of the standby letters of credit.

In addition, as part of contract negotiations in the normal course of business, certain subsidiaries of NEE have agreed and in the future may agree to make payments to compensate or indemnify other parties, including those associated with asset divestitures, for possible unfavorable financial consequences resulting from specified events. The specified events may include, but are not limited to, an adverse judgment in a lawsuit or the imposition of additional taxes due to a change in tax law or interpretations of the tax law or the triggering of cash grant recapture provisions under the Recovery Act. NEE is unable to estimate the maximum potential amount of future payments under some of these contracts because events that would obligate them to make payments have not yet occurred or, if any such event has occurred, they have not been notified of its occurrence.

Certain guarantee arrangements described above contain requirements for NEECH and FPL to maintain a specified credit rating. For a discussion of credit rating downgrade triggers see Credit Ratings below. NEE has guaranteed certain payment obligations of NEECH, including most of its debt and all of its debentures and commercial paper issuances, as well as most of its payment guarantees and indemnifications, and NEECH has guaranteed certain debt and other obligations of NEER and its subsidiaries.

Shelf Registration
In July 2015, NEE, NEECH and FPL filed a shelf registration statement with the SEC for an unspecified amount of securities which became effective upon filing. The amount of securities issuable by the companies is established from time to time by their respective boards of directors. Securities that may be issued under the registration statement include, depending on the registrant, senior debt securities, subordinated debt securities, junior subordinated debentures, first mortgage bonds, common stock, preferred stock, stock purchase contracts, stock purchase units, warrants and guarantees related to certain of those securities.

Contractual Obligations and Estimated Capital Expenditures

NEE's commitments at December 31, 2016 were as follows:

	2017	2018	2019	2020	2021	Thereafter	Total
				(millions)			
Long-term debt, including interest:[a]							
FPL[b]	$ 806	$ 765	$ 662	$ 417	$ 453	$ 15,241	$ 18,344
NEER	940	1,573	962	1,174	796	7,640	13,085
Corporate and Other	2,187	1,039	2,150	1,353	2,457	11,971	21,157
Purchase obligations:							
FPL[c]	7,335	4,735	5,435	4,515	4,925	12,315	39,260
NEER[d]	1,385	1,370	140	90	75	285	3,345
Corporate and Other[d]	45	10	—	5	—	—	60
Elimination of FPL's purchase obligations to NEER[d]	(59)	(87)	(84)	(81)	(79)	(1,167)	(1,557)
Asset retirement activities:[e]							
FPL[f]	16	10	3	2	2	8,709	8,742
NEER[g]	—	—	6	—	1	13,634	13,641
Other commitments:							
NEER[h]	163	215	222	119	112	447	1,278
Total	$ 12,818	$ 9,630	$ 9,496	$ 7,594	$ 8,742	$ 69,075	$ 117,355

(a) Includes principal, interest, interest rate contracts and payments by NEE under stock purchase contracts. Variable rate interest was computed using December 31, 2016 rates. See Note 11.
(b) Includes tax exempt bonds of approximately $9 million in 2020, $46 million in 2021 and $723 million thereafter that permit individual bond holders to tender the bonds for purchase at any time prior to maturity. In the event bonds are tendered for purchase, they would be remarketed by a designated remarketing agent in accordance with the related indenture. If the remarketing is unsuccessful, FPL would be required to purchase the tax exempt bonds. As of December 31, 2016, all tax exempt bonds tendered for purchase have been successfully remarketed. FPL's bank revolving line of credit facilities are available to support the purchase of tax exempt bonds.
(c) Represents required capacity and minimum charges under long-term purchased power and fuel contracts, projected capital expenditures through 2021 and the purchase price of the Indiantown generation facility (see Note 13 - Commitments and - Contracts).
(d) See Note 13 - Contracts.
(e) Represents expected cash payments adjusted for inflation for estimated costs to perform asset retirement activities.
(f) At December 31, 2016, FPL had approximately $3,665 million in restricted funds for the payment of its portion of future expenditures to decommission the Turkey Point and St. Lucie nuclear units, which are included in NEE's and FPL's special use funds. See Note 12.
(g) At December 31, 2016, NEER had approximately $1,769 million in restricted funds for the payment of its portion of future expenditures to decommission Seabrook, Duane Arnold and Point Beach nuclear units which are included in NEE's special use funds. See Note 12.
(h) Represents estimated cash distributions related to differential membership interests and payments related to the acquisition of certain development rights. For further discussion of differential membership interests, see Note 1 - Sale of Differential Membership Interests.

Credit Ratings

NEE's liquidity, ability to access credit and capital markets, cost of borrowings and collateral posting requirements under certain agreements is dependent on its and its subsidiaries credit ratings. At February 23, 2017, Moody's Investors Service, Inc. (Moody's), Standard & Poor's Ratings Services (S&P) and Fitch Ratings (Fitch) had assigned the following credit ratings to NEE, FPL and NEECH:

	Moody's[a]	S&P[a]	Fitch[a]
NEE:[b]			
Corporate credit rating	Baa1	A-	A-
FPL:[b]			
Corporate credit rating	A1	A-	A
First mortgage bonds	Aa2	A	AA-
Pollution control, solid waste disposal and industrial development revenue bonds[c]	VMIG-1/P-1	A-2	F1
Commercial paper	P-1	A-2	F1
NEECH:[b]			
Corporate credit rating	Baa1	A-	A-
Debentures	Baa1	BBB+	A-
Junior subordinated debentures	Baa2	BBB	BBB
Commercial paper	P-2	A-2	F2

(a) A security rating is not a recommendation to buy, sell or hold securities and should be evaluated independently of any other rating. The rating is subject to revision or withdrawal at any time by the assigning rating organization.
(b) The outlook indicated by each of Moody's, S&P and Fitch is stable.
(c) Short-term ratings are presented as all bonds outstanding are currently paying a short-term interest rate. At FPL's election, a portion or all of the bonds may be adjusted to a long-term interest rate.

NEE and its subsidiaries have no credit rating downgrade triggers that would accelerate the maturity dates of outstanding debt. A change in ratings is not an event of default under applicable debt instruments, and while there are conditions to drawing on the credit facilities noted above, the maintenance of a specific minimum credit rating is not a condition to drawing on these credit facilities.

Commitment fees and interest rates on loans under these credit facilities' agreements are tied to credit ratings. A ratings downgrade also could reduce the accessibility and increase the cost of commercial paper and other short-term debt issuances and borrowings and additional or replacement credit facilities. In addition, a ratings downgrade could result in, among other things, the requirement that NEE subsidiaries post collateral under certain agreements and guarantee arrangements, including, but not limited to, those related to fuel procurement, power sales and purchases, nuclear decommissioning funding, debt-related reserves and trading activities. FPL's and NEECH's credit facilities are available to support these potential requirements.

Covenants

NEE's charter does not limit the dividends that may be paid on its common stock. As a practical matter, the ability of NEE to pay dividends on its common stock is dependent upon, among other things, dividends paid to it by its subsidiaries. For example, FPL pays dividends to NEE in a manner consistent with FPL's long-term targeted capital structure. However, the mortgage securing FPL's first mortgage bonds contains provisions which, under certain conditions, restrict the payment of dividends to NEE and the issuance of additional first mortgage bonds. Additionally, in some circumstances, the mortgage restricts the amount of retained earnings that FPL can use to pay cash dividends on its common stock. The restricted amount may change based on factors set out in the mortgage. Other than this restriction on the payment of common stock dividends, the mortgage does not restrict FPL's use of retained earnings. As of December 31, 2016, no retained earnings were restricted by these provisions of the mortgage and, in light of FPL's current financial condition and level of earnings, management does not expect that planned financing activities or dividends would be affected by these limitations.

FPL may issue first mortgage bonds under its mortgage subject to its meeting an adjusted net earnings test set forth in the mortgage, which generally requires adjusted net earnings to be at least twice the annual interest requirements on, or at least 10% of the aggregate principal amount of, FPL's first mortgage bonds including those to be issued and any other non-junior FPL indebtedness. As of December 31, 2016, coverage for the 12 months ended December 31, 2016 would have been approximately 8.5 times the annual interest requirements and approximately 4.2 times the aggregate principal requirements. New first mortgage bonds are also limited to an amount equal to the sum of 60% of unfunded property additions after adjustments to offset property retirements, the amount of retired first mortgage bonds or qualified lien bonds and the amount of cash on deposit with the mortgage trustee. As of December 31, 2016, FPL could have issued in excess of $13.5 billion of additional first mortgage bonds based on the unfunded property additions and in excess of $6.3 billion based on retired first mortgage bonds. As of December 31, 2016, no cash was deposited with the mortgage trustee for these purposes.

In September 2006, NEE and NEECH executed a Replacement Capital Covenant (as amended, September 2006 RCC) in connection with NEECH's offering of $350 million principal amount of Series B Enhanced Junior Subordinated Debentures due 2066 (Series B junior subordinated debentures). The September 2006 RCC is for the benefit of persons that buy, hold or sell a specified series of long-term indebtedness (covered debt) of NEECH (other than the Series B junior subordinated debentures) or, in certain cases, of NEE. FPL Group Capital Trust I's 5 7/8% Preferred Trust Securities have been initially designated as the covered debt under the September 2006 RCC. The September 2006 RCC provides that NEECH may redeem, and NEE or NEECH may purchase, any Series B junior subordinated debentures on or before October 1, 2036, only to the extent that the redemption or purchase price does not exceed a specified amount of proceeds from the sale of qualifying securities, subject to certain limitations described in the September 2006 RCC. Qualifying securities are securities that have equity-like characteristics that are the same as, or more equity-like than, the Series B junior subordinated debentures at the time of redemption or purchase, which are sold within 365 days prior to the date of the redemption or repurchase of the Series B junior subordinated debentures.

In June 2007, NEE and NEECH executed a Replacement Capital Covenant (as amended, June 2007 RCC) in connection with NEECH's offering of $400 million principal amount of its Series C Junior Subordinated Debentures due 2067 (Series C junior subordinated debentures). The June 2007 RCC is for the benefit of persons that buy, hold or sell a specified series of covered debt of NEECH (other than the Series C junior subordinated debentures) or, in certain cases, of NEE. FPL Group Capital Trust I's 5 7/8% Preferred Trust Securities have been initially designated as the covered debt under the June 2007 RCC. The June 2007 RCC provides that NEECH may redeem or purchase, or satisfy, discharge or defease (collectively, defease), and NEE and any majority-owned subsidiary of NEE or NEECH may purchase, any Series C junior subordinated debentures on or before June 15, 2037, only to the extent that the principal amount defeased or the applicable redemption or purchase price does not exceed a specified amount raised from the issuance, during the 365 days prior to the date of that redemption, purchase or defeasance, of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Series C junior subordinated debentures at the time of redemption, purchase or defeasance, subject to certain limitations described in the June 2007 RCC.

In September 2007, NEE and NEECH executed a Replacement Capital Covenant (as amended, September 2007 RCC) in connection with NEECH's offering of $250 million principal amount of its Series D Junior Subordinated Debentures due 2067 (Series D junior subordinated debentures). The September 2007 RCC is for the benefit of persons that buy, hold or sell a specified series of covered debt of NEECH (other than the Series D junior subordinated debentures) or, in certain cases, of NEE. FPL Group Capital Trust I's 5 7/8% Preferred Trust Securities have been initially designated as the covered debt under the September 2007 RCC. The September

2007 RCC provides that NEECH may redeem, purchase, or defease, and NEE and any majority-owned subsidiary of NEE or NEECH may purchase, any Series D junior subordinated debentures on or before September 1, 2037, only to the extent that the principal amount defeased or the applicable redemption or purchase price does not exceed a specified amount raised from the issuance, during the 365 days prior to the date of that redemption, purchase or defeasance, of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Series D junior subordinated debentures at the time of redemption, purchase or defeasance, subject to certain limitations described in the September 2007 RCC.

New Accounting Rules and Interpretations

Amendments to the Consolidation Analysis - In February 2015, the Financial Accounting Standards Board (FASB) issued an accounting standards update that modified consolidation guidance. See Note 8.

Revenue Recognition - In May 2014, the FASB issued an accounting standards update related to the recognition of revenue from contracts with customers and required disclosures. See Note 1 - Revenues and Rates.

Financial Instruments - In January 2016, the FASB issued an accounting standards update which modifies guidance regarding certain aspects of recognition, measurement, presentation and disclosure of financial instruments. See Note 4 - Financial Instruments Accounting Standards Update.

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability and a right-of-use asset for all leases. See Note 1 - Leases.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

NEE's significant accounting policies are described in Note 1 to the consolidated financial statements, which were prepared under GAAP. Critical accounting policies are those that NEE believes are both most important to the portrayal of its financial condition and results of operations, and require complex, subjective judgments, often as a result of the need to make estimates and assumptions about the effect of matters that are inherently uncertain. Judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions.

NEE considers the following policies to be the most critical in understanding the judgments that are involved in preparing its consolidated financial statements:

Accounting for Derivatives and Hedging Activities

NEE uses derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity, as well as interest rate and foreign currency exchange rate risk associated primarily with outstanding and expected future debt issuances and borrowings. In addition, NEE, through NEER, uses derivatives to optimize the value of its power generation and gas infrastructure assets and engages in power and gas marketing and trading activities to take advantage of expected future favorable price movements.

Nature of Accounting Estimates

Accounting pronouncements require the use of fair value accounting if certain conditions are met, which requires significant judgment to measure the fair value of assets and liabilities. This applies not only to traditional financial derivative instruments, but to any contract having the accounting characteristics of a derivative. As a result, significant judgment must be used in applying derivatives accounting guidance to contracts. In the event changes in interpretation occur, it is possible that contracts that currently are excluded from derivatives accounting rules would have to be recorded on the balance sheet at fair value, with changes in the fair value recorded in the statement of income.

Assumptions and Accounting Approach

Derivative instruments, when required to be marked to market, are recorded on the balance sheet at fair value. Fair values for some of the longer-term contracts where liquid markets are not available are derived through internally developed models which estimate the fair value of a contract by calculating the present value of the difference between the contract price and the forward prices. Forward prices represent the price at which a buyer or seller could contract today to purchase or sell a commodity at a future date. The near-term forward market for electricity is generally liquid and therefore the prices in the early years of the forward curves reflect observable market quotes. However, in the later years, the market is much less liquid and forward price curves must be developed using factors including the forward prices for the commodities used as fuel to generate electricity, the expected system heat rate (which measures the efficiency of power plants in converting fuel to electricity) in the region where the purchase or sale takes place, and a fundamental forecast of expected spot prices based on modeled supply and demand in the region. NEE estimates the fair value of interest rate and foreign currency derivatives using a discounted cash flows valuation technique based on the net amount of estimated future cash inflows and outflows related to the derivative agreements. The assumptions in these models are critical since any changes therein could have a significant impact on the fair value of the derivative.

At FPL, substantially all changes in the fair value of energy derivative transactions are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel clause. See Note 3.

In NEE's non-rate regulated operations, predominantly NEER, essentially all changes in the derivatives' fair value for power purchases and sales, fuel sales and trading activities are recognized on a net basis in operating revenues; fuel purchases used in the production of electricity are recognized in fuel, purchased power and interchange expense; and the equity method investees' related activity is recognized in equity in earnings of equity method investees in NEE's consolidated statements of income.

In January 2016, NEE discontinued hedge accounting for its cash flow and fair value hedges related to interest rate and foreign currency derivative instruments and, therefore, all changes in the derivatives' fair value are recognized in interest expense in NEE's consolidated statements of income. NEE estimates the fair value of these derivatives based on a discounted cash flows valuation technique utilizing observable inputs.

Certain derivative transactions at NEER are entered into as economic hedges but the transactions do not meet the requirements for hedge accounting, hedge accounting treatment is not elected or hedge accounting has been discontinued. Changes in the fair value of those transactions are marked to market and reported in the consolidated statements of income, resulting in earnings volatility. These changes in fair value are reflected in the non-qualifying hedge category in computing adjusted earnings and could be significant to NEER's results because the economic offset to the positions are not marked to market. As a consequence, NEE's net income reflects only the movement in one part of economically-linked transactions. For example, a gain (loss) in the non-qualifying hedge category for certain energy derivatives is offset by decreases (increases) in the fair value of related physical asset positions in the portfolio or contracts, which are not marked to market under GAAP. For this reason, NEE's management views results expressed excluding the unrealized mark-to-market impact of the non-qualifying hedges as a meaningful measure of current period performance. For additional information regarding derivative instruments, see Note 3, Overview and Energy Marketing and Trading and Market Risk Sensitivity.

Accounting for Pension Benefits

NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries. Management believes that, based on actuarial assumptions and the well-funded status of the pension plan, NEE will not be required to make any cash contributions to the qualified pension plan in the near future. The qualified pension plan has a fully funded trust dedicated to providing benefits under the plan. NEE allocates net periodic income associated with the pension plan to its subsidiaries annually using specific criteria.

Nature of Accounting Estimates

For the pension plan, the benefit obligation is the actuarial present value, as of the December 31 measurement date, of all benefits attributed by the pension benefit formula to employee service rendered to that date. The amount of benefit to be paid depends on a number of future events incorporated into the pension benefit formula, including an estimate of the average remaining life of employees/survivors as well as the average years of service rendered. The projected benefit obligation is measured based on assumptions concerning future interest rates and future employee compensation levels. NEE derives pension income from actuarial calculations based on the plan's provisions and various management assumptions including discount rate, rate of increase in compensation levels and expected long-term rate of return on plan assets.

Assumptions and Accounting Approach

Accounting guidance requires recognition of the funded status of the pension plan in the balance sheet, with changes in the funded status recognized in other comprehensive income within shareholders' equity in the year in which the changes occur. Since NEE is the plan sponsor, and its subsidiaries do not have separate rights to the plan assets or direct obligations to their employees, this accounting guidance is reflected at NEE and not allocated to the subsidiaries. The portion of previously unrecognized actuarial gains and losses and prior service costs or credits that are estimated to be allocable to FPL as net periodic (income) cost in future periods and that otherwise would be recorded in AOCI are classified as regulatory assets and liabilities at NEE in accordance with regulatory treatment.

Net periodic pension income is included in O&M expenses, and is calculated using a number of actuarial assumptions. Those assumptions for the years ended December 31, 2016, 2015 and 2014 include:

	2016	2015	2014
Discount rate	**4.35%**	3.95%	4.80%
Salary increase	**4.10%**	4.10%	4.00%
Expected long-term rate of return[(a)]	**7.35%**	7.35%	7.75%

(a) In 2016 and 2015, an expected long-term rate of return of 7.75% is presented net of investment management fees.

In developing these assumptions, NEE evaluated input, including other qualitative and quantitative factors, from its actuaries and consultants, as well as information available in the marketplace. In addition, for the expected long-term rate of return on pension plan assets, NEE considered different models, capital market return assumptions and historical returns for a portfolio with an equity/bond asset mix similar to its pension fund, as well as its pension fund's historical compounded returns. NEE believes that 7.35% is a reasonable long-term rate of return, net of investment management fees, on its pension plan assets. NEE will continue to evaluate all of its actuarial assumptions, including its expected rate of return, at least annually, and will adjust them as appropriate.

NEE utilizes in its determination of pension income a market-related valuation of plan assets. This market-related valuation reduces year-to-year volatility and recognizes investment gains or losses over a five-year period following the year in which they occur. Investment gains or losses for this purpose are the difference between the expected return calculated using the market-related value of plan assets and the actual return realized on those plan assets. Since the market-related value of plan assets recognizes gains or losses over a five-year period, the future value of plan assets will be affected as previously deferred gains or losses are recognized. Such gains and losses together with other differences between actual results and the estimates used in the actuarial valuations are deferred and recognized in determining pension income only to the extent they exceed 10% of the greater of projected benefit obligations or the market-related value of plan assets.

The following table illustrates the effect on net periodic income of changing the critical actuarial assumptions discussed above, while holding all other assumptions constant:

	Change in Assumption	Decrease in 2016 Net Periodic Income	
		NEE	FPL
		(millions)	
Expected long-term rate of return	(0.5)%	$ (18)	$ (12)
Discount rate	0.5%	$ (4)	$ (2)
Salary increase	0.5%	$ (2)	$ (1)

NEE also utilizes actuarial assumptions about mortality to help estimate obligations of the pension plan. NEE has adopted the latest revised mortality tables and mortality improvement scales released by the Society of Actuaries, which adoption did not have a material impact on the pension plan's obligation.

See Note 2.

Carrying Value of Long-Lived Assets

NEE evaluates long-lived assets for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Nature of Accounting Estimates

The amount of future net cash flows, the timing of the cash flows and the determination of an appropriate interest rate all involve estimates and judgments about future events. In particular, the aggregate amount of cash flows determines whether an impairment exists, and the timing of the cash flows is critical in determining fair value. Because each assessment is based on the facts and circumstances associated with each long-lived asset, the effects of changes in assumptions cannot be generalized.

Assumptions and Accounting Approach

An impairment loss is required to be recognized if the carrying value of the asset exceeds the undiscounted future net cash flows associated with that asset. The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value. In most instances, the fair value is determined by discounting estimated future cash flows using an appropriate interest rate. See Management's Discussion - NEER: Results of Operations - Gas Infrastructure.

Decommissioning and Dismantlement

NEE accounts for AROs under accounting guidance that requires a liability for the fair value of an ARO to be recognized in the period in which it is incurred if it can be reasonably estimated, with the offsetting associated asset retirement costs capitalized as part of the carrying amount of the long-lived assets.

Nature of Accounting Estimates

The calculation of the future cost of retiring long-lived assets, including nuclear decommissioning and plant dismantlement costs, involves estimating the amount and timing of future expenditures and making judgments concerning whether or not such costs are considered a legal obligation. Estimating the amount and timing of future expenditures includes, among other things, making projections of when assets will be retired and ultimately decommissioned and how costs will escalate with inflation. In addition, NEE also makes interest rate and rate of return projections on its investments in determining recommended funding requirements for nuclear decommissioning costs. Periodically, NEE is required to update these estimates and projections which can affect the annual expense amounts recognized, the liabilities recorded and the annual funding requirements for nuclear decommissioning costs. For example, an increase of 0.25% in the assumed escalation rates for nuclear decommissioning costs would increase NEE's asset retirement obligations and conditional asset retirement obligations (collectively, AROs) as of December 31, 2016 by $185 million.

Assumptions and Accounting Approach

FPL - For ratemaking purposes, FPL accrues and funds for nuclear plant decommissioning costs over the expected service life of each unit based on studies that are approved by the FPSC. The studies reflect, among other things, the expiration dates of the operating licenses for FPL's nuclear units. The most recent studies, filed in 2015, indicate that FPL's portion of the future cost of decommissioning its four nuclear units, including spent fuel storage above what is expected to be refunded by the DOE under the spent fuel settlement agreement, is approximately $7.5 billion, or $3.0 billion expressed in 2016 dollars.

FPL accrues the cost of dismantling its fossil and solar plants over the expected service life of each unit based on studies filed with the FPSC. Unlike nuclear decommissioning, dismantlement costs are not funded. The most recent studies became effective January 1, 2017. At December 31, 2016, FPL's portion of the ultimate cost to dismantle its fossil and solar units is approximately $1.3 billion, or $480 million expressed in 2016 dollars. The majority of the dismantlement costs are not considered AROs. FPL accrues for interim removal costs over the life of the related assets based on depreciation studies approved by the FPSC. Any differences between the ARO amount recorded and the amount recorded for ratemaking purposes are reported as a regulatory liability in accordance with regulatory accounting.

The components of FPL's decommissioning of nuclear plants, dismantlement of plants and other accrued asset removal costs are as follows:

	Nuclear Decommissioning		Fossil/Solar Dismantlement		Interim Removal Costs and Other		Total	
	December 31,		December 31,		December 31,		December 31,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
				(millions)				
AROs	**$ 1,852**	$ 1,764	**$ 62**	$ 53	**$ 5**	$ 5	**$ 1,919**	$ 1,822
Less capitalized ARO asset net of accumulated depreciation	**355**	375	**32**	38	**—**	—	**387**	413
Accrued asset removal costs[a]	**297**	279	**322**	315	**1,325**	1,327	**1,944**	1,921
Asset retirement obligation regulatory expense difference[a]	**2,272**	2,147	**24**	37	**(2)**	(2)	**2,294**	2,182
Accrued decommissioning, dismantlement and other accrued asset removal costs[b]	**$ 4,066**	$ 3,815	**$ 376**	$ 367	**$ 1,328**	$ 1,330	**$ 5,770**	$ 5,512

(a) Included in noncurrent regulatory liabilities on NEE's and FPL's consolidated balance sheets.
(b) Represents total amount accrued for ratemaking purposes.

NEER - NEER records liabilities for the present value of its expected nuclear plant decommissioning costs which are determined using various internal and external data and applying a probability percentage to a variety of scenarios regarding the life of the plant and timing of decommissioning. The liabilities are being accreted using the interest method through the date decommissioning activities are expected to be complete. At December 31, 2016, the AROs for decommissioning of NEER's nuclear plants totaled approximately $451 million. NEER's portion of the ultimate cost of decommissioning its nuclear plants, including costs associated with spent fuel storage above what is expected to be refunded by the DOE under the spent fuel settlement agreement, is estimated to be approximately $11.8 billion, or $2.0 billion expressed in 2016 dollars.

See Note 1 - Asset Retirement Obligations and - Decommissioning of Nuclear Plants, Dismantlement of Plants and Other Accrued Asset Removal Costs and Note 12.

Regulatory Accounting

Certain of NEE's businesses are subject to rate regulation which results in the recording of regulatory assets and liabilities. See Note 1 - Rate Regulation for a detail of NEE's regulatory assets and liabilities.

Nature of Accounting Estimates

Regulatory assets and liabilities represent probable future revenues that will be recovered from or refunded to customers through the ratemaking process. Regulatory assets and liabilities are included in rate base or otherwise earn (pay) a return on investment during the recovery period.

Assumptions and Accounting Approach

Accounting guidance allows regulators to create assets and impose liabilities that would not be recorded by non-rate regulated entities. If NEE's rate-regulated entities, primarily FPL, were no longer subject to cost-based rate regulation, the existing regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. In addition, the regulators, including the FPSC for FPL, have the authority to disallow recovery of costs that they consider excessive or imprudently incurred. Such costs may include, among others, fuel and O&M expenses, the cost of replacing power lost when fossil and nuclear units are unavailable, storm restoration costs and costs associated with the construction or acquisition of new facilities. The continued applicability of regulatory accounting is assessed at each reporting period.

ENERGY MARKETING AND TRADING AND MARKET RISK SENSITIVITY

NEE and FPL are exposed to risks associated with adverse changes in commodity prices, interest rates and equity prices. Financial instruments and positions affecting the financial statements of NEE and FPL described below are held primarily for purposes other than trading. Market risk is measured as the potential loss in fair value resulting from hypothetical reasonably possible changes in commodity prices, interest rates or equity prices over the next year. Management has established risk management policies to monitor and manage such market risks, as well as credit risks.

Commodity Price Risk

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity. In addition, NEE, through NEER, uses derivatives to optimize the value of its power generation and gas infrastructure assets and engages in power and gas marketing and trading activities to take advantage of expected future favorable price movements. See Critical Accounting Policies and Estimates - Accounting for Derivatives and Hedging Activities and Note 3.

During 2015 and 2016, the changes in the fair value of NEE's consolidated subsidiaries' energy contract derivative instruments were as follows:

		Hedges on Owned Assets		
	Trading	Non-Qualifying	FPL Cost Recovery Clauses	NEE Total
		(millions)		
Fair value of contracts outstanding at December 31, 2014	$ 320	$ 898	$ (363)	$ 855
Reclassification to realized at settlement of contracts	(227)	(359)	471	(115)
Inception value of new contracts	18	3	—	21
Net option premium purchases (issuances)	(45)	3	—	(42)
Changes in fair value excluding reclassification to realized	293	640	(326)	607
Fair value of contracts outstanding at December 31, 2015	359	1,185	(218)	1,326
Reclassification to realized at settlement of contracts	**(189)**	**(455)**	**223**	**(421)**
Inception value of new contracts	**37**	**15**	**—**	**52**
Net option premium purchases (issuances)	**—**	**3**	**—**	**3**
Changes in fair value excluding reclassification to realized	**223**	**236**	**203**	**662**
Fair value of contracts outstanding at December 31, 2016	**430**	**984**	**208**	**1,622**
Net margin cash collateral paid (received)				**(167)**
Total mark-to-market energy contract net assets (liabilities) at December 31, 2016	**$ 430**	**$ 984**	**$ 208**	**$ 1,455**

NEE's total mark-to-market energy contract net assets (liabilities) at December 31, 2016 shown above are included on the consolidated balance sheets as follows:

	December 31, 2016
	(millions)
Current derivative assets	$ 710
Noncurrent derivative assets	1,228
Current derivative liabilities	(248)
Noncurrent derivative liabilities	(235)
NEE's total mark-to-market energy contract net assets	$ 1,455

The sources of fair value estimates and maturity of energy contract derivative instruments at December 31, 2016 were as follows:

	Maturity						
	2017	2018	2019	2020	2021	Thereafter	Total
	(millions)						
Trading:							
Quoted prices in active markets for identical assets	$ 61	$ 11	$ 4	$ (4)	$ (3)	$ —	$ 69
Significant other observable inputs	29	43	7	(5)	(10)	(18)	46
Significant unobservable inputs	106	32	33	38	30	76	315
Total	196	86	44	29	17	58	430
Owned Assets - Non-Qualifying:							
Quoted prices in active markets for identical assets	(6)	12	7	5	—	—	18
Significant other observable inputs	115	100	124	99	83	74	595
Significant unobservable inputs	45	32	27	28	16	223	371
Total	154	144	158	132	99	297	984
Owned Assets - FPL Cost Recovery Clauses:							
Quoted prices in active markets for identical assets	—	—	—	—	—	—	—
Significant other observable inputs	206	—	—	—	—	—	206
Significant unobservable inputs	2	—	—	—	—	—	2
Total	208	—	—	—	—	—	208
Total sources of fair value	$ 558	$ 230	$ 202	$ 161	$ 116	$ 355	$ 1,622

With respect to commodities, NEE's Exposure Management Committee (EMC), which is comprised of certain members of senior management, and NEE's chief executive officer are responsible for the overall approval of market risk management policies and the delegation of approval and authorization levels. The EMC and NEE's chief executive officer receive periodic updates on market positions and related exposures, credit exposures and overall risk management activities.

NEE uses a value-at-risk (VaR) model to measure commodity price market risk in its trading and mark-to-market portfolios. The VaR is the estimated nominal loss of market value based on a one-day holding period at a 95% confidence level using historical simulation methodology. As of December 31, 2016 and 2015, the VaR figures are as follows:

	Trading			Non-Qualifying Hedges and Hedges in FPL Cost Recovery Clauses[a]			Total		
	FPL	NEER	NEE	FPL	NEER	NEE	FPL	NEER	NEE
				(millions)					
December 31, 2015	$ —	$ 3	$ 3	$ 51	$ 44	$ 23	$ 51	$ 46	$ 25
December 31, 2016	**$ —**	**$ 4**	**$ 4**	**$ 46**	**$ 62**	**$ 23**	**$ 46**	**$ 57**	**$ 23**
Average for the year ended December 31, 2016	**$ —**	**$ 2**	**$ 2**	**$ 26**	**$ 31**	**$ 25**	**$ 26**	**$ 31**	**$ 25**

(a) Non-qualifying hedges are employed to reduce the market risk exposure to physical assets or contracts which are not marked to market. The VaR figures for the non-qualifying hedges and hedges in FPL cost recovery clauses category do not represent the economic exposure to commodity price movements.

Interest Rate Risk

NEE's and FPL's financial results are exposed to risk resulting from changes in interest rates as a result of their respective outstanding and expected future issuances of debt, investments in special use funds and other investments. NEE and FPL manage their respective interest rate exposure by monitoring current interest rates, entering into interest rate contracts and using a combination of fixed rate and variable rate debt. Interest rate contracts are used to mitigate and adjust interest rate exposure when deemed appropriate based upon market conditions or when required by financing agreements.

The following are estimates of the fair value of NEE's and FPL's financial instruments that are exposed to interest rate risk:

	December 31, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Fixed income securities:				
Special use funds	$ 1,809	$ 1,809 (a)	$ 1,789	$ 1,789 (a)
Other investments:				
Debt securities	$ 123	$ 123 (a)	$ 124	$ 124 (a)
Primarily notes receivable	$ 526	$ 668 (b)	$ 512	$ 722 (b)
Long-term debt, including current maturities	$ 30,418	$ 31,623 (c)	$ 28,897	$ 30,412 (c)
Interest rate contracts - net unrealized gains (losses)	$ 4	$ 4 (d)	$ (285)	$ (285) (d)
FPL:				
Fixed income securities - special use funds	$ 1,363	$ 1,363 (a)	$ 1,378	$ 1,378 (a)
Long-term debt, including current maturities	$ 10,072	$ 11,211 (c)	$ 10,020	$ 11,028 (c)

(a) Primarily estimated using a market approach based on quoted market prices for these or similar issues.
(b) Primarily estimated using an income approach utilizing a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower.
(c) Estimated using either a market approach based on quoted market prices for the same or similar issues or an income approach utilizing a discounted cash flow valuation technique, considering the current credit profile of the debtor.
(d) Modeled internally using an income approach utilizing a discounted cash flow valuation technique and applying a credit valuation adjustment.

The special use funds of NEE and FPL consist of restricted funds set aside to cover the cost of storm damage for FPL and for the decommissioning of NEE's and FPL's nuclear power plants. See Note 1 - Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve. A portion of these funds is invested in fixed income debt securities primarily carried at estimated fair value. At FPL, changes in fair value, including any OTTI losses, result in a corresponding adjustment to the related liability accounts based on current regulatory treatment. The changes in fair value of NEE's non-rate regulated operations result in a corresponding adjustment to OCI, except for impairments deemed to be other than temporary, including any credit losses, which are reported in current period earnings. Because the funds set aside by FPL for storm damage could be needed at any time, the related investments are generally more liquid and, therefore, are less sensitive to changes in interest rates. The nuclear decommissioning funds, in contrast, are generally invested in longer-term securities, as decommissioning activities are not scheduled to begin until at least 2030 (2032 at FPL).

As of December 31, 2016, NEE had interest rate contracts with a notional amount of approximately $15.1 billion related to outstanding and expected future debt issuances and borrowings, of which $13.5 billion manages exposure to the variability of cash flows associated with outstanding and expected future debt issuances at NEECH and NEER. The remaining $1.6 billion of notional amount of interest rate contracts effectively convert fixed-rate debt to variable-rate debt instruments at NEECH. See Note 3.

Based upon a hypothetical 10% decrease in interest rates, which is a reasonable near-term market change, the net fair value of NEE's net liabilities would increase by approximately $1,515 million ($459 million for FPL) at December 31, 2016.

Equity Price Risk

NEE and FPL are exposed to risk resulting from changes in prices for equity securities. For example, NEE's nuclear decommissioning reserve funds include marketable equity securities primarily carried at their market value of approximately $2,913 million and $2,674 million ($1,745 million and $1,598 million for FPL) at December 31, 2016 and 2015, respectively. At December 31, 2016, a hypothetical 10% decrease in the prices quoted by stock exchanges, which is a reasonable near-term market change, would result in a $272 million ($162 million for FPL) reduction in fair value. For FPL, a corresponding adjustment would be made to the related liability accounts based on current regulatory treatment, and for NEE's non-rate regulated operations, a corresponding adjustment would be made to OCI to the extent the market value of the securities exceeded amortized cost and to OTTI loss to the extent the market value is below amortized cost.

Credit Risk

NEE and its subsidiaries are also exposed to credit risk through their energy marketing and trading operations. Credit risk is the risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligation. NEE manages counterparty credit risk for its subsidiaries with energy marketing and trading operations through established policies, including counterparty credit limits, and in some cases credit enhancements, such as cash prepayments, letters of credit, cash and other collateral and guarantees.

Credit risk is also managed through the use of master netting agreements. NEE's credit department monitors current and forward credit exposure to counterparties and their affiliates, both on an individual and an aggregate basis. For all derivative and contractual transactions, NEE's energy marketing and trading operations, which include FPL's energy marketing and trading division, are exposed to losses in the event of nonperformance by counterparties to these transactions. Some relevant considerations when assessing NEE's energy marketing and trading operations' credit risk exposure include the following:

- Operations are primarily concentrated in the energy industry.
- Trade receivables and other financial instruments are predominately with energy, utility and financial services related companies, as well as municipalities, cooperatives and other trading companies in the U.S.
- Overall credit risk is managed through established credit policies and is overseen by the EMC.
- Prospective and existing customers are reviewed for creditworthiness based upon established standards, with customers not meeting minimum standards providing various credit enhancements or secured payment terms, such as letters of credit or the posting of margin cash collateral.
- Master netting agreements are used to offset cash and non-cash gains and losses arising from derivative instruments with the same counterparty. NEE's policy is to have master netting agreements in place with significant counterparties.

Based on NEE's policies and risk exposures related to credit, NEE and FPL do not anticipate a material adverse effect on their financial statements as a result of counterparty nonperformance. As of December 31, 2016, approximately 94% of NEE's and 100% of FPL's energy marketing and trading counterparty credit risk exposure is associated with companies that have investment grade credit ratings.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

See Management's Discussion – Energy Marketing and Trading and Market Risk Sensitivity.

Item 8. Financial Statements and Supplementary Data

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

NextEra Energy, Inc.'s (NEE) and Florida Power & Light Company's (FPL) management are responsible for establishing and maintaining adequate internal control over financial reporting as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f). The consolidated financial statements, which in part are based on informed judgments and estimates made by management, have been prepared in conformity with generally accepted accounting principles applied on a consistent basis.

To aid in carrying out this responsibility, we, along with all other members of management, maintain a system of internal accounting control which is established after weighing the cost of such controls against the benefits derived. In the opinion of management, the overall system of internal accounting control provides reasonable assurance that the assets of NEE and FPL and their subsidiaries are safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded for the preparation of financial statements. In addition, management believes the overall system of internal accounting control provides reasonable assurance that material errors or irregularities would be prevented or detected on a timely basis by employees in the normal course of their duties. Any system of internal accounting control, no matter how well designed, has inherent limitations, including the possibility that controls can be circumvented or overridden and misstatements due to error or fraud may occur and not be detected. Also, because of changes in conditions, internal control effectiveness may vary over time. Accordingly, even an effective system of internal control will provide only reasonable assurance with respect to financial statement preparation and reporting.

The system of internal accounting control is supported by written policies and guidelines, the selection and training of qualified employees, an organizational structure that provides an appropriate division of responsibility and a program of internal auditing. NEE's written policies include a Code of Business Conduct & Ethics that states management's policy on conflicts of interest and ethical conduct. Compliance with the Code of Business Conduct & Ethics is confirmed annually by key personnel.

The Board of Directors pursues its oversight responsibility for financial reporting and accounting through its Audit Committee. This Committee, which is comprised entirely of independent directors, meets regularly with management, the internal auditors and the independent auditors to make inquiries as to the manner in which the responsibilities of each are being discharged. The independent auditors and the internal audit staff have free access to the Committee without management's presence to discuss auditing, internal accounting control and financial reporting matters.

Management assessed the effectiveness of NEE's and FPL's internal control over financial reporting as of December 31, 2016, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the *Internal Control - Integrated Framework (2013)*. Based on this assessment, management believes that NEE's and FPL's internal control over financial reporting was effective as of December 31, 2016.

NEE's and FPL's independent registered public accounting firm, Deloitte & Touche LLP, is engaged to express an opinion on NEE's and FPL's consolidated financial statements and an opinion on NEE's and FPL's internal control over financial reporting. Their reports are based on procedures believed by them to provide a reasonable basis to support such opinions. These reports appear on the following pages.

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer of NEE and Chairman of FPL

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance and Chief Financial Officer of NEE and FPL

TERRELL KIRK CREWS, II

Terrell Kirk Crews, II
Vice President, Controller and Chief Accounting Officer
of NEE

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer of FPL

KIMBERLY OUSDAHL

Kimberly Ousdahl
Vice President and Chief Accounting Officer of FPL

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
NextEra Energy, Inc. and Florida Power & Light Company

We have audited the internal control over financial reporting of NextEra Energy, Inc. and subsidiaries (NextEra Energy) and Florida Power & Light Company and subsidiaries (FPL) as of December 31, 2016, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. NextEra Energy's and FPL's management are responsible for maintaining effective internal control over financial reporting and for their assessments of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on NextEra Energy's and FPL's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audits included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, NextEra Energy and FPL maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on the criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2016 of NextEra Energy and FPL and our report dated February 23, 2017 expressed an unqualified opinion on those financial statements.

DELOITTE & TOUCHE LLP
Certified Public Accountants

Boca Raton, Florida
February 23, 2017

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
NextEra Energy, Inc. and Florida Power & Light Company

We have audited the accompanying consolidated balance sheets of NextEra Energy, Inc. and subsidiaries (NextEra Energy) and the separate consolidated balance sheets of Florida Power & Light Company and subsidiaries (FPL) as of December 31, 2016 and 2015, and NextEra Energy's and FPL's related consolidated statements of income, NextEra Energy's consolidated statements of comprehensive income, NextEra Energy's and FPL's consolidated statements of cash flows, NextEra Energy's consolidated statements of equity, and FPL's consolidated statements of common shareholder's equity for each of the three years in the period ended December 31, 2016. These financial statements are the responsibility of NextEra Energy's and FPL's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of NextEra Energy, Inc. and subsidiaries and the consolidated financial position of Florida Power & Light Company and subsidiaries at December 31, 2016 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), NextEra Energy's and FPL's internal control over financial reporting as of December 31, 2016, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2017 expressed an unqualified opinion on NextEra Energy's and FPL's internal control over financial reporting.

DELOITTE & TOUCHE LLP
Certified Public Accountants

Boca Raton, Florida
February 23, 2017

NEXTERA ENERGY, INC.
CONSOLIDATED STATEMENTS OF INCOME
(millions, except per share amounts)

	Years Ended December 31,		
	2016	2015	2014
OPERATING REVENUES	**$ 16,155**	$ 17,486	$ 17,021
OPERATING EXPENSES (INCOME)			
Fuel, purchased power and interchange	**4,042**	5,327	5,602
Other operations and maintenance	**3,389**	3,269	3,149
Merger-related	**135**	26	—
Depreciation and amortization	**3,077**	2,831	2,551
Losses (gains) on disposal of assets - net	**(446)**	4	(27)
Taxes other than income taxes and other - net	**1,350**	1,397	1,362
Total operating expenses - net	**11,547**	12,854	12,637
OPERATING INCOME	**4,608**	4,632	4,384
OTHER INCOME (DEDUCTIONS)			
Interest expense	**(1,093)**	(1,211)	(1,261)
Benefits associated with differential membership interests - net	**309**	216	199
Equity in earnings of equity method investees	**148**	107	93
Allowance for equity funds used during construction	**86**	70	37
Interest income	**82**	86	80
Gains on disposal of investments and other property - net	**40**	90	105
Gain associated with Maine fossil	**—**	—	21
Other than temporary impairment losses on securities held in nuclear decommissioning funds	**(23)**	(40)	(13)
Revaluation of contingent consideration	**189**	—	—
Other - net	**42**	40	—
Total other deductions - net	**(220)**	(642)	(739)
INCOME BEFORE INCOME TAXES	**4,388**	3,990	3,645
INCOME TAXES	**1,383**	1,228	1,176
NET INCOME	**3,005**	2,762	2,469
LESS NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**93**	10	4
NET INCOME ATTRIBUTABLE TO NEE	**$ 2,912**	$ 2,752	$ 2,465
Earnings per share attributable to NEE:			
Basic	**$ 6.29**	$ 6.11	$ 5.67
Assuming dilution	**$ 6.25**	$ 6.06	$ 5.60
Weighted-average number of common shares outstanding:			
Basic	**463.1**	450.5	434.4
Assuming dilution	**465.8**	454.0	440.1

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NEXTERA ENERGY, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(millions)

	Years Ended December 31,		
	2016	2015	2014
NET INCOME	**$ 3,005**	$ 2,762	$ 2,469
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX			
Net unrealized gains (losses) on cash flow hedges:			
Effective portion of net unrealized losses (net of $37 and $80 tax benefit, respectively)	**—**	(88)	(141)
Reclassification from accumulated other comprehensive income to net income (net of $32, $25 and $57 tax expense, respectively)	**70**	63	98
Net unrealized gains (losses) on available for sale securities:			
Net unrealized gains (losses) on securities still held (net of $50 tax expense, $8 tax benefit and $45 tax expense, respectively)	**69**	(7)	62
Reclassification from accumulated other comprehensive income to net income (net of $13, $33 and $26 tax benefit, respectively)	**(18)**	(37)	(41)
Defined benefit pension and other benefits plans (net of $13, $26 and $27 tax benefit, respectively)	**(21)**	(42)	(43)
Net unrealized losses on foreign currency translation (net of $2, $2 and $12 tax benefit, respectively)	**(5)**	(27)	(25)
Other comprehensive income (loss) related to equity method investee (net of $2 tax expense and $5 tax benefit, respectively)	**2**	—	(8)
Total other comprehensive income (loss), net of tax	**97**	(138)	(98)
COMPREHENSIVE INCOME	**3,102**	2,624	2,371
LESS COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS	**93**	(1)	2
COMPREHENSIVE INCOME ATTRIBUTABLE TO NEE	**$ 3,009**	$ 2,625	$ 2,369

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NEXTERA ENERGY, INC.
CONSOLIDATED BALANCE SHEETS
(millions, except par value)

	December 31,	
	2016	2015
PROPERTY, PLANT AND EQUIPMENT		
Electric plant in service and other property	**$ 80,150**	$ 72,606
Nuclear fuel	**2,131**	2,067
Construction work in progress	**4,732**	5,657
Accumulated depreciation and amortization	**(20,101)**	(18,944)
Total property, plant and equipment - net ($14,632 and $7,966 related to VIEs, respectively)	**66,912**	61,386
CURRENT ASSETS		
Cash and cash equivalents	**1,292**	571
Customer receivables, net of allowances of $5 and $13, respectively	**1,784**	1,784
Other receivables	**655**	481
Materials, supplies and fossil fuel inventory	**1,289**	1,259
Regulatory assets	**524**	503
Derivatives	**885**	712
Assets held for sale	**452**	1,009
Other	**528**	476
Total current assets	**7,409**	6,795
OTHER ASSETS		
Special use funds	**5,434**	5,138
Other investments ($479 related to a VIE at December 31, 2016)	**2,482**	1,786
Prepaid benefit costs	**1,177**	1,155
Regulatory assets ($107 and $128 related to a VIE, respectively)	**1,894**	1,778
Derivatives	**1,350**	1,202
Other	**3,335**	3,239
Total other assets	**15,672**	14,298
TOTAL ASSETS	**$ 89,993**	$ 82,479
CAPITALIZATION		
Common stock ($0.01 par value, authorized shares - 800; outstanding shares - 468 and 461, respectively)	**$ 5**	$ 5
Additional paid-in capital	**8,948**	8,596
Retained earnings	**15,458**	14,140
Accumulated other comprehensive loss	**(70)**	(167)
Total common shareholders' equity	**24,341**	22,574
Noncontrolling interests	**990**	538
Total equity	**25,331**	23,112
Long-term debt ($5,080 and $684 related to VIEs, respectively)	**27,818**	26,681
Total capitalization	**53,149**	49,793
CURRENT LIABILITIES		
Commercial paper	**268**	374
Other short-term debt	**150**	412
Current maturities of long-term debt	**2,604**	2,220
Accounts payable	**3,447**	2,529
Customer deposits	**470**	473
Accrued interest and taxes	**480**	449
Derivatives	**404**	882
Accrued construction-related expenditures	**1,120**	921
Regulatory liabilities	**299**	14
Liabilities associated with assets held for sale	**451**	992
Other	**1,226**	841
Total current liabilities	**10,919**	10,107
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	**2,736**	2,469

Deferred income taxes	**11,101**	9,827
Regulatory liabilities	**4,906**	4,606
Derivatives	**477**	530
Deferral related to differential membership interests - VIEs	**4,656**	3,142
Other	**2,049**	2,005
Total other liabilities and deferred credits	**25,925**	22,579
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 89,993**	$ 82,479

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NEXTERA ENERGY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

	Years Ended December 31,		
	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 3,005	$ 2,762	$ 2,469
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	3,077	2,831	2,551
Nuclear fuel and other amortization	300	372	345
Unrealized gains on marked to market derivative contracts - net	(44)	(337)	(411)
Foreign currency transaction losses	13	—	—
Deferred income taxes	1,230	1,162	1,205
Cost recovery clauses and franchise fees	94	176	(67)
Purchased power agreement termination	—	(521)	—
Benefits associated with differential membership interests - net	(309)	(216)	(199)
Gains on disposal of assets - net	(490)	(89)	(133)
Recoverable storm-related costs	(223)	—	—
Other - net	(94)	68	278
Changes in operating assets and liabilities:			
Current assets	(120)	73	(172)
Noncurrent assets	(67)	(106)	(220)
Current liabilities	(24)	64	(134)
Noncurrent liabilities	(12)	(123)	(12)
Net cash provided by operating activities	6,336	6,116	5,500
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures of FPL	(3,776)	(3,428)	(3,067)
Independent power and other investments of NEER	(5,396)	(4,505)	(3,588)
Cash grants under the American Recovery and Reinvestment Act of 2009	335	8	343
Nuclear fuel purchases	(283)	(361)	(287)
Other capital expenditures and other investments	(181)	(83)	(75)
Sale of independent power and other investments of NEER	658	52	307
Proceeds from sale or maturity of securities in special use funds and other investments	3,776	4,851	4,621
Purchases of securities in special use funds and other investments	(3,829)	(4,982)	(4,767)
Proceeds from the sale of a noncontrolling interest in subsidiaries	645	345	438
Other - net	(59)	98	(286)
Net cash used in investing activities	(8,110)	(8,005)	(6,361)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuances of long-term debt	5,657	5,772	5,054
Retirements of long-term debt	(3,310)	(3,972)	(4,750)
Proceeds from differential membership investors	1,859	761	978
Payments to differential membership investors	(122)	(92)	(71)
Proceeds from other short-term debt	500	1,225	500
Repayments of other short-term debt	(662)	(813)	(500)
Net change in commercial paper	(106)	(768)	451
Issuances of common stock - net	537	1,298	633
Dividends on common stock	(1,612)	(1,385)	(1,261)
Other - net	(246)	(143)	(34)
Net cash provided by financing activities	2,495	1,883	1,000
Net increase (decrease) in cash and cash equivalents	721	(6)	139
Cash and cash equivalents at beginning of year	571	577	438
Cash and cash equivalents at end of year	$ 1,292	$ 571	$ 577
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid for interest (net of amount capitalized)	$ 1,193	$ 1,143	$ 1,181
Cash paid for income taxes - net	$ 91	$ 33	$ 46

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Accrued property additions	$ 3,626	$ 2,616	$ 956
Assumption of debt/acquisition holdbacks in connection with Texas pipeline acquisition	$ —	$ 1,078	$ —
Decrease in property, plant and equipment - net as a result of cash grants primarily under the American Recovery and Reinvestment Act of 2009	$ 419	$ 224	$ 161
Decrease (increase) in property, plant and equipment - net as a result of a settlement	$ (72)	$ (45)	$ 181
Proceeds from differential membership investors used to reduce debt	$ 100	$ —	$ —

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NEXTERA ENERGY, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(millions)

	Common Stock		Additional Paid-In Capital	Unearned ESOP Compensation	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Common Shareholders' Equity	Non-controlling Interests	Total Equity
	Shares	Aggregate Par Value							
Balances, December 31, 2013	435	$ 4	$ 6,437	$ (26)	$ 56	$ 11,569	$ 18,040	$ —	$ 18,040
Net income	—	—	—	—	—	2,465	2,465	4	
Issuances of common stock, net of issuance cost of less than $1	7	—	604	3	—	—	607	—	
Exercise of stock options and other incentive plan activity	1	—	102	—	—	—	102	—	
Dividends on common stock[a]	—	—	—	—	—	(1,261)	(1,261)	—	
Other comprehensive loss	—	—	—	—	(96)	—	(96)	(2)	
NEP acquisition of limited partner interest in NEP OpCo	—	—	—	—	—	—	—	232	
Other	—	—	50	9	—	—	59	18	
Balances, December 31, 2014	443	4	7,193	(14)	(40)	12,773	19,916	252	$ 20,168
Net income	—	—	—	—	—	2,752	2,752	10	
Issuances of common stock, net of issuance cost of less than $1	17	1	1,302	4	—	—	1,307	—	
Dividends on common stock[a]	—	—	—	—	—	(1,385)	(1,385)	—	
Other comprehensive loss	—	—	—	—	(127)	—	(127)	(11)	
Premium on equity units	—	—	(80)	—	—	—	(80)	—	
Sale of NEER assets to NEP	—	—	88	—	—	—	88	252	
Other	1	—	94	9	—	—	103	35	
Balances, December 31, 2015	461	5	8,597	(1)	(167)	14,140	22,574	538	$ 23,112
Net income	—	—	—	—	—	2,912	2,912	93	
Issuances of common stock, net of issuance cost of less than $1	6	—	527	—	—	—	527	—	
Dividends on common stock[a]	—	—	—	—	—	(1,612)	(1,612)	—	
Other comprehensive income	—	—	—	—	97	—	97	—	
Premium on equity units	—	—	(200)	—	—	—	(200)	—	
Sale of NEER assets to NEP	—	—	—	—	—	—	—	433	
Other	1	—	24	1	—	18	43	(74)	
Balances, December 31, 2016	468	$ 5	$ 8,948	$ —	$ (70)	$ 15,458	$ 24,341	$ 990	$ 25,331

(a) Dividends per share were $3.48, $3.08 and $2.90 for the years ended December 31, 2016, 2015 and 2014, respectively.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(millions)

	Years Ended December 31,		
	2016	2015	2014
OPERATING REVENUES	**$ 10,895**	$ 11,651	$ 11,421
OPERATING EXPENSES (INCOME)			
Fuel, purchased power and interchange	**3,297**	4,276	4,375
Other operations and maintenance	**1,600**	1,617	1,620
Depreciation and amortization	**1,651**	1,576	1,432
Taxes other than income taxes and other - net	**1,189**	1,205	1,166
Total operating expenses - net	**7,737**	8,674	8,593
OPERATING INCOME	**3,158**	2,977	2,828
OTHER INCOME (DEDUCTIONS)			
Interest expense	**(456)**	(445)	(439)
Allowance for equity funds used during construction	**74**	68	36
Other - net	**2**	5	2
Total other deductions - net	**(380)**	(372)	(401)
INCOME BEFORE INCOME TAXES	**2,778**	2,605	2,427
INCOME TAXES	**1,051**	957	910
NET INCOME[a]	**$ 1,727**	$ 1,648	$ 1,517

(a) FPL's comprehensive income is the same as reported net income.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED BALANCE SHEETS
(millions, except share amount)

	December 31,	
	2016	2015
ELECTRIC UTILITY PLANT AND OTHER PROPERTY		
Plant in service and other property	**$ 44,966**	$ 41,227
Nuclear fuel	**1,308**	1,306
Construction work in progress	**2,039**	2,850
Accumulated depreciation and amortization	**(12,304)**	(11,862)
Total electric utility plant and other property - net	**36,009**	33,521
CURRENT ASSETS		
Cash and cash equivalents	**33**	23
Customer receivables, net of allowances of $2 and $3, respectively	**768**	849
Other receivables	**148**	123
Materials, supplies and fossil fuel inventory	**851**	826
Regulatory assets	**524**	502
Derivatives	**209**	3
Other	**213**	181
Total current assets	**2,746**	2,507
OTHER ASSETS		
Special use funds	**3,665**	3,504
Prepaid benefit costs	**1,301**	1,243
Regulatory assets ($107 and $128 related to a VIE, respectively)	**1,573**	1,513
Other	**207**	235
Total other assets	**6,746**	6,495
TOTAL ASSETS	**$ 45,501**	$ 42,523
CAPITALIZATION		
Common stock (no par value, 1,000 shares authorized, issued and outstanding)	**$ 1,373**	$ 1,373
Additional paid-in capital	**8,332**	7,733
Retained earnings	**6,875**	6,447
Total common shareholder's equity	**16,580**	15,553
Long-term debt ($144 and $210 related to a VIE, respectively)	**9,705**	9,956
Total capitalization	**26,285**	25,509
CURRENT LIABILITIES		
Commercial paper	**268**	56
Other short-term debt	**150**	100
Current maturities of long-term debt	**367**	64
Accounts payable	**837**	664
Customer deposits	**466**	469
Accrued interest and taxes	**240**	279
Derivatives	**1**	222
Accrued construction-related expenditures	**262**	240
Regulatory liabilities	**294**	12
Other	**496**	343
Total current liabilities	**3,381**	2,449
OTHER LIABILITIES AND DEFERRED CREDITS		
Asset retirement obligations	**1,919**	1,822
Deferred income taxes	**8,541**	7,730
Regulatory liabilities	**4,893**	4,595
Other	**482**	418
Total other liabilities and deferred credits	**15,835**	14,565
COMMITMENTS AND CONTINGENCIES		
TOTAL CAPITALIZATION AND LIABILITIES	**$ 45,501**	$ 42,523

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

	Years Ended December 31,		
	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	**$ 1,727**	$ 1,648	$ 1,517
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	**1,651**	1,576	1,432
Nuclear fuel and other amortization	**218**	209	201
Deferred income taxes	**932**	504	601
Cost recovery clauses and franchise fees	**94**	176	(67)
Purchased power agreement termination	**—**	(521)	—
Recoverable storm-related costs	**(223)**	—	—
Other - net	**42**	(56)	94
Changes in operating assets and liabilities:			
Current assets	**26**	(89)	(125)
Noncurrent assets	**(31)**	(53)	(103)
Current liabilities	**16**	40	(70)
Noncurrent liabilities	**(86)**	(41)	(26)
Net cash provided by operating activities	**4,366**	3,393	3,454
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	**(3,776)**	(3,428)	(3,067)
Nuclear fuel purchases	**(158)**	(205)	(174)
Proceeds from sale or maturity of securities in special use funds	**2,495**	3,731	3,349
Purchases of securities in special use funds	**(2,506)**	(3,792)	(3,414)
Other - net	**(15)**	19	(268)
Net cash used in investing activities	**(3,960)**	(3,675)	(3,574)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuances of long-term debt	**309**	1,084	997
Retirements of long-term debt	**(262)**	(551)	(355)
Proceeds from other short-term debt	**500**	100	—
Repayments of other short-term debt	**(450)**	—	—
Net change in commercial paper	**212**	(1,086)	938
Capital contributions from NEE	**600**	1,454	100
Dividends to NEE	**(1,300)**	(700)	(1,550)
Other - net	**(5)**	(10)	(15)
Net cash provided by (used in) financing activities	**(396)**	291	115
Net increase (decrease) in cash and cash equivalents	**10**	9	(5)
Cash and cash equivalents at beginning of year	**23**	14	19
Cash and cash equivalents at end of year	**$ 33**	$ 23	$ 14
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid for interest (net of amount capitalized)	**$ 434**	$ 435	$ 417
Cash paid for income taxes - net	**$ 147**	$ 439	$ 342
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Accrued property additions	**$ 664**	$ 474	$ 404

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

FLORIDA POWER & LIGHT COMPANY
CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDER'S EQUITY
(millions)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Common Shareholder's Equity
Balances, December 31, 2013	$ 1,373	$ 6,179	$ 5,532	$ 13,084
Net income	—	—	1,517	
Capital contributions from NEE	—	100	—	
Dividends to NEE	—	—	(1,550)	
Balances, December 31, 2014	1,373	6,279	5,499	$ 13,151
Net income	—	—	1,648	
Capital contributions from NEE	—	1,454	—	
Dividends to NEE	—	—	(700)	
Balances, December 31, 2015	1,373	7,733	6,447	$ 15,553
Net income	—	—	**1,727**	
Capital contributions from NEE	**—**	**600**	**—**	
Dividends to NEE	—	—	**(1,300)**	
Other	**—**	**(1)**	**1**	
Balances, December 31, 2016	**$ 1,373**	**$ 8,332**	**$ 6,875**	**$ 16,580**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

NEXTERA ENERGY, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended December 31, 2016, 2015 and 2014

1. Summary of Significant Accounting and Reporting Policies

Basis of Presentation - The operations of NextEra Energy, Inc. (NEE) are conducted primarily through Florida Power & Light Company (FPL), a wholly owned subsidiary, and NextEra Energy Resources, LLC (NEER), a wholly owned indirect subsidiary. FPL, a rate-regulated electric utility, supplies electric service to approximately 4.9 million customer accounts throughout most of the east and lower west coasts of Florida. NEER invests in independent power projects through both controlled and consolidated entities and noncontrolling ownership interests in joint ventures essentially all of which are accounted for under the equity method. NEER also participates in natural gas, natural gas liquids and oil production primarily through non-operating ownership interests and in pipeline infrastructure through either wholly owned subsidiaries or noncontrolling or joint venture interests.

The consolidated financial statements of NEE and FPL include the accounts of their respective majority-owned and controlled subsidiaries. Intercompany balances and transactions have been eliminated in consolidation. Certain amounts included in prior years' consolidated financial statements have been reclassified to conform to the current year's presentation. The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NextEra Energy Partners, LP - NEE, through NEER, formed NextEra Energy Partners, LP (NEP) to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NextEra Energy Operating Partners, LP (NEP OpCo). On July 1, 2014, NEP closed its initial public offering (IPO) by issuing 18,687,500 common units representing limited partner interests. The proceeds from the sale of the common units, net of underwriting discounts, commissions and structuring fees, were approximately $438 million. NEP used such proceeds to purchase 18,687,500 common units of NEP OpCo, of which approximately $288 million was used to purchase common units from an indirect wholly owned subsidiary of NEE and $150 million was used to purchase common units from NEP OpCo. Through an indirect wholly owned subsidiary, NEE retained 74,440,000 units of NEP OpCo representing a 79.9% interest in NEP's operating projects. Additionally, NEE owns a controlling general partner interest in NEP and consolidates NEP for financial reporting purposes and presents NEP's limited partner interest as a noncontrolling interest in NEE's consolidated financial statements. Certain equity and asset transactions between NEP, NEER and NEP OpCo involve the exchange of cash, energy projects and ownership interests in NEP OpCo. These exchanges are accounted for under the profit sharing method and resulted in a profit sharing liability, net of amortization, of approximately $757 million and $447 million at December 31, 2016 and 2015, respectively, which is reflected in noncurrent other liabilities on NEE's consolidated balance sheets. The profit sharing liability will be amortized into income on a straight-line basis over the estimated useful lives of the underlying energy projects held by NEP OpCo. Accordingly, the profit sharing liability amortization totaled approximately $37 million during 2016 and is included in taxes other than income taxes and other - net in NEE's consolidated statements of income. During the purchase price adjustment period associated with the IPO, which ended in November 2016, approximately $288 million of the profit sharing liability was not amortized.

During 2015 and 2016, NEP sold an additional 35,527,435 common units and purchased an additional 35,527,435 NEP OpCo common units. Also, in 2015, a subsidiary of NEE purchased 27,000,000 of NEP OpCo's common units. After giving effect to these transactions, NEE's partnership interest in NEP OpCo's operating projects is approximately 65.2% as of December 31, 2016. As of December 31, 2016, NEP, through NEER's contribution of energy projects to NEP OpCo, owns or has an interest in a portfolio of 22 wind and solar projects with generating capacity totaling approximately 2,787 megawatts (MW), as well as a portfolio of seven long-term contracted natural gas pipeline assets located in Texas.

In October 2015, NEE authorized a program to purchase, from time to time, up to $150 million of common units representing limited partner interests of NEP. Under the program, any purchases may be made in amounts, at prices and at such times as NEE or its subsidiaries deem appropriate, all subject to market conditions and other considerations. The common unit purchase program does not require NEE to acquire any specific number of common units and may be modified or terminated by NEE at any time. The purchases may be made in the open market or in privately negotiated transactions. As of December 31, 2016, NEE had purchased approximately $36 million of NEP common units under this program.

Rate Regulation - FPL is subject to rate regulation by the Florida Public Service Commission (FPSC) and the Federal Energy Regulatory Commission (FERC). Its rates are designed to recover the cost of providing electric service to its customers including a reasonable rate of return on invested capital. As a result of this cost-based regulation, FPL follows the accounting guidance that allows regulators to create assets and impose liabilities that would not be recorded by non-rate regulated entities. Regulatory assets and liabilities represent probable future revenues that will be recovered from or refunded to customers through the ratemaking process.

NEE's and FPL's regulatory assets and liabilities are as follows:

	NEE		FPL	
	December 31,		December 31,	
	2016	2015	**2016**	2015
	(millions)			
Regulatory assets:				
Current:				
Derivatives	$ —	$ 218	$ —	$ 218
Storm reserve deficiency	**203**	—	**203**	—
Other	**321**	285	**321**	284
Total	$ **524**	$ 503	$ **524**	$ 502
Noncurrent:				
Purchased power agreement termination	$ **636**	$ 726	$ **636**	$ 726
Other	**1,258**	1,052	**937**	787
Total	$ **1,894**	$ 1,778	$ **1,573**	$ 1,513
Regulatory liabilities:				
Current:				
Derivatives	$ **208**	$ —	$ **208**	$ —
Other	**91**	14	**86**	12
Total	$ **299**	$ 14	$ **294**	$ 12
Noncurrent:				
Accrued asset removal costs	$ **1,956**	$ 1,930	$ **1,944**	$ 1,921
Asset retirement obligation regulatory expense difference	**2,294**	2,182	**2,294**	2,182
Other	**656**	494	**655**	492
Total	$ **4,906**	$ 4,606	$ **4,893**	$ 4,595

Cost recovery clauses, which are designed to permit full recovery of certain costs and provide a return on certain assets allowed to be recovered through various clauses, include substantially all fuel, purchased power and interchange expense, certain costs associated with the acquisition of certain generation facilities, certain construction-related costs for certain of FPL's solar generation facilities, and conservation and certain environmental-related costs. Revenues from cost recovery clauses are recorded when billed; FPL achieves matching of costs and related revenues by deferring the net underrecovery or overrecovery. Any underrecovered costs or overrecovered revenues are collected from or returned to customers in subsequent periods.

In 2015, FPL assumed ownership of a 250 MW coal-fired generation facility located in Jacksonville, Florida (Cedar Bay generation facility) and terminated its long-term purchased power agreement for substantially all of the facility's capacity and energy for a purchase price of approximately $521 million. The FPSC approved a stipulation and settlement between the State of Florida Office of Public Counsel and FPL regarding issues relating to the ratemaking treatment for the Cedar Bay generation facility which provides for recovery of the purchase price and associated income tax gross-up as a regulatory asset of approximately $847 million which will be amortized over approximately nine years. At December 31, 2016 and 2015, the regulatory assets, net of amortization, totaled approximately $726 million and $817 million, respectively, and are included in current and noncurrent regulatory assets on NEE's and FPL's consolidated balance sheets. This settlement also reduced the reserve amount that was available for amortization under the 2012 rate agreement by $30 million to $370 million. See Revenues and Rates - FPL Rates Effective January 2013 through December 2016 below. In December 2016, FPL retired the Cedar Bay generation facility.

If FPL were no longer subject to cost-based rate regulation, the existing regulatory assets and liabilities would be written off unless regulators specify an alternative means of recovery or refund. In addition, the FPSC has the authority to disallow recovery of costs that it considers excessive or imprudently incurred. The continued applicability of regulatory accounting is assessed at each reporting period.

Revenues and Rates - FPL's retail and wholesale utility rate schedules are approved by the FPSC and the FERC, respectively. FPL records unbilled base revenues for the estimated amount of energy delivered to customers but not yet billed. FPL's unbilled base revenues are included in customer receivables on NEE's and FPL's consolidated balance sheets and amounted to approximately $261 million and $246 million at December 31, 2016 and 2015, respectively. FPL's operating revenues also include amounts resulting from cost recovery clauses (see Rate Regulation above), franchise fees, gross receipts taxes and surcharges related to storm-recovery bonds (see Note 8 - FPL). Franchise fees and gross receipts taxes are imposed on FPL; however, the FPSC allows FPL to include in the amounts charged to customers the amount of the gross receipts tax for all customers and the franchise fee for those customers located in the jurisdiction that imposes the amount. Accordingly, franchise fees and gross receipts taxes are reported

gross in operating revenues and taxes other than income taxes and other in NEE's and FPL's consolidated statements of income and were approximately $700 million, $722 million and $716 million in 2016, 2015 and 2014, respectively. The revenues from the surcharges related to storm-recovery bonds included in operating revenues in NEE's and FPL's consolidated statements of income were approximately $119 million, $115 million and $109 million in 2016, 2015 and 2014, respectively. FPL also collects municipal utility taxes which are reported gross in customer receivables and accounts payable on NEE's and FPL's consolidated balance sheets.

FPL Rates Effective January 2017 through December 2020 - In December 2016, the FPSC issued a final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2016 rate agreement). Key elements of the 2016 rate agreement, which is effective from January 2017 through at least December 2020, include, among other things, the following:

- New retail base rates and charges were established resulting in the following increases in annualized retail base revenues:
  - $400 million beginning January 1, 2017;
  - $211 million beginning January 1, 2018; and
  - $200 million when a new approximately 1,750 MW natural gas-fired combined-cycle unit in Okeechobee County, Florida achieves commercial operation, which is expected to occur in mid-2019.
- In addition, FPL is eligible to receive, subject to conditions specified in the 2016 rate agreement, base rate increases associated with the addition of up to 300 MW annually of new solar generation in each of 2017 through 2020 and may carry forward any unused MW to subsequent years during the term of the 2016 rate agreement. FPL will be required to demonstrate that any proposed solar facilities are cost effective and scheduled to be in service before December 31, 2021. FPL has agreed to an installed cost cap of $1,750 per kilowatt (kW).
- FPL's allowed regulatory return on common equity (ROE) is 10.55%, with a range of 9.60% to 11.60%. If FPL's earned regulatory ROE falls below 9.60%, FPL may seek retail base rate relief. If the earned regulatory ROE rises above 11.60%, any party other than FPL may seek a review of FPL's retail base rates.
- Subject to certain conditions, FPL may amortize, over the term of the 2016 rate agreement, up to $1.0 billion of depreciation reserve surplus plus the reserve amount remaining under FPL's 2012 rate agreement discussed below (approximately $250 million), provided that in any year of the 2016 rate agreement, FPL must amortize at least enough reserve to maintain a 9.60% earned regulatory ROE but may not amortize any reserve that would result in an earned regulatory ROE in excess of 11.60%.
- Future storm restoration costs would be recoverable on an interim basis beginning 60 days from the filing of a cost recovery petition, but capped at an amount that could produce a surcharge of no more than $4 for every 1,000 kilowatt-hour (kWh) of usage on residential bills during the first 12 months of cost recovery. Any additional costs would be eligible for recovery in subsequent years. If storm restoration costs exceed $800 million in any given calendar year, FPL may request an increase to the $4 surcharge to recover amounts above $400 million.

In January 2017, the Sierra Club filed a notice of appeal challenging the FPSC's final order approving the 2016 rate agreement, which notice of appeal is pending before the Florida Supreme Court.

FPL Rates Effective January 2013 through December 2016 - Effective January 2013, pursuant to an FPSC final order approving a stipulation and settlement between FPL and several intervenors in FPL's base rate proceeding (2012 rate agreement), new retail base rates and charges for FPL were established resulting in an increase in retail base revenues of $350 million on an annualized basis. The 2012 rate agreement, provided for, among other things, the following:

- a regulatory ROE of 10.50% with a range of plus or minus 100 basis points;
- an increase in annualized base revenue requirements as each of three FPL modernized power plants became operational in April 2013, April 2014 and April 2016;
- the continuation of cost recovery through the capacity clause (reported as retail base revenues) for a generating unit which was placed in service in May 2011 (beginning January 2017, under the 2016 rate agreement, cost recovery will be through base rates);
- subject to certain conditions, the right to reduce depreciation expense up to $400 million (reserve), provided that in any year of the 2012 rate agreement, FPL was required to amortize enough reserve to maintain an earned regulatory ROE within the range of 9.50% to 11.50% (see Rate Regulation above regarding a subsequent reduction in the reserve amount);
- an interim cost recovery mechanism for storm restoration costs (see Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve below); and
- an incentive mechanism whereby customers receive 100% of certain gains, including but not limited to, gains from the purchase and sale of electricity and natural gas (including transportation and storage), up to a specified threshold; gains exceeding that specified threshold were shared by FPL and its customers.

NEER's revenue is recorded on the basis of commodities delivered, contracts settled or services rendered and includes estimated amounts yet to be billed to customers. Certain commodity contracts for the purchase and sale of power that meet the definition of a derivative are recorded at fair value with subsequent changes in fair value recognized as revenue. See Energy Trading below and Note 3.

In May 2014, the Financial Accounting Standards Board (FASB) issued an accounting standards update which provides guidance on the recognition of revenue from contracts with customers and requires additional disclosures about the nature, amount, timing and uncertainty of revenue and cash flows from an entity's contracts with customers. The standards update will be effective for NEE and FPL beginning January 1, 2018 with early adoption on January 1, 2017 permitted. The standards update may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as an adjustment to retained earnings as of the date of initial application (modified retrospective method).

NEE and FPL are currently reviewing individual contracts within various identified revenue streams in order to determine the impact, if any, this standards update will have on their consolidated financial statements. A number of industry-specific implementation issues are still unresolved and the final resolution of certain of these issues could impact NEE's and/or FPL's current accounting policies and/or revenue recognition patterns. NEE and FPL currently anticipate adopting the standards update on January 1, 2018 using the modified retrospective method.

Electric Plant, Depreciation and Amortization - The cost of additions to units of property of FPL and NEER is added to electric plant in service. In accordance with regulatory accounting, the cost of FPL's units of utility property retired, less estimated net salvage value, is charged to accumulated depreciation. Maintenance and repairs of property as well as replacements and renewals of items determined to be less than units of utility property are charged to other operations and maintenance (O&M) expenses. At December 31, 2016, the electric generation, transmission, distribution and general facilities of FPL represented approximately 50%, 11%, 33% and 6%, respectively, of FPL's gross investment in electric utility plant in service and other property. Substantially all of FPL's properties are subject to the lien of FPL's mortgage, which secures most debt securities issued by FPL. A number of NEER's generation and pipeline facilities are encumbered by liens securing various financings. The net book value of NEER's assets serving as collateral was approximately $15.5 billion at December 31, 2016. The American Recovery and Reinvestment Act of 2009, as amended (Recovery Act), provided for an option to elect a cash grant (convertible investment tax credits (ITCs)) for certain renewable energy property (renewable property). Convertible ITCs are recorded as a reduction in property, plant and equipment on NEE's and FPL's consolidated balance sheets and are amortized as a reduction to depreciation and amortization expense over the estimated life of the related property. At December 31, 2016 and 2015, convertible ITCs, net of amortization, were approximately $2.1 billion ($147 million at FPL) and $1.8 billion ($153 million at FPL). At December 31, 2016 and 2015, approximately $289 million and $207 million, respectively, of such convertible ITCs are included primarily in other receivables on NEE's consolidated balance sheets.

Depreciation of FPL's electric property is primarily provided on a straight-line average remaining life basis. FPL includes in depreciation expense a provision for fossil and solar plant dismantlement, interim asset removal costs, accretion related to asset retirement obligations (see Decommissioning of Nuclear Plants, Dismantlement of Plants and Other Accrued Asset Removal Costs below), storm recovery amortization and amortization of pre-construction costs associated with planned nuclear units recovered through a cost recovery clause. For substantially all of FPL's property, depreciation studies are typically performed and filed with the FPSC every four years. In accordance with the 2012 rate agreement, FPL was not required to file depreciation studies during the effective period of the agreement; therefore, previously approved depreciation rates which became effective January 1, 2010 remained in effect through December 2016. As discussed in Revenues and Rates above, the use of reserve amortization was permitted under the 2012 rate agreement. In accordance with the 2012 rate agreement, FPL recorded reserve amortization (reversal) of approximately $13 million, $(15) million and $(33) million in 2016, 2015 and 2014, respectively. The reserve is amortized as a reduction of (or reversed as an increase to) accrued asset removal costs which is reflected in noncurrent regulatory liabilities on NEE's and FPL's consolidated balance sheets. The weighted annual composite depreciation and amortization rate for FPL's electric utility plant in service, including capitalized software, but excluding the effects of decommissioning, dismantlement and the depreciation adjustments discussed above, was approximately 3.4%, 3.3% and 3.3% for 2016, 2015 and 2014, respectively. As part of the 2016 rate agreement, the FPSC approved new depreciation rates which became effective January 1, 2017. These new rates are expected to increase depreciation expense. The 2016 rate agreement also permits reserve amortization during the term of the agreement. See Revenues and Rates above. FPL files a twelve-month forecast with the FPSC each year which contains a regulatory ROE intended to be earned based on the best information FPL has at that time assuming normal weather. This forecast establishes a fixed targeted regulatory ROE. In order to earn the targeted regulatory ROE in each reporting period under the effective rate agreement, reserve amortization is calculated using a trailing thirteen-month average of retail rate base and capital structure in conjunction with the trailing twelve months regulatory retail base net operating income, which primarily includes the retail base portion of base and other revenues net of O&M, depreciation and amortization, interest and tax expenses. In general, the net impact of these income statement line items is adjusted, in part, by reserve amortization or its reversal to earn the targeted regulatory ROE.

NEER's electric plant in service less salvage value, if any, are depreciated primarily using the straight-line method over their estimated useful lives. At December 31, 2016 and 2015, wind, nuclear, natural gas and solar plants represented approximately 62% and 62%, 10% and 11%, less than 1% and 3%, and 14% and 9%, respectively, of NEER's depreciable electric plant in service and other property. The estimated useful lives of NEER's plants range primarily from 25 to 30 years for wind, natural gas and solar plants and from 25 to 47 years for nuclear plants. NEER reviews the estimated useful lives of its fixed assets on an ongoing basis. NEER's oil and gas production assets, representing approximately 8% and 7%, respectively, of NEER's depreciable electric plant in service and other property at December 31, 2016 and 2015, are accounted for under the successful efforts method. Depletion expenses for the acquisition of reserve rights and development costs are recognized using the unit of production method.

Nuclear Fuel - FPL and NEER have several contracts for the supply of uranium and the conversion, enrichment and fabrication of nuclear fuel. See Note 13 - Contracts. FPL's and NEER's nuclear fuel costs are charged to fuel expense on a unit of production method.

Construction Activity - Allowance for funds used during construction (AFUDC) is a non-cash item which represents the allowed cost of capital, including an ROE, used to finance construction projects. The portion of AFUDC attributable to borrowed funds is recorded as a reduction of interest expense and the remainder is recorded as other income. For FPL, FPSC rules limit the recording of AFUDC to projects that have an estimated cost in excess of 0.5% of a utility's plant in service balance and require more than one year to complete. FPSC rules allow construction projects below the 0.5% threshold as a component of rate base. During each of 2016, 2015 and 2014, FPL capitalized AFUDC at a rate of 6.34%, which amounted to approximately $97 million, $88 million and $50 million, respectively. See Note 13 - Commitments.

FPL's construction work in progress includes construction materials, progress payments on major equipment contracts, engineering costs, AFUDC and other costs directly associated with the construction of various projects. Upon completion of the projects, these costs are transferred to electric utility plant in service and other property. Capitalized costs associated with construction activities are charged to O&M expenses when recoverability is no longer probable.

NEER capitalizes project development costs once it is probable that such costs will be realized through the ultimate construction of a power plant or sale of development rights. At December 31, 2016 and 2015, NEER's capitalized development costs totaled approximately $193 million and $133 million, respectively, which are included in noncurrent other assets on NEE's consolidated balance sheets. These costs include land rights and other third-party costs directly associated with the development of a new project. Upon commencement of construction, these costs either are transferred to construction work in progress or remain in other assets, depending upon the nature of the cost. Capitalized development costs are charged to O&M expenses when it is no longer probable that these costs will be realized.

NEER's construction work in progress includes construction materials, progress payments on major equipment contracts, third-party engineering costs, capitalized interest and other costs directly associated with the construction and development of various projects. Interest capitalized on construction projects amounted to approximately $107 million, $100 million and $104 million during 2016, 2015 and 2014, respectively. Interest expense allocated from NextEra Energy Capital Holdings, Inc. (NEECH) to NEER is based on a deemed capital structure of 70% debt. Upon commencement of plant operation, costs associated with construction work in progress are transferred to electric plant in service and other property.

Asset Retirement Obligations - NEE and FPL each account for asset retirement obligations and conditional asset retirement obligations (collectively, AROs) under accounting guidance that requires a liability for the fair value of an ARO to be recognized in the period in which it is incurred if it can be reasonably estimated, with the offsetting associated asset retirement costs capitalized as part of the carrying amount of the long-lived assets. The asset retirement cost is subsequently allocated to expense, for NEE's non-rate regulated operations, and regulatory liability, for FPL, using a systematic and rational method over the asset's estimated useful life. Changes in the ARO resulting from the passage of time are recognized as an increase in the carrying amount of the liability and as accretion expense, which is included in depreciation and amortization expense in the consolidated statements of income for NEE's non-rate regulated operations, and ARO and regulatory liability, in the case of FPL. Changes resulting from revisions to the timing or amount of the original estimate of cash flows are recognized as an increase or a decrease in the asset retirement cost, or income when asset retirement cost is depleted, in the case of NEE's non-rate regulated operations, and ARO and regulatory liability, in the case of FPL. See Decommissioning of Nuclear Plants, Dismantlement of Plants and Other Accrued Asset Removal Costs below and Note 12.

Decommissioning of Nuclear Plants, Dismantlement of Plants and Other Accrued Asset Removal Costs - For ratemaking purposes, FPL accrues for the cost of end of life retirement and disposal of its nuclear, fossil and solar plants over the expected service life of each unit based on nuclear decommissioning and fossil and solar dismantlement studies periodically filed with the FPSC. In addition, FPL accrues for interim removal costs over the life of the related assets based on depreciation studies approved by the FPSC. As approved by the FPSC, FPL previously suspended its annual decommissioning accrual. For financial reporting purposes, FPL recognizes decommissioning and dismantlement liabilities in accordance with accounting guidance that requires a liability for the fair value of an ARO to be recognized in the period in which it is incurred. Any differences between expense recognized for financial reporting purposes and the amount recovered through rates are reported as a regulatory liability in accordance with regulatory accounting. See Revenues and Rates, Electric Plant, Depreciation and Amortization, Asset Retirement Obligations above and Note 12.

Nuclear decommissioning studies are performed at least every five years and are submitted to the FPSC for approval. FPL filed updated nuclear decommissioning studies with the FPSC in December 2015. These studies reflect FPL's current plans, under the operating licenses, for prompt dismantlement of Turkey Point Units Nos. 3 and 4 following the end of plant operation with decommissioning activities commencing in 2032 and 2033, respectively, and provide for St. Lucie Unit No. 1 to be mothballed beginning in 2036 with decommissioning activities to be integrated with the prompt dismantlement of St. Lucie Unit No. 2 in 2043. These studies also assume that FPL will be storing spent fuel on site pending removal to a United States (U.S.) government facility. The studies indicate FPL's portion of the ultimate costs of decommissioning its four nuclear units, including costs associated with

spent fuel storage above what is expected to be refunded by the U.S. Department of Energy (DOE) under a spent fuel settlement agreement, to be approximately $7.5 billion, or $3.0 billion expressed in 2016 dollars.

Restricted funds for the payment of future expenditures to decommission FPL's nuclear units are included in nuclear decommissioning reserve funds, which are included in special use funds on NEE's and FPL's consolidated balance sheets. Marketable securities held in the decommissioning funds are primarily classified as available for sale and carried at fair value. See Note 4. Fund earnings, consisting of dividends, interest and realized gains and losses, net of taxes, are reinvested in the funds. Fund earnings, as well as any changes in unrealized gains and losses, are not recognized in income and are reflected as a corresponding offset in the related regulatory liability accounts. FPL does not currently make contributions to the decommissioning funds, other than the reinvestment of fund earnings. During 2016, 2015 and 2014 fund earnings on decommissioning funds were approximately $102 million, $96 million and $91 million, respectively. The tax effects of amounts not yet recognized for tax purposes are included in deferred income taxes.

Fossil and solar plant dismantlement studies are typically performed at least every four years and are submitted to the FPSC for approval. In accordance with the 2012 rate agreement, FPL was not required to file fossil and solar dismantlement studies during the effective period of the agreement; therefore, previously approved studies which became effective January 1, 2010 remained in effect through December 2016 and resulted in an annual expense of $18 million which is recorded in depreciation and amortization expense in NEE's and FPL's consolidated statements of income. As part of the 2016 rate agreement, the FPSC approved a new annual expense of $26 million based on FPL's 2016 fossil and solar dismantlement studies which became effective January 1, 2017. At December 31, 2016, FPL's portion of the ultimate cost to dismantle its fossil and solar units is approximately $1.3 billion, or $480 million expressed in 2016 dollars.

NEER records nuclear decommissioning liabilities for Seabrook Station (Seabrook), Duane Arnold Energy Center (Duane Arnold) and Point Beach Nuclear Power Plant (Point Beach) and dismantlement liabilities for its wind and solar facilities, when required in accordance with accounting guidance that requires a liability for the fair value of an ARO to be recognized in the period in which it is incurred. The liabilities are being accreted using the interest method through the date decommissioning or dismantlement activities are expected to be complete. See Note 12. At December 31, 2016 and 2015, NEER's ARO, which is primarily related to nuclear decommissioning and wind and solar dismantlement, was approximately $817 million and $647 million, respectively, and was primarily determined using various internal and external data and applying a probability percentage to a variety of scenarios regarding the life of the plant and timing of decommissioning or dismantlement. NEER's portion of the ultimate cost of decommissioning its nuclear plants, including costs associated with spent fuel storage above what is expected to be refunded by the DOE under a spent fuel settlement agreement, is estimated to be approximately $11.8 billion, or $2.0 billion expressed in 2016 dollars. The ultimate cost to dismantle NEER's wind and solar facilities is estimated to be approximately $1.8 billion.

Seabrook files a comprehensive nuclear decommissioning study with the New Hampshire Nuclear Decommissioning Financing Committee (NDFC) every four years; the most recent study was filed in 2015. Seabrook's decommissioning funding plan is also subject to annual review by the NDFC. Currently, there are no ongoing decommissioning funding requirements for Seabrook, Duane Arnold and Point Beach, however, the U.S. Nuclear Regulatory Commission (NRC), and in the case of Seabrook, the NDFC, has the authority to require additional funding in the future. NEER's portion of Seabrook's, Duane Arnold's and Point Beach's restricted funds for the payment of future expenditures to decommission these plants is included in nuclear decommissioning reserve funds, which are included in special use funds on NEE's consolidated balance sheets. Marketable securities held in the decommissioning funds are primarily classified as available for sale and carried at fair value. Market adjustments result in a corresponding adjustment to other comprehensive income (OCI), except for unrealized losses associated with marketable securities considered to be other than temporary, including any credit losses, which are recognized as other than temporary impairment losses on securities held in nuclear decommissioning funds in NEE's consolidated statements of income. Fund earnings are recognized in income and are reinvested in the funds. See Note 4. The tax effects of amounts not yet recognized for tax purposes are included in deferred income taxes.

Major Maintenance Costs - FPL recognizes costs associated with planned major nuclear maintenance in accordance with regulatory treatment and records the related accrual as a regulatory liability. FPL expenses costs associated with planned fossil maintenance as incurred. FPL's estimated nuclear maintenance costs for each nuclear unit's next planned outage are accrued over the period from the end of the last outage to the end of the next planned outage. Any difference between the estimated and actual costs is included in O&M expenses when known. The accrued liability for nuclear maintenance costs at December 31, 2016 and 2015 totaled approximately $65 million and $48 million, respectively, and is included in noncurrent regulatory liabilities on NEE's and FPL's consolidated balance sheets. For the years ended December 31, 2016, 2015 and 2014, FPL recognized approximately $89 million, $90 million and $76 million, respectively, in nuclear maintenance costs which are primarily included in O&M expenses in NEE's and FPL's consolidated statements of income.

NEER uses the deferral method to account for certain planned major maintenance costs. NEER's major maintenance costs for its nuclear generation units and combustion turbines are capitalized and amortized on a unit of production method over the period from the end of the last outage to the beginning of the next planned outage. NEER's capitalized major maintenance costs, net of accumulated amortization, totaled approximately $69 million and $97 million at December 31, 2016 and 2015, respectively, and are included in noncurrent other assets on NEE's consolidated balance sheets. For the years ended December 31, 2016, 2015 and

2014, NEER amortized approximately $74 million, $79 million and $81 million in major maintenance costs which are included in O&M expenses in NEE's consolidated statements of income.

Cash Equivalents - Cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less.

Restricted Cash - At December 31, 2016 and 2015, NEE had approximately $311 million ($120 million for FPL) and $244 million ($75 million for FPL), respectively, of restricted cash included in other current assets on NEE's and FPL's consolidated balance sheets, which was primarily related to margin cash collateral requirements, debt service payments and bond proceeds held for construction at FPL. Where offsetting positions exist, restricted cash related to margin cash collateral is netted against derivative instruments. See Note 3.

Allowance for Doubtful Accounts - FPL maintains an accumulated provision for uncollectible customer accounts receivable that is estimated using a percentage, derived from historical revenue and write-off trends, of the previous five months of revenue. Additional amounts are included in the provision to address specific items that are not considered in the calculation described above. NEER regularly reviews collectibility of its receivables and establishes a provision for losses estimated as a percentage of accounts receivable based on the historical bad debt write-off trends for its retail electricity provider operations and, when necessary, using the specific identification method for all other receivables.

Inventory - FPL values materials, supplies and fossil fuel inventory using a weighted-average cost method. NEER's materials, supplies and fossil fuel inventories are carried at the lower of weighted-average cost or market, unless evidence indicates that the weighted-average cost (even if in excess of market) will be recovered with a normal profit upon sale in the ordinary course of business.

Energy Trading - NEE provides full energy and capacity requirements services primarily to distribution utilities, which include load-following services and various ancillary services, in certain markets and engages in power and gas marketing and trading activities to optimize the value of electricity and fuel contracts, generation facilities and gas infrastructure assets, as well as to take advantage of projected favorable commodity price movements. Trading contracts that meet the definition of a derivative are accounted for at fair value and realized gains and losses from all trading contracts, including those where physical delivery is required, are recorded net for all periods presented. See Note 3.

Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve - In connection with the 2007 storm-recovery bond financing (see Note 8 - FPL), the net proceeds to FPL from the sale of the storm-recovery property were used primarily to reimburse FPL for its estimated net of tax deficiency in its storm and property insurance reserve (storm reserve) and provide for a storm and property insurance reserve fund (storm fund). Upon the issuance of the storm-recovery bonds, the storm reserve deficiency was reclassified to securitized storm-recovery costs which is recorded as a current and noncurrent regulatory asset on NEE's and FPL's consolidated balance sheets. As storm-recovery charges are billed to customers (which are included in operating revenues), the securitized storm-recovery costs are amortized and included in depreciation and amortization expense in NEE's and FPL's consolidated statements of income. Marketable securities held in the storm fund are classified as available for sale and are carried at fair value. See Note 4. Fund earnings, consisting of dividends, interest and realized gains and losses, net of taxes, are reinvested in the fund. Fund earnings, as well as any changes in unrealized gains and losses, are not recognized in income and are reflected as a corresponding adjustment to the storm reserve. The tax effects of amounts not yet recognized for tax purposes are included in deferred income taxes. The storm fund is included in special use funds on NEE's and FPL's consolidated balance sheets and was approximately $74 million at December 31, 2015. During the fourth quarter of 2016, all available funds were withdrawn from the storm fund to pay for the storm restoration costs associated with Hurricane Hermine and Hurricane Matthew (see below regarding Hurricane Hermine and Hurricane Matthew).

FPL was impacted by Hurricane Hermine in September 2016 and Hurricane Matthew in October 2016. Hurricane Matthew resulted in damage in much of FPL's service territory and caused approximately 1.2 million of FPL's customers to lose electrical service. Damage to FPL property was primarily limited to the transmission and distribution systems. Storm restoration costs eligible for recovery for both events totaled approximately $315 million, the majority of which relates to Hurricane Matthew. Prior to these storms, FPL's storm and property insurance reserve had the capacity to absorb approximately $112 million in additional storm restoration costs ($20 million of which was absorbed by Hurricane Hermine). At December 31, 2016, FPL's storm and property insurance reserve was fully depleted and storm restoration costs expected to be recoverable from customers exceeded the balance of the storm reserve by approximately $203 million. This deficiency has been deferred and recorded as a regulatory asset on NEE's and FPL's consolidated balance sheets. In February 2017, the FPSC approved FPL's request to begin recovering eligible storm restoration costs over the reserve amount, plus approximately $117 million to replenish the reserve to the level authorized by the 2012 rate agreement. The recovery will take place through an interim surcharge that applies for a 12-month period starting March 1, 2017, with the amount collected subject to refund based on an FPSC prudence review.

The replenished reserve will not initially be reflected on NEE's and FPL's consolidated balance sheets because the associated regulatory asset does not meet the specific recognition criteria under the accounting guidance for certain regulated entities. As a result, as the storm surcharge is billed to customers (which is recorded as operating revenues), the storm reserve will be recognized

as a regulatory liability and charged to depreciation and amortization expense in NEE's and FPL's consolidated statements of income.

Impairment of Long-Lived Assets - NEE evaluates long-lived assets for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is required to be recognized if the carrying value of the asset exceeds the undiscounted future net cash flows associated with that asset. The impairment loss to be recognized is the amount by which the carrying value of the long-lived asset exceeds the asset's fair value. In most instances, the fair value is determined by discounting estimated future cash flows using an appropriate interest rate.

Goodwill and Other Intangible Assets - NEE's goodwill and other intangible assets are as follows:

	Weighted-Average Useful Lives	December 31,	
		2016	2015
	(years)	(millions)	
Goodwill (by reporting unit):			
NEER segment:			
Gas infrastructure, primarily Texas pipelines		**$ 641**	$ 635
Customer supply		**72**	72
Generation assets		**38**	43
Other		**28**	28
Total goodwill		**$ 779**	$ 778
Other intangible assets not subject to amortization, primarily land easements		**$ 143**	$ 143
Other intangible assets subject to amortization:			
Customer relationships associated with gas infrastructure	41	**$ 700**	$ 720
Purchased power agreements	22	**444**	328
Other, primarily transmission and development rights and customer lists	19	**81**	136
Total		**1,225**	1,184
Accumulated amortization		**(115)**	(120)
Total other intangible assets subject to amortization - net		**$ 1,110**	$ 1,064

NEE's goodwill relates to various acquisitions which were accounted for using the purchase method of accounting. Other intangible assets subject to amortization are amortized, primarily on a straight-line basis, over their estimated useful lives. Amortization expense was approximately $35 million, $17 million and $15 million for the years ended December 31, 2016, 2015 and 2014, respectively, and is expected to be approximately $31 million, $46 million, $39 million, $26 million and $19 million for 2017, 2018, 2019, 2020 and 2021, respectively.

Goodwill and other intangible assets are primarily included in noncurrent other assets on NEE's consolidated balance sheets. Goodwill and other intangible assets not subject to amortization are assessed for impairment at least annually by applying a fair value-based analysis. Other intangible assets subject to amortization are periodically reviewed when impairment indicators are present to assess recoverability from future operations using undiscounted future cash flows.

Pension Plan - NEE allocates net periodic pension income to its subsidiaries based on the pensionable earnings of the subsidiaries' employees. Accounting guidance requires recognition of the funded status of the pension plan in the balance sheet, with changes in the funded status recognized in other comprehensive income within shareholders' equity in the year in which the changes occur. Since NEE is the plan sponsor, and its subsidiaries do not have separate rights to the plan assets or direct obligations to their employees, this accounting guidance is reflected at NEE and not allocated to the subsidiaries. The portion of previously unrecognized actuarial gains and losses and prior service costs or credits that are estimated to be allocable to FPL as net periodic (income) cost in future periods and that otherwise would be recorded in accumulated other comprehensive income (AOCI) are classified as regulatory assets and liabilities at NEE in accordance with regulatory treatment.

Stock-Based Compensation - NEE accounts for stock-based payment transactions based on grant-date fair value. Compensation costs for awards with graded vesting are recognized on a straight-line basis over the requisite service period for the entire award. See Note 10 - Stock-Based Compensation.

Income Taxes - Deferred income taxes are recognized on all significant temporary differences between the financial statement and tax bases of assets and liabilities, and are presented as noncurrent on NEE's and FPL's consolidated balance sheets. In connection with the tax sharing agreement between NEE and certain of its subsidiaries, the income tax provision at each applicable subsidiary reflects the use of the "separate return method," except that tax benefits that could not be used on a separate return basis, but are used on the consolidated tax return, are recorded by the subsidiary that generated the tax benefits. Any remaining consolidated

income tax benefits or expenses are recorded at the corporate level. Included in other regulatory assets and other regulatory liabilities on NEE's and FPL's consolidated balance sheets is the revenue equivalent of the difference in deferred income taxes computed under accounting rules, as compared to regulatory accounting rules. The net regulatory asset totaled $289 million ($266 million for FPL) and $283 million ($268 million for FPL) at December 31, 2016 and 2015, respectively, and is being amortized in accordance with the regulatory treatment over the estimated lives of the assets or liabilities for which the deferred tax amount was initially recognized.

Production tax credits (PTCs) are recognized as wind energy is generated and sold based on a per kWh rate prescribed in applicable federal and state statutes and are recorded as a reduction of current income taxes payable, unless limited by tax law in which instance they are recorded as deferred tax assets. NEER recognizes ITCs as a reduction to income tax expense when the related energy property is placed into service. FPL recognizes ITCs as a reduction to income tax expense over the depreciable life of the related energy property. At December 31, 2016 and 2015, FPL's accumulated deferred ITCs were approximately $123 million and $3 million, respectively, and are included in noncurrent regulatory liabilities on NEE's and FPL's consolidated balance sheets. NEE and FPL record a deferred income tax benefit created by the convertible ITCs on the difference between the financial statement and tax bases of renewable property. For NEER, this deferred income tax benefit is recorded in income tax expense in the year that the renewable property is placed in service. For FPL, this deferred income tax benefit is offset by a regulatory liability, which is amortized as a reduction of depreciation expense over the approximate lives of the related renewable property in accordance with the regulatory treatment. At December 31, 2016 and 2015, the net deferred income tax benefits associated with FPL's convertible ITCs were approximately $46 million and $48 million, respectively, and are included in noncurrent regulatory assets and noncurrent regulatory liabilities on NEE's and FPL's consolidated balance sheets.

A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets when it is more likely than not that such assets will not be realized. NEE recognizes interest income (expense) related to unrecognized tax benefits (liabilities) in interest income and interest expense, respectively, net of the amount deferred at FPL. At FPL, the offset to accrued interest receivable (payable) on income taxes is classified as a regulatory liability (regulatory asset) which will be amortized to income (expense) over a five-year period upon settlement in accordance with regulatory treatment. All tax positions taken by NEE in its income tax returns that are recognized in the financial statements must satisfy a more-likely-than-not threshold. NEE and its subsidiaries file income tax returns in the U.S. federal jurisdiction and various states, the most significant of which is Florida, and certain foreign jurisdictions. Federal tax liabilities, with the exception of certain refund claims, are effectively settled for all years prior to 2013. State and foreign tax liabilities, which have varied statutes of limitations regarding additional assessments, are generally effectively settled for years prior to 2009. At December 31, 2016, NEE had unrecognized tax benefits of approximately $40 million that, if disallowed, could impact the annual effective income tax rate. The amounts of unrecognized tax benefits and related interest accruals may change within the next 12 months; however, NEE and FPL do not expect these changes to have a significant impact on NEE's or FPL's financial statements. See Note 5.

Sale of Differential Membership Interests - Certain subsidiaries of NEER sold their Class B membership interest in entities that have ownership interests in wind and solar facilities, with generating capacity totaling approximately 6,847 MW and 374 MW, respectively, at December 31, 2016, to third-party investors. In exchange for the cash received, the holders of the Class B membership interests will receive a portion of the economic attributes of the facilities, including income tax attributes, for variable periods. The transactions are not treated as a sale under the accounting rules and the proceeds received are deferred and recorded as a liability in deferral related to differential membership interests - VIEs on NEE's consolidated balance sheets. The deferred amount is being recognized in benefits associated with differential membership interests - net in NEE's consolidated statements of income as the Class B members receive their portion of the economic attributes. NEE continues to operate and manage the wind and solar facilities, and consolidates the entities that own the wind and solar facilities.

Variable Interest Entities (VIEs) - An entity is considered to be a VIE when its total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support, or its equity investors, as a group, lack the characteristics of having a controlling financial interest. A reporting company is required to consolidate a VIE as its primary beneficiary when it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance, and the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. NEE and FPL evaluate whether an entity is a VIE whenever reconsideration events as defined by the accounting guidance occur. See Note 8.

Leases - In February 2016, the FASB issued an accounting standards update which requires, among other things, that lessees recognize a lease liability, initially measured at the present value of the future lease payments; and a right-of-use asset for all leases (with the exception of short-term leases). The standards update will be effective for NEE and FPL beginning January 1, 2019. Early adoption is permitted. Lessees and lessors must apply a modified retrospective approach for all leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. NEE and FPL are currently reviewing their portfolio of contracts and are in the process of determining the proper application of the standards update to these contracts in order to determine the impact the adoption will have on their consolidated financial statements, including timing of adoption.

Merger Termination - In 2014, NEE and Hawaiian Electric Industries, Inc. (HEI) entered into an Agreement and Plan of Merger (the HEI merger agreement) pursuant to which Hawaiian Electric Company, Inc. (HECO), HEI's wholly owned electric utility subsidiary, was to become a wholly owned subsidiary of NEE. In July 2016, the Hawaii Public Utilities Commission issued an order dismissing

NEE's and HECO's merger application and, as a result, NEE terminated the HEI merger agreement. Pursuant to the terms of the HEI merger agreement, NEE paid HEI a termination fee of $90 million plus reimbursement to HEI for out-of-pocket expenses incurred in connection with the HEI merger agreement of $5 million, which is included in merger-related expenses in NEE's consolidated statements of income for the year ended December 31, 2016.

Assets and Liabilities Associated with Assets Held for Sale - In April 2016, a subsidiary of NEER completed the sale of its ownership interest in merchant natural gas generation facilities located in Texas with a total generating capacity of 2,884 MW for net cash proceeds of approximately $456 million, after transaction costs and working capital adjustments. A NEER affiliate continued to operate the facilities included in the sale through September 2016. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $254 million ($106 million after tax) was recorded in NEE's consolidated statements of income for the year ended December 31, 2016 and is included in losses (gains) on disposal of assets - net. The carrying amounts of the major classes of assets and liabilities related to the facilities that were classified as held for sale on NEE's consolidated balance sheets as of December 31, 2015 primarily represent property, plant and equipment and the related long-term debt.

In 2016, a subsidiary of NEER initiated a plan, received internal authorization and completed the sale of its ownership interest in natural gas generation facilities located primarily in Pennsylvania with a total generating capacity of 840 MW for net cash proceeds of approximately $260 million, after transaction costs and working capital adjustments. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $191 million ($113 million after tax) was recorded in NEE's consolidated statements of income for the year ended December 31, 2016 and is included in losses (gains) on disposal of assets - net.

In January 2017, an indirect wholly owned subsidiary of NEE completed the sale of its membership interests in its fiber-optic telecommunications business (FPL FiberNet) for net cash proceeds of approximately $1.1 billion, after repayment of $370 million of related long-term debt. In connection with the sale and the related consolidating state income tax effects, a gain of approximately $1.1 billion (approximately $700 million after tax) will be recorded in NEE's consolidated statements of income during the three-months ended March 31, 2017. The carrying amounts of the major classes of assets and liabilities related to FPL FiberNet that were classified as held for sale on NEE's consolidated balance sheets as of December 31, 2016 primarily represent property, plant and equipment and the related long-term debt.

2. Employee Retirement Benefits

Employee Pension Plan and Other Benefits Plans - NEE sponsors a qualified noncontributory defined benefit pension plan for substantially all employees of NEE and its subsidiaries. NEE also has a supplemental executive retirement plan (SERP), which includes a non-qualified supplemental defined benefit pension component that provides benefits to a select group of management and highly compensated employees, and sponsors a contributory postretirement plan for other benefits for retirees of NEE and its subsidiaries meeting certain eligibility requirements. The total accrued benefit cost of the SERP and postretirement plans is approximately $325 million ($222 million for FPL) and $321 million ($230 million for FPL) at December 31, 2016 and 2015, respectively.

Pension Plan Assets, Benefit Obligations and Funded Status - The changes in assets, benefit obligations and the funded status of the pension plan are as follows:

	2016	2015
	(millions)	
Change in pension plan assets:		
Fair value of plan assets at January 1	$ 3,563	$ 3,698
Actual return on plan assets	217	(8)
Benefit payments	(129)	(127)
Fair value of plan assets at December 31	$ 3,651	$ 3,563
Change in pension benefit obligation:		
Obligation at January 1	$ 2,408	$ 2,454
Service cost	62	70
Interest cost	105	97
Plan amendments	(19)	—
Actuarial losses (gains) - net	47	(86)
Benefit payments	(129)	(127)
Obligation at December 31[a]	$ 2,474	$ 2,408
Funded status:		
Prepaid pension benefit costs at NEE at December 31	$ 1,177	$ 1,155
Prepaid pension benefit costs at FPL at December 31	$ 1,301	$ 1,243

(a) NEE's accumulated pension benefit obligation, which includes no assumption about future salary levels, at December 31, 2016 and 2015 was approximately $2,439 million and $2,366 million, respectively.

NEE's unrecognized amounts included in accumulated other comprehensive income (loss) yet to be recognized as components of prepaid pension benefit costs are as follows:

	2016	2015
	(millions)	
Unrecognized prior service benefit (cost) (net of $2 tax expense and $1 tax benefit, respectively)	$ 3	$ (2)
Unrecognized losses (net of $55 and $38 tax benefit, respectively)	(87)	(60)
Total	$ (84)	$ (62)

NEE's unrecognized amounts included in regulatory assets yet to be recognized as components of net prepaid pension benefit costs are as follows:

	2016	2015
	(millions)	
Unrecognized prior service cost (benefit)	$ (4)	$ 9
Unrecognized losses	280	232
Total	$ 276	$ 241

The following table provides the assumptions used to determine the benefit obligation for the pension plan. These rates are used in determining net periodic income in the following year.

	2016	2015
Discount rate[a]	4.09%	4.35%
Salary increase	4.10%	4.10%

(a) Beginning in 2017, NEE changed its method of estimating the interest cost component of net periodic benefit costs and will use a full yield curve approach by applying a specific spot rate along the yield curve rather than a single weighted-average discount rate. Such change is not expected to have a material impact on the pension and postretirement plans' net periodic benefit costs.

NEE's investment policy for the pension plan recognizes the benefit of protecting the plan's funded status, thereby avoiding the necessity of future employer contributions. Its broad objectives are to achieve a high rate of total return with a prudent level of risk taking while maintaining sufficient liquidity and diversification to avoid large losses and preserve capital over the long term.

The NEE pension plan fund's current target asset allocation, which is expected to be reached over time, is 45% equity investments, 32% fixed income investments, 13% alternative investments and 10% convertible securities. The pension fund's investment strategy emphasizes traditional investments, broadly diversified across the global equity and fixed income markets, using a combination of different investment styles and vehicles. The pension fund's equity and fixed income holdings consist of both directly held securities as well as commingled investment arrangements such as common and collective trusts, pooled separate accounts, registered investment companies and limited partnerships. The pension fund's convertible security assets are principally direct holdings of convertible securities and include a convertible security oriented limited partnership. The pension fund's alternative investments consist primarily of private equity and real estate oriented investments in limited partnerships as well as absolute return oriented limited partnerships that use a broad range of investment strategies on a global basis.

The fair value measurements of NEE's pension plan assets by fair value hierarchy level are as follows:

	December 31, 2016[a]			
	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(millions)			
Equity securities[b]	$ 879	$ 16	$ 3	$ 898
Equity commingled vehicles[c]	—	845	—	845
U.S. Government and municipal bonds	143	12	—	155
Corporate debt securities[d]	3	246	1	250
Asset-backed securities	—	124	—	124
Debt security commingled vehicles	—	22	—	22
Convertible securities[e]	21	277	—	298
Total investments in the fair value hierarchy	$ 1,046	$ 1,542	$ 4	2,592
Total investments measured at net asset value[f]				1,059
Total fair value of plan assets				$ 3,651

(a) See Note 4 for discussion of fair value measurement techniques and inputs.
(b) Includes foreign investments of $370 million.
(c) Includes foreign investments of $261 million.
(d) Includes foreign investments of $67 million.
(e) Includes foreign investments of $31 million.
(f) Includes foreign investments of $282 million.

	December 31, 2015[a]			
	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	(millions)			
Equity securities[b]	$ 910	$ 21	$ 1	$ 932
Equity commingled vehicles[c]	—	792	—	792
U.S. Government and municipal bonds	110	13	—	123
Corporate debt securities[d]	2	277	1	280
Asset-backed securities	—	167	—	167
Debt security commingled vehicles	—	21	—	21
Convertible securities[e]	16	258	—	274
Total investments in the fair value hierarchy	$ 1,038	$ 1,549	$ 2	2,589
Total investments measured at net asset value[f]				974
Total fair value of plan assets				$ 3,563

(a) See Note 4 for discussion of fair value measurement techniques and inputs.
(b) Includes foreign investments of $384 million.
(c) Includes foreign investments of $249 million.
(d) Includes foreign investments of $68 million.
(e) Includes foreign investments of $23 million.
(f) Includes foreign investments of $283 million.

Expected Cash Flows - The following table provides information about benefit payments expected to be paid by the pension plan for each of the following calendar years (in millions):

2017	$ 155
2018	$ 156
2019	$ 160
2020	$ 163
2021	$ 170
2022 - 2026	$ 879

Net Periodic (Income) Cost - The components of net periodic (income) cost for the plans are as follows:

	Pension Benefits			Postretirement Benefits		
	2016	2015	2014	**2016**	2015	2014
			(millions)			
Service cost	**$ 62**	$ 70	$ 61	**$ 2**	$ 3	$ 3
Interest cost	**105**	97	101	**13**	13	16
Expected return on plan assets	**(260)**	(253)	(241)	**(1)**	(1)	(1)
Amortization of prior service cost (benefit)	**1**	1	5	**(2)**	(3)	(3)
Amortization of losses	**—**	—	—	**—**	2	—
Net periodic (income) cost at NEE	**$ (92)**	$ (85)	$ (74)	**$ 12**	$ 14	$ 15
Net periodic (income) cost at FPL	**$ (58)**	$ (55)	$ (47)	**$ 9**	$ 11	$ 11

Other Comprehensive Income - The components of net periodic income (cost) recognized in OCI for the pension plan are as follows:

	2016	2015	2014
		(millions)	
Prior service benefit (net of $3 and $3 tax expense, respectively)	**$ 4**	$ —	$ 4
Net losses (net of $16, $27 and $29 tax benefit, respectively)	**(26)**	(44)	(45)
Amortization of prior service benefit	**—**	—	1
Total	**$ (22)**	$ (44)	$ (40)

Regulatory Assets (Liabilities) - The components of net periodic (income) cost recognized during the year in regulatory assets (liabilities) for the pension plan are as follows:

	2016	2015
	(millions)	
Prior service benefit	**$ (12)**	$ —
Unrecognized losses	**48**	104
Amortization of prior service benefit	**(1)**	(1)
Total	**$ 35**	$ 103

The assumptions used to determine net periodic income for the pension plan are as follows:

	2016	2015	2014
Discount rate	**4.35%**	3.95%	4.80%
Salary increase	**4.10%**	4.10%	4.00%
Expected long-term rate of return[a][b]	**7.35%**	7.35%	7.75%

(a) In developing the expected long-term rate of return on assets assumption for its pension plan, NEE evaluated input, including other qualitative and quantitative factors, from its actuaries and consultants, as well as information available in the marketplace. NEE considered different models, capital market return assumptions and historical returns for a portfolio with an equity/bond asset mix similar to its pension fund. NEE also considered its pension fund's historical compounded returns.

(b) In 2016 and 2015, an expected long-term rate of return of 7.75% is presented net of investment management fees.

Employee Contribution Plan - NEE offers an employee retirement savings plan which allows eligible participants to contribute a percentage of qualified compensation through payroll deductions. NEE makes matching contributions to participants' accounts. Defined contribution expense pursuant to this plan was approximately $52 million, $63 million and $59 million for NEE ($32 million, $40 million and $37 million for FPL) for the years ended December 31, 2016, 2015 and 2014, respectively.

3. Derivative Instruments

NEE and FPL use derivative instruments (primarily swaps, options, futures and forwards) to manage the commodity price risk inherent in the purchase and sale of fuel and electricity, as well as interest rate and foreign currency exchange rate risk associated primarily with outstanding and expected future debt issuances and borrowings, and to optimize the value of NEER's power generation and gas infrastructure assets.

With respect to commodities related to NEE's competitive energy business, NEER employs risk management procedures to conduct its activities related to optimizing the value of its power generation and gas infrastructure assets, providing full energy and capacity requirements services primarily to distribution utilities, and engaging in power and gas marketing and trading activities to take advantage of expected future favorable price movements and changes in the expected volatility of prices in the energy markets. These risk management activities involve the use of derivative instruments executed within prescribed limits to manage the risk associated with fluctuating commodity prices. Transactions in derivative instruments are executed on recognized exchanges or via the over-the-counter (OTC) markets, depending on the most favorable credit terms and market execution factors. For NEER's power generation and gas infrastructure assets, derivative instruments are used to hedge all or a portion of the expected output of these assets. These hedges are designed to reduce the effect of adverse changes in the wholesale forward commodity markets associated with NEER's power generation and gas infrastructure assets. With regard to full energy and capacity requirements services, NEER is required to vary the quantity of energy and related services based on the load demands of the customers served. For this type of transaction, derivative instruments are used to hedge the anticipated electricity quantities required to serve these customers and reduce the effect of unfavorable changes in the forward energy markets. Additionally, NEER takes positions in energy markets based on differences between actual forward market levels and management's view of fundamental market conditions, including supply/demand imbalances, changes in traditional flows of energy, changes in short- and long-term weather patterns and anticipated regulatory and legislative outcomes. NEER uses derivative instruments to realize value from these market dislocations, subject to strict risk management limits around market, operational and credit exposure.

Derivative instruments, when required to be marked to market, are recorded on NEE's and FPL's consolidated balance sheets as either an asset or liability measured at fair value. At FPL, substantially all changes in the derivatives' fair value are deferred as a regulatory asset or liability until the contracts are settled, and, upon settlement, any gains or losses are passed through the fuel and purchased power cost recovery clause (fuel clause). For NEE's non-rate regulated operations, predominantly NEER, essentially all changes in the derivatives' fair value for power purchases and sales, fuel sales and trading activities are recognized on a net basis in operating revenues; fuel purchases used in the production of electricity are recognized in fuel, purchased power and interchange expense; and the equity method investees' related activity is recognized in equity in earnings of equity method investees in NEE's consolidated statements of income. Settlement gains and losses are included within the line items in the consolidated statements of income to which they relate. Transactions for which physical delivery is deemed not to have occurred are presented on a net basis in the consolidated statements of income. For commodity derivatives, NEE believes that, where offsetting positions exist at the same location for the same time, the transactions are considered to have been netted and therefore physical delivery has been deemed not to have occurred for financial reporting purposes. Settlements related to derivative instruments are primarily recognized in net cash provided by operating activities in NEE's and FPL's consolidated statements of cash flows.

In January 2016, NEE discontinued hedge accounting for its cash flow and fair value hedges related to interest rate and foreign currency derivative instruments and, therefore, all changes in the derivatives' fair value, as well as the transaction gain or loss on foreign denominated debt, are recognized in interest expense in NEE's consolidated statements of income. In addition, for the year ended December 31, 2016, NEE reclassified approximately $18 million ($11 million after tax), respectively, from AOCI to interest expense primarily because it became probable that a related future transaction being hedged would not occur. At December 31, 2016, NEE's AOCI included amounts related to the discontinued interest rate cash flow hedges with expiration dates through March 2035 and foreign currency cash flow hedges with expiration dates through September 2030. Approximately $80 million of net losses included in AOCI at December 31, 2016 is expected to be reclassified into earnings within the next 12 months as the principal and/or interest payments are made. Such amounts assume no change in scheduled principal payments.

Fair Value of Derivative Instruments - The tables below present NEE's and FPL's gross derivative positions at December 31, 2016 and December 31, 2015, as required by disclosure rules. However, the majority of the underlying contracts are subject to master netting agreements and generally would not be contractually settled on a gross basis. Therefore, the tables below also present the derivative positions on a net basis, which reflect the offsetting of positions of certain transactions within the portfolio, the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral (see Note 4 - Recurring Fair Value Measurements for netting information), as well as the location of the net derivative position on the consolidated balance sheets.

	December 31, 2016			
	Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Net Basis	
	Assets	Liabilities	Assets	Liabilities
	(millions)			
NEE:				
Commodity contracts	$ 4,590	$ 2,968	$ 1,938	$ 483
Interest rate contracts	288	284	296	292
Foreign currency contracts	1	106	1	106
Total fair values	$ 4,879	$ 3,358	$ 2,235	$ 881
FPL:				
Commodity contracts	$ 212	$ 4	$ 209	$ 1
Net fair value by NEE balance sheet line item:				
Current derivative assets[a]			$ 885	
Noncurrent derivative assets[b]			1,350	
Current derivative liabilities				$ 404
Noncurrent derivative liabilities				477
Total derivatives			$ 2,235	$ 881
Net fair value by FPL balance sheet line item:				
Current derivative assets			$ 209	
Current derivative liabilities				$ 1
Total derivatives			$ 209	$ 1

(a) Reflects the netting of approximately $96 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $71 million in margin cash collateral received from counterparties.

	December 31, 2015					
	Fair Values of Derivatives Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Fair Values of Derivatives Not Designated as Hedging Instruments for Accounting Purposes - Gross Basis		Total Derivatives Combined - Net Basis	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	(millions)					
NEE:						
Commodity contracts	$ —	$ —	$ 5,906	$ 4,580	$ 1,937	$ 982
Interest rate contracts	33	155	2	160	34	319
Foreign currency contracts	—	132	—	—	—	127
Total fair values	$ 33	$ 287	$ 5,908	$ 4,740	$ 1,971	$ 1,428
FPL:						
Commodity contracts	$ —	$ —	$ 7	$ 225	$ 4	$ 222
Net fair value by NEE balance sheet line item:						
Current derivative assets[a]					$ 712	
Assets held for sale					57	
Noncurrent derivative assets[b]					1,202	
Current derivative liabilities[c]						$ 882
Liabilities associated with assets held for sale						16
Noncurrent derivative liabilities[d]						530
Total derivatives					$ 1,971	$ 1,428
Net fair value by FPL balance sheet line item:						
Current derivative assets					$ 3	
Noncurrent other assets					1	
Current derivative liabilities						$ 222
Total derivatives					$ 4	$ 222

(a) Reflects the netting of approximately $279 million in margin cash collateral received from counterparties.
(b) Reflects the netting of approximately $151 million in margin cash collateral received from counterparties.
(c) Reflects the netting of approximately $46 million in margin cash collateral paid to counterparties.
(d) Reflects the netting of approximately $13 million in margin cash collateral paid to counterparties.

At December 31, 2016 and 2015, NEE had approximately $5 million and $27 million (none at FPL), respectively, in margin cash collateral received from counterparties that was not offset against derivative assets in the above presentation. These amounts are included in current other liabilities on NEE's consolidated balance sheets. Additionally, at December 31, 2016 and 2015, NEE had approximately $129 million and $116 million (none at FPL), respectively, in margin cash collateral paid to counterparties that was not offset against derivative assets or liabilities in the above presentation. These amounts are included in current other assets on NEE's consolidated balance sheets.

Income Statement Impact of Derivative Instruments - Losses related to NEE's cash flow hedges, which were previously designated as hedging instruments, are recorded in NEE's consolidated financial statements (none at FPL) as follows:

	Year Ended December 31, 2015			Year Ended December 31, 2014		
	Interest Rate Contracts	Foreign Currency Contracts	Total	Interest Rate Contracts	Foreign Currency Contracts	Total
Losses recognized in OCI	$ (113)	$ (12)	$ (125)	$ (132)	$ (89)	$ (221)
Losses reclassified from AOCI to net income	$ (73) [a]	$ (15) [b]	$ (88)	$ (77) [a]	$ (78) [b]	$ (155)

(a) Included in interest expense.
(b) For 2015 and 2014, losses of approximately $11 million and $8 million, respectively, are included in interest expense and the balances are included in other - net.

Gains (losses) related to NEE's derivatives not designated as hedging instruments are recorded in NEE's consolidated statements of income as follows:

	Years Ended December 31,		
	2016	2015	2014
	(millions)		
Commodity contracts:[a]			
Operating revenues	$ 459	$ 932	$ 420
Fuel, purchased power and interchange	(1)	8	1
Foreign currency contracts - interest expense	14	—	—
Foreign currency contracts - other - net	(1)	—	(1)
Interest rate contracts - interest expense	181	8	(64)
Losses reclassified from AOCI to interest expense:			
Interest rate contracts	(90)	—	—
Foreign currency contracts	(11)	—	—
Total	$ 551	$ 948	$ 356

(a) For the years ended December 31, 2016, 2015 and 2014, FPL recorded gains (losses) of approximately $203 million, $(326) million and $(289) million, respectively, related to commodity contracts as regulatory liabilities (assets) on its consolidated balance sheets.

Notional Volumes of Derivative Instruments - The following table represents net notional volumes associated with derivative instruments that are required to be reported at fair value in NEE's and FPL's consolidated financial statements. The table includes significant volumes of transactions that have minimal exposure to commodity price changes because they are variably priced agreements. These volumes are only an indication of the commodity exposure that is managed through the use of derivatives. They do not represent net physical asset positions or non-derivative positions and their hedges, nor do they represent NEE's and FPL's net economic exposure, but only the net notional derivative positions that fully or partially hedge the related asset positions. NEE and FPL had derivative commodity contracts for the following net notional volumes:

	December 31, 2016				December 31, 2015			
Commodity Type	NEE		FPL		NEE		FPL	
	(millions)							
Power	(84)	MWh[a]	—		(112)	MWh[a]	—	
Natural gas	1,002	MMBtu[b]	618	MMBtu[b]	1,321	MMBtu[b]	833	MMBtu[b]
Oil	(7)	barrels	—		(9)	barrels	—	

(a) Megawatt-hours
(b) One million British thermal units

At December 31, 2016 and 2015, NEE had interest rate contracts with notional amounts totaling approximately $15.1 billion and $8.3 billion, respectively, and foreign currency contracts with notional amounts totaling approximately $705 million and $715 million, respectively.

Credit-Risk-Related Contingent Features - Certain derivative instruments contain credit-risk-related contingent features including, among other things, the requirement to maintain an investment grade credit rating from specified credit rating agencies and certain financial ratios, as well as credit-related cross-default and material adverse change triggers. At December 31, 2016 and 2015, the aggregate fair value of NEE's derivative instruments with credit-risk-related contingent features that were in a liability position was approximately $1.3 billion ($5 million for FPL) and $2.2 billion ($224 million for FPL), respectively.

If the credit-risk-related contingent features underlying these derivative agreements were triggered, certain subsidiaries of NEE, including FPL, could be required to post collateral or settle contracts according to contractual terms which generally allow netting of contracts in offsetting positions. Certain derivative contracts contain multiple types of credit-related triggers. To the extent these contracts contain a credit ratings downgrade trigger, the maximum exposure is included in the following credit ratings collateral posting requirements. If FPL's and NEECH's credit ratings were downgraded to BBB/Baa2 (a two level downgrade for FPL and a one level downgrade for NEECH from the current lowest applicable rating), applicable NEE subsidiaries would be required to post collateral such that the total posted collateral would be approximately $110 million (none at FPL) and $165 million ($20 million at FPL) as of December 31, 2016 and 2015, respectively. If FPL's and NEECH's credit ratings were downgraded to below investment grade, applicable NEE subsidiaries would be required to post additional collateral such that the total posted collateral would be approximately $990 million ($10 million at FPL) and $1.4 billion ($185 million at FPL) as of December 31, 2016 and 2015, respectively. Some derivative contracts do not contain credit ratings downgrade triggers, but do contain provisions that require certain financial measures be maintained and/or have credit-related cross-default triggers. In the event these provisions were triggered, applicable

NEE subsidiaries could be required to post additional collateral of up to approximately $225 million ($115 million at FPL) and $270 million ($120 million at FPL) as of December 31, 2016 and 2015, respectively.

Collateral related to derivatives may be posted in the form of cash or credit support in the normal course of business. At December 31, 2016, applicable NEE subsidiaries have posted approximately $1 million (none at FPL) in cash and $30 million (none at FPL) in the form of letters of credit which could be applied toward the collateral requirements described above. At December 31, 2015, applicable NEE subsidiaries have posted approximately $123 million ($3 million at FPL) in the form of letters of credit which could be applied toward the collateral requirements described above. FPL and NEECH have credit facilities generally in excess of the collateral requirements described above that would be available to support, among other things, derivative activities. Under the terms of the credit facilities, maintenance of a specific credit rating is not a condition to drawing on these credit facilities, although there are other conditions to drawing on these credit facilities.

Additionally, some contracts contain certain adequate assurance provisions where a counterparty may demand additional collateral based on subjective events and/or conditions. Due to the subjective nature of these provisions, NEE and FPL are unable to determine an exact value for these items and they are not included in any of the quantitative disclosures above.

4. Fair Value Measurements

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. NEE and FPL use several different valuation techniques to measure the fair value of assets and liabilities, relying primarily on the market approach of using prices and other market information for identical and/or comparable assets and liabilities for those assets and liabilities that are measured at fair value on a recurring basis. NEE's and FPL's assessment of the significance of any particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels. Non-performance risk, including the consideration of a credit valuation adjustment, is also considered in the determination of fair value for all assets and liabilities measured at fair value.

Cash Equivalents and Restricted Cash - NEE primarily holds investments in money market funds. The fair value of these funds is estimated using a market approach based on current observable market prices.

Special Use Funds and Other Investments - NEE and FPL hold primarily debt and equity securities directly, as well as indirectly through commingled funds. Substantially all directly held equity securities are valued at their quoted market prices. For directly held debt securities, multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validations. A primary price source is identified based on asset type, class or issue of each security. Commingled funds, which are similar to mutual funds, are maintained by banks or investment companies and hold certain investments in accordance with a stated set of objectives. The fair value of commingled funds is primarily derived from the quoted prices in active markets of the underlying securities. Because the fund shares are offered to a limited group of investors, they are not considered to be traded in an active market.

Derivative Instruments - NEE and FPL measure the fair value of commodity contracts using a combination of market and income approaches utilizing prices observed on commodities exchanges and in the OTC markets, or through the use of industry-standard valuation techniques, such as option modeling or discounted cash flows techniques, incorporating both observable and unobservable valuation inputs. The resulting measurements are the best estimate of fair value as represented by the transfer of the asset or liability through an orderly transaction in the marketplace at the measurement date.

Most exchange-traded derivative assets and liabilities are valued directly using unadjusted quoted prices. For exchange-traded derivative assets and liabilities where the principal market is deemed to be inactive based on average daily volumes and open interest, the measurement is established using settlement prices from the exchanges, and therefore considered to be valued using other observable inputs.

NEE, through its subsidiaries, including FPL, also enters into OTC commodity contract derivatives. The majority of these contracts are transacted at liquid trading points, and the prices for these contracts are verified using quoted prices in active markets from exchanges, brokers or pricing services for similar contracts.

NEE, through NEER, also enters into full requirements contracts, which, in most cases, meet the definition of derivatives and are measured at fair value. These contracts typically have one or more inputs that are not observable and are significant to the valuation of the contract. In addition, certain exchange and non-exchange traded derivative options at NEE have one or more significant inputs that are not observable, and are valued using industry-standard option models.

In all cases where NEE and FPL use significant unobservable inputs for the valuation of a commodity contract, consideration is given to the assumptions that market participants would use in valuing the asset or liability. The primary input to the valuation models for commodity contracts is the forward commodity curve for the respective instruments. Other inputs include, but are not limited to, assumptions about market liquidity, volatility, correlation and contract duration as more fully described below in Significant Unobservable Inputs Used in Recurring Fair Value Measurements. In instances where the reference markets are deemed to be inactive or do not have transactions for a similar contract, the derivative assets and liabilities may be valued using significant other

observable inputs and potentially significant unobservable inputs. In such instances, the valuation for these contracts is established using techniques including extrapolation from or interpolation between actively traded contracts, or estimated basis adjustments from liquid trading points. NEE and FPL regularly evaluate and validate the inputs used to determine fair value by a number of methods, consisting of various market price verification procedures, including the use of pricing services and multiple broker quotes to support the market price of the various commodities. In all cases where there are assumptions and models used to generate inputs for valuing derivative assets and liabilities, the review and verification of the assumptions, models and changes to the models are undertaken by individuals that are independent of those responsible for estimating fair value.

NEE uses interest rate contracts and foreign currency contracts to mitigate and adjust interest rate and foreign currency exchange exposure related primarily to certain outstanding and expected future debt issuances and borrowings when deemed appropriate based on market conditions or when required by financing agreements. NEE estimates the fair value of these derivatives using an income approach based on a discounted cash flows valuation technique utilizing the net amount of estimated future cash inflows and outflows related to the agreements.

Recurring Fair Value Measurements - NEE's and FPL's financial assets and liabilities and other fair value measurements made on a recurring basis by fair value hierarchy level are as follows:

	December 31, 2016				
	Level 1	Level 2	Level 3	Netting[a]	Total
			(millions)		
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 982	$ —	$ —		$ 982
FPL - equity securities	$ 120	$ —	$ —		$ 120
Special use funds:[c]					
NEE:					
Equity securities	$ 1,410	$ 1,503 [d]	$ —		$ 2,913
U.S. Government and municipal bonds	$ 296	$ 170	$ —		$ 466
Corporate debt securities	$ 1	$ 763	$ —		$ 764
Mortgage-backed securities	$ —	$ 498	$ —		$ 498
Other debt securities	$ —	$ 81	$ —		$ 81
FPL:					
Equity securities	$ 373	$ 1,372 [d]	$ —		$ 1,745
U.S. Government and municipal bonds	$ 221	$ 141	$ —		$ 362
Corporate debt securities	$ —	$ 547	$ —		$ 547
Mortgage-backed securities	$ —	$ 384	$ —		$ 384
Other debt securities	$ —	$ 70	$ —		$ 70
Other investments:					
NEE:					
Equity securities	$ 26	$ 9	$ —		$ 35
Debt securities	$ 8	$ 153	$ —		$ 161
Derivatives:					
NEE:					
Commodity contracts	$ 1,563	$ 1,827	$ 1,200	$ (2,652)	$ 1,938 [e]
Interest rate contracts	$ —	$ 285	$ 3	$ 8	$ 296 [e]
Foreign currency contracts	$ —	$ 1	$ —	$ —	$ 1 [e]
FPL - commodity contracts	$ —	$ 208	$ 4	$ (3)	$ 209 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 1,476	$ 980	$ 512	$ (2,485)	$ 483 [e]
Interest rate contracts	$ —	$ 171	$ 113	$ 8	$ 292 [e]
Foreign currency contracts	$ —	$ 106	$ —	$ —	$ 106 [e]
FPL - commodity contracts	$ —	$ 1	$ 3	$ (3)	$ 1 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $164 million ($120 million for FPL) in other current assets on the consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 3 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's consolidated balance sheets.

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	December 31, 2015				
	Level 1	Level 2	Level 3	Netting[a]	Total
			(millions)		
Assets:					
Cash equivalents and restricted cash:[b]					
NEE - equity securities	$ 312	$ —	$ —		$ 312
FPL - equity securities	$ 36	$ —	$ —		$ 36
Special use funds:[c]					
NEE:					
Equity securities	$ 1,320	$ 1,354 [d]	$ —		$ 2,674
U.S. Government and municipal bonds	$ 446	$ 166	$ —		$ 612
Corporate debt securities	$ —	$ 713	$ —		$ 713
Mortgage-backed securities	$ —	$ 412	$ —		$ 412
Other debt securities	$ —	$ 52	$ —		$ 52
FPL:					
Equity securities	$ 364	$ 1,234 [d]	$ —		$ 1,598
U.S. Government and municipal bonds	$ 335	$ 145	$ —		$ 480
Corporate debt securities	$ —	$ 531	$ —		$ 531
Mortgage-backed securities	$ —	$ 327	$ —		$ 327
Other debt securities	$ —	$ 40	$ —		$ 40
Other investments:					
NEE:					
Equity securities	$ 30	$ 10	$ —		$ 40
Debt securities	$ 39	$ 132	$ —		$ 171
Derivatives:					
NEE:					
Commodity contracts	$ 2,187	$ 2,540	$ 1,179	$ (3,969)	$ 1,937 [e]
Interest rate contracts	$ —	$ 35	$ —	$ (1)	$ 34 [e]
FPL - commodity contracts	$ —	$ 1	$ 6	$ (3)	$ 4 [e]
Liabilities:					
Derivatives:					
NEE:					
Commodity contracts	$ 2,153	$ 1,887	$ 540	$ (3,598)	$ 982 [e]
Interest rate contracts	$ —	$ 214	$ 101	$ 4	$ 319 [e]
Foreign currency contracts	$ —	$ 132	$ —	$ (5)	$ 127 [e]
FPL - commodity contracts	$ —	$ 219	$ 6	$ (3)	$ 222 [e]

(a) Includes the effect of the contractual ability to settle contracts under master netting arrangements and the netting of margin cash collateral payments and receipts. NEE and FPL also have contract settlement receivable and payable balances that are subject to the master netting arrangements but are not offset within the consolidated balance sheets and are recorded in customer receivables - net and accounts payable, respectively.
(b) Includes restricted cash of approximately $61 million ($36 million for FPL) in other current assets on the consolidated balance sheets.
(c) Excludes investments accounted for under the equity method and loans not measured at fair value on a recurring basis. See Fair Value of Financial Instruments Recorded at Other than Fair Value below.
(d) Primarily invested in commingled funds whose underlying securities would be Level 1 if those securities were held directly by NEE or FPL.
(e) See Note 3 - Fair Value of Derivative Instruments for a reconciliation of net derivatives to NEE's and FPL's consolidated balance sheets.

Significant Unobservable Inputs Used in Recurring Fair Value Measurements - The valuation of certain commodity contracts requires the use of significant unobservable inputs. All forward price, implied volatility, implied correlation and interest rate inputs used in the valuation of such contracts are directly based on third-party market data, such as broker quotes and exchange settlements, when that data is available. If third-party market data is not available, then industry standard methodologies are used to develop inputs that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs, including some forward prices, implied volatilities and interest rates used for determining fair value are updated daily to reflect the best available market information. Unobservable inputs which are related to observable inputs, such as illiquid portions of forward price or volatility curves, are updated daily as well, using industry standard techniques such as interpolation and extrapolation, combining observable forward inputs supplemented by historical market and other relevant data. Other unobservable inputs, such as implied correlations, customer migration rates from full requirements contracts and some implied volatility curves, are modeled using proprietary models based on historical data and industry standard techniques.

All price, volatility, correlation and customer migration inputs used in valuation are subject to validation by the Trading Risk Management group. The Trading Risk Management group performs a risk management function responsible for assessing credit, market and operational risk impact, reviewing valuation methodology and modeling, confirming transactions, monitoring approval processes and developing and monitoring trading limits. The Trading Risk Management group is separate from the transacting group. For markets where independent third-party data is readily available, validation is conducted daily by directly reviewing this

market data against inputs utilized by the transacting group, and indirectly by reviewing daily risk reports. For markets where independent third-party data is not readily available, additional analytical reviews are performed on at least a quarterly basis. These analytical reviews are designed to ensure that all price and volatility curves used for fair valuing transactions are adequately validated each quarter, and are reviewed and approved by the Trading Risk Management group. In addition, other valuation assumptions such as implied correlations and customer migration rates are reviewed and approved by the Trading Risk Management group on a periodic basis. Newly created models used in the valuation process are also subject to testing and approval by the Trading Risk Management group prior to use and established models are reviewed annually, or more often as needed, by the Trading Risk Management group.

On a monthly basis, the Exposure Management Committee (EMC), which is comprised of certain members of senior management, meets with representatives from the Trading Risk Management group and the transacting group to discuss NEE's and FPL's energy risk profile and operations, to review risk reports and to discuss fair value issues as necessary. The EMC develops guidelines required for an appropriate risk management control infrastructure, which includes implementation and monitoring of compliance with Trading Risk Management policy. The EMC executes its risk management responsibilities through direct oversight and delegation of its responsibilities to the Trading Risk Management group, as well as to other corporate and business unit personnel.

The significant unobservable inputs used in the valuation of NEE's commodity contracts categorized as Level 3 of the fair value hierarchy at December 31, 2016 are as follows:

Transaction Type	Fair Value at December 31, 2016		Valuation Technique(s)	Significant Unobservable Inputs	Range
	Assets	Liabilities			
	(millions)				
Forward contracts - power	$ 621	$ 206	Discounted cash flow	Forward price (per MWh)	$— — $91
Forward contracts - gas	27	10	Discounted cash flow	Forward price (per MMBtu)	$2 — $11
Forward contracts - other commodity related	7	1	Discounted cash flow	Forward price (various)	$(17) — $57
Options - power	43	10	Option models	Implied correlations	1% — 100%
				Implied volatilities	9% — 296%
Options - primarily gas	223	230	Option models	Implied correlations	1% — 100%
				Implied volatilities	1% — 260%
Full requirements and unit contingent contracts	279	55	Discounted cash flow	Forward price (per MWh)	$(20) — $220
				Customer migration rate[a]	—% — 20%
Total	$ 1,200	$ 512			

(a) Applies only to full requirements contracts.

The sensitivity of NEE's fair value measurements to increases (decreases) in the significant unobservable inputs is as follows:

Significant Unobservable Input	Position	Impact on Fair Value Measurement
Forward price	Purchase power/gas	Increase (decrease)
	Sell power/gas	Decrease (increase)
Implied correlations	Purchase option	Decrease (increase)
	Sell option	Increase (decrease)
Implied volatilities	Purchase option	Increase (decrease)
	Sell option	Decrease (increase)
Customer migration rate	Sell power[a]	Decrease (increase)

(a) Assumes the contract is in a gain position.

In addition, the fair value measurement of interest rate contract net liabilities related to the solar projects in Spain of approximately $110 million at December 31, 2016 includes a significant credit valuation adjustment. The credit valuation adjustment, considered an unobservable input, reflects management's assessment of non-performance risk of the subsidiaries related to the solar projects in Spain that are party to the contracts. See Note 11 - Spain Solar Projects Debt Restructuring for further discussion.

The reconciliation of changes in the fair value of derivatives that are based on significant unobservable inputs is as follows:

	Years Ended December 31,					
	2016		2015		2014	
	NEE	FPL	NEE	FPL	NEE	FPL
	(millions)					
Fair value of net derivatives based on significant unobservable inputs at December 31 of prior year	$ 538	$ —	$ 622	$ 5	$ 622	$ —
Realized and unrealized gains (losses):						
Included in earnings[a]	333	—	451	—	(77)	—
Included in other comprehensive income	8	—	11	—	18	—
Included in regulatory assets and liabilities	1	1	3	3	7	7
Purchases	261	—	180	—	55	—
Settlements	(390)	—	(473)	(8)	194	(2)
Issuances	(195)	—	(202)	—	(122)	—
Transfers in[b]	19	—	(13)	—	80	—
Transfers out[b]	3	—	(41)	—	(155)	—
Fair value of net derivatives based on significant unobservable inputs at December 31	$ 578	$ 1	$ 538	$ —	$ 622	$ 5
The amount of gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to derivatives still held at the reporting date[c]	$ 219	$ —	$ 277	$ —	$ 248	$ —

(a) For the year ended December 31, 2016, $397 million of realized and unrealized gains are reflected in the consolidated statements of income in operating revenues and the balance is reflected in interest expense. For the year ended December 31, 2015, $462 million of realized and unrealized gains are reflected in the consolidated statements of income in operating revenues and the balance is primarily reflected in interest expense. For the year December 31, 2014, $79 million of realized and unrealized losses are reflected in the consolidated statements of income in interest expense and the balance is primarily reflected in operating revenues.

(b) Transfers into Level 3 were a result of decreased observability of market data. Transfers from Level 3 to Level 2 were a result of increased observability of market data and, in 2016, a favorable change to a credit valuation adjustment. NEE's and FPL's policy is to recognize all transfers at the beginning of the reporting period.

(c) For the years ended December 31, 2016, 2015 and 2014, $283 million, $289 million, and $328 million of unrealized gains are reflected in the consolidated statements of income in operating revenues and the balance is reflected in interest expense.

Contingent Consideration - NEE recorded a liability related to a contingent holdback as part of the 2015 acquisition of a portfolio of seven long-term contracted natural gas pipeline assets located in Texas (Texas pipelines). See Note 7 - Texas Pipeline Business.

Nonrecurring Fair Value Measurements - In 2013, NEER initiated a plan and received internal authorization to pursue the sale of its ownership interests in oil-fired generation plants located in Maine (Maine fossil), which resulted in the recording of a loss during that period which was reflected within discontinued operations at NEE. In 2014, NEER decided not to pursue the sale of Maine fossil due to the divergence between the achievable sales price and management's view of the assets' value, which increased as a result of significant market changes. Accordingly, the Maine fossil assets were written-up to management's current estimate of fair value resulting in a gain of approximately $21 million ($12 million after tax) which is included as a separate line item in NEE's consolidated statements of income. The fair value measurement (Level 3) was estimated using an income approach based primarily on the updated capacity revenue forecasts.

Fair Value of Financial Instruments Recorded at Other than Fair Value - The carrying amounts of cash equivalents, commercial paper and other short-term debt approximate their fair values. The carrying amounts and estimated fair values of other financial instruments recorded at other than fair value are as follows:

	December 31, 2016		December 31, 2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	(millions)			
NEE:				
Special use funds[a]	$ 712	$ 712	$ 675	$ 675
Other investments - primarily notes receivable	$ 526	$ 668 [b]	$ 512	$ 722 [b]
Long-term debt, including current maturities[c]	$ 30,418	$ 31,623 [d]	$ 28,897	$ 30,412 [d]
FPL:				
Special use funds[a]	$ 557	$ 557	$ 528	$ 528
Long-term debt, including current maturities	$ 10,072	$ 11,211 [d]	$ 10,020	$ 11,028 [d]

(a) Primarily represents investments accounted for under the equity method and loans not measured at fair value on a recurring basis.
(b) Primarily classified as held to maturity. Fair values are primarily estimated using an income approach utilizing a discounted cash flow valuation technique based on certain observable yield curves and indices considering the credit profile of the borrower (Level 3). Notes receivable bear interest primarily at fixed rates and mature by 2029. Notes receivable are considered impaired and placed in non-accrual status when it becomes probable that all amounts due cannot be collected in accordance with the contractual terms of the agreement. The assessment to place notes receivable in non-accrual status considers various credit indicators, such as credit ratings and market-related information.
(c) Excludes debt totaling $373 million and $938 million, respectively, reflected in liabilities associated with assets held for sale on NEE's consolidated balance sheets for which the carrying amount approximates fair value. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale.
(d) As of December 31, 2016 and 2015, for NEE, approximately $29,804 million and $18,031 million, respectively, is estimated using a market approach based on quoted market prices for the same or similar issues (Level 2); the balance is estimated using an income approach utilizing a discounted cash flow valuation technique, considering the current credit profile of the debtor (Level 3). For FPL, primarily estimated using quoted market prices for the same or similar issues (Level 2).

Special Use Funds - The special use funds noted above and those carried at fair value (see Recurring Fair Value Measurements above) consist of NEE's and FPL's nuclear decommissioning fund assets of $5,434 million and $5,064 million at December 31, 2016 and 2015, respectively, ($3,665 million and $3,430 million, respectively, for FPL) and, in 2015, FPL's storm fund assets of $74 million. The investments held in the special use funds consist of equity and debt securities which are primarily classified as available for sale and carried at estimated fair value. The amortized cost of debt and equity securities is approximately $1,820 million and $1,543 million, respectively, at December 31, 2016 and $1,823 million and $1,505 million, respectively, at December 31, 2015 ($1,373 million and $764 million, respectively, at December 31, 2016 and $1,409 million and $732 million, respectively, at December 31, 2015 for FPL). For FPL's special use funds, consistent with regulatory treatment, changes in fair value, including any other than temporary impairment losses, result in a corresponding adjustment to the related regulatory liability accounts. For NEE's non-rate regulated operations, changes in fair value result in a corresponding adjustment to OCI, except for unrealized losses associated with marketable securities considered to be other than temporary, including any credit losses, which are recognized as other than temporary impairment losses on securities held in nuclear decommissioning funds in NEE's consolidated statements of income. Debt securities included in the nuclear decommissioning funds have a weighted-average maturity at December 31, 2016 of approximately nine years at both NEE and FPL. The cost of securities sold is determined using the specific identification method.

Realized gains and losses and proceeds from the sale or maturity of available for sale securities are as follows:

	NEE			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2016	2015	2014	2016	2015	2014
	(millions)					
Realized gains	$ 116	$ 194	$ 211	$ 53	$ 70	$ 120
Realized losses	$ 76	$ 87	$ 115	$ 44	$ 43	$ 94
Proceeds from sale or maturity of securities	$ 3,400	$ 4,643	$ 4,092	$ 2,442	$ 3,724	$ 3,349

The unrealized gains on available for sale securities are as follows:

	NEE		FPL	
	December 31,		December 31,	
	2016	2015	**2016**	2015
	(millions)			
Equity securities	**$ 1,396**	$ 1,166	**$ 1,007**	$ 863
Debt securities	**$ 22**	$ 17	**$ 17**	$ 14

The unrealized losses on available for sale debt securities and the fair value of available for sale debt securities in an unrealized loss position are as follows:

	NEE		FPL	
	December 31,		December 31,	
	2016	2015	**2016**	2015
	(millions)			
Unrealized losses[a]	**$ 34**	$ 51	**$ 28**	$ 45
Fair value	**$ 959**	$ 1,129	**$ 722**	$ 861

(a) Unrealized losses on available for sale debt securities in an unrealized loss position for greater than twelve months at December 31, 2016 and 2015 were not material to NEE or FPL.

Regulations issued by the FERC and the NRC provide general risk management guidelines to protect nuclear decommissioning funds and to allow such funds to earn a reasonable return. The FERC regulations prohibit, among other investments, investments in any securities of NEE or its subsidiaries, affiliates or associates, excluding investments tied to market indices or mutual funds. Similar restrictions applicable to the decommissioning funds for NEER's nuclear plants are included in the NRC operating licenses for those facilities or in NRC regulations applicable to NRC licensees not in cost-of-service environments. With respect to the decommissioning fund for Seabrook, decommissioning fund contributions and withdrawals are also regulated by the NDFC pursuant to New Hampshire law.

The nuclear decommissioning reserve funds are managed by investment managers who must comply with the guidelines of NEE and FPL and the rules of the applicable regulatory authorities. The funds' assets are invested giving consideration to taxes, liquidity, risk, diversification and other prudent investment objectives.

Financial Instruments Accounting Standards Update - In January 2016, the FASB issued an accounting standards update which modifies current guidance for financial instruments. The standards update requires that equity investments (except investments accounted for under the equity method and investments that are consolidated) be measured at fair value with changes in fair value recognized in net income and provides an option for those equity investments that do not have readily determinable fair values to be measured at cost minus impairment (plus or minus changes resulting from observable price changes). The standards update also makes certain changes to presentation and disclosure requirements of financial instruments. The standards update is effective for NEE and FPL beginning January 1, 2018 and will be applied retrospectively with the cumulative effect recognized as of the date of initial application. NEE and FPL are currently evaluating the effect the adoption of this standards update will have, if any, on their consolidated financial statements.

5. Income Taxes

The components of income taxes are as follows:

	NEE			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2016	2015	2014	**2016**	2015	2014
	(millions)					
Federal:						
Current	**$ 72**	$ 10	$ —	**$ 72**	$ 423	$ 240
Deferred	**1,075**	1,194	1,077	**830**	399	542
Total federal	**1,147**	1,204	1,077	**902**	822	782
State:						
Current	**76**	31	(29)	**57**	58	68
Deferred	**160**	(7)	128	**92**	77	60
Total state	**236**	24	99	**149**	135	128
Total income taxes	**$ 1,383**	$ 1,228	$ 1,176	**$ 1,051**	$ 957	$ 910

A reconciliation between the effective income tax rates and the applicable statutory rate is as follows:

	NEE			FPL		
	Years Ended December 31,			Years Ended December 31,		
	2016	2015	2014	**2016**	2015	2014
Statutory federal income tax rate	**35.0 %**	35.0 %	35.0 %	**35.0 %**	35.0 %	35.0 %
Increases (reductions) resulting from:						
State income taxes - net of federal income tax benefit	**3.5**	0.4	1.8	**3.5**	3.4	3.4
PTCs and ITCs - NEER	**(3.9)**	(4.1)	(5.1)	**—**	—	—
Convertible ITCs - NEER	**(1.7)**	(0.8)	(1.4)	**—**	—	—
Adjustments associated with Canadian assets	**(0.7)**	—	1.3	**—**	—	—
Other - net	**(0.7)**	0.3	0.7	**(0.7)**	(1.7)	(0.9)
Effective income tax rate	**31.5 %**	30.8 %	32.3 %	**37.8 %**	36.7 %	37.5 %

The income tax effects of temporary differences giving rise to consolidated deferred income tax liabilities and assets are as follows:

	NEE		FPL	
	December 31,		December 31,	
	2016	2015	**2016**	2015
	(millions)			
Deferred tax liabilities:				
Property-related	**$ 13,094**	$ 12,204	**$ 8,882**	$ 8,040
Pension	**454**	455	**502**	480
Nuclear decommissioning trusts	**253**	219	**—**	—
Net unrealized gains on derivatives	**581**	528	**—**	—
Investments in partnerships and joint ventures	**603**	403	**—**	—
Other	**1,272**	1,196	**796**	695
Total deferred tax liabilities	**16,257**	15,005	**10,180**	9,215
Deferred tax assets and valuation allowance:				
Decommissioning reserves	**454**	438	**401**	386
Postretirement benefits	**145**	141	**93**	95
Net operating loss carryforwards	**427**	604	**3**	4
Tax credit carryforwards	**3,059**	2,916	**—**	—
ARO and accrued asset removal costs	**777**	759	**699**	697
Other	**1,024**	836	**443**	303
Valuation allowance[a]	**(269)**	(223)	**—**	—
Net deferred tax assets	**5,617**	5,471	**1,639**	1,485
Net deferred income taxes	**$ 10,640**	$ 9,534	**$ 8,541**	$ 7,730

(a) Amount relates to a valuation allowance related to the solar projects in Spain, deferred state tax credits and state operating loss carryforwards.

Deferred tax assets and liabilities are included on the consolidated balance sheets as follows:

	NEE		FPL	
	December 31,		December 31,	
	2016	2015	**2016**	2015
	(millions)			
Noncurrent other assets	**$ 461**	$ 293	**$ —**	$ —
Deferred income taxes - noncurrent liabilities	**(11,101)**	(9,827)	**(8,541)**	(7,730)
Net deferred income taxes	**$ (10,640)**	$ (9,534)	**$ (8,541)**	$ (7,730)

The components of NEE's deferred tax assets relating to net operating loss carryforwards and tax credit carryforwards at December 31, 2016 are as follows:

	Amount		Expiration Dates
	(millions)		
Net operating loss carryforwards:			
Federal	**$ 165**		**2026-2036**
State	**174**		**2017-2036**
Foreign	**88**	[a]	**2017-2036**
Net operating loss carryforwards	**$ 427**		
Tax credit carryforwards:			
Federal	**$ 2,697**		**2022-2036**
State	**362**	[b]	**2017-2044**
Tax credit carryforwards	**$ 3,059**		

(a) Includes $60 million of net operating loss carryforwards with an indefinite expiration period.
(b) Includes $188 million of ITC carryforwards with an indefinite expiration period.

6. Jointly-Owned Electric Plants

Certain NEE subsidiaries own undivided interests in the jointly-owned facilities described below, and are entitled to a proportionate share of the output from those facilities. The subsidiaries are responsible for their share of the operating costs, as well as providing their own financing. Accordingly, each subsidiary's proportionate share of the facilities and related revenues and expenses is included in the appropriate balance sheet and statement of income captions. NEE's and FPL's respective shares of direct expenses for these facilities are included in fuel, purchased power and interchange expense, O&M expenses, depreciation and amortization expense and taxes other than income taxes and other - net in NEE's and FPL's consolidated statements of income.

NEE's and FPL's proportionate ownership interest in jointly-owned facilities is as follows:

	December 31, 2016			
	Ownership Interest	Gross Investment[a]	Accumulated Depreciation[a]	Construction Work in Progress
		(millions)		
FPL:				
St. Lucie Unit No. 2	85%	$ 2,172	$ 815	$ 33
St. Johns River Power Park units and coal terminal	20%	$ 393	$ 208	$ —
Scherer Unit No. 4	76%	$ 1,138	$ 395	$ 3
NEER:				
Duane Arnold	70%	$ 466	$ 146	$ 16
Seabrook	88.23%	$ 1,138	$ 271	$ 77
Wyman Station Unit No. 4	84.35%	$ 25	$ 3	$ —
Corporate and Other:				
Transmission substation assets located in Seabrook, New Hampshire	88.23%	$ 76	$ 17	$ 3

(a) Excludes nuclear fuel.

7. Business Acquisitions

Texas Pipeline Business - On October 1, 2015, a subsidiary of NEP acquired 100% of the membership interests in NET Holdings Management, LLC (Texas pipeline business), a developer, owner and operator of the Texas pipelines. One of the acquired pipelines is subject to a 10% noncontrolling interest. The aggregate purchase price of approximately $2 billion included approximately $934 million in cash consideration and the assumption of approximately $706 million in existing debt of the Texas pipeline business and its subsidiaries at closing and excluded post-closing working capital adjustments of approximately $2 million. The purchase price is subject to (i) a $200 million holdback payable, in whole or in part, upon satisfaction of financial performance and capital expenditure thresholds relating to planned expansion projects (contingent holdback) and (ii) a $200 million holdback retained to satisfy any indemnification obligations of the sellers through April 2017. NEP incurred approximately $13 million in acquisition-related costs during the year ended December 31, 2015, which are reflected in O&M expenses in NEE's consolidated statements of income.

Under the acquisition method, the purchase price was allocated to the assets acquired and liabilities assumed on October 1, 2015 based on their estimated fair value. All fair value measurements of assets acquired and liabilities assumed, including the noncontrolling interest, were based on significant estimates and assumptions, including Level 3 inputs, which require judgment. Estimates and assumptions include the projected timing and amount of future cash flows, discount rates reflecting risk inherent in future cash flows and future market prices. The excess of the purchase price over the estimated fair value of assets acquired and liabilities assumed was recognized as goodwill at the acquisition date. The goodwill arising from the acquisition consists largely of growth opportunities from the Texas pipeline business. Approximately $380 million of the goodwill is expected to be deductible for income tax purposes over a 15 year period. A liability of approximately $186 million was recognized as of the acquisition date for each of the contingent holdback and the indemnity holdback, reflecting the fair value of the expected future payments. NEE determined this fair value measurement based on management's probability assessment. The significant inputs and assumptions used in the fair value measurement included the estimated probability of executing contracts related to financial performance and capital expenditure thresholds as well as the appropriate discount rate. In 2016, NEE recorded fair value adjustments to eliminate the entire contingent holdback as the contracts contemplated in the acquisition were not executed by December 31, 2016. The fair value adjustments are reflected as revaluation of contingent consideration in NEE's consolidated statements of income. At December 31, 2016, the carrying amount of the indemnity holdback was approximately $199 million. The indemnity holdback is included in current other liabilities at December 31, 2016 and the contingent and indemnity holdbacks are included in noncurrent other liabilities at December 31, 2015 on NEE's consolidated balance sheets.

The following table summarizes the estimated fair value of assets acquired and liabilities assumed for the acquisition of the Texas pipeline business:

	Amounts Recognized as of October 1, 2015 (millions)
Assets:	
Property, plant and equipment	$ 806
Cash	1
Other receivables and current other assets	21
Noncurrent other assets (other intangible assets, see Note 1 - Goodwill and Other Intangible Assets)	720
Noncurrent other assets (goodwill, see Note 1 - Goodwill and Other Intangible Assets)	622
Total assets	$ 2,170
Liabilities:	
Long-term debt, including current portion	$ 706
Accounts payable and current other liabilities	46
Noncurrent other liabilities, primarily acquisition holdbacks	415
Total liabilities	1,167
Less noncontrolling interest at fair value	69
Total cash consideration	$ 934

Pending Oncor-Related Transactions - In July 2016, NEE, EFH Merger Co., LLC (Merger Sub), a direct wholly owned subsidiary of NEE, Energy Future Holdings Corp. (EFH Corp.) and Energy Future Intermediate Holding Company LLC (EFIH), a direct wholly owned subsidiary of EFH Corp., entered into an agreement and plan of merger (EFH merger agreement). Pursuant to the EFH merger agreement and after the reorganization of EFH Corp. (reorganized EFH) under the United States Bankruptcy Code, Merger Sub will acquire 100% of the equity of reorganized EFH Corp. and certain of its direct and indirect subsidiaries, including its indirect ownership of 80.03% of the outstanding equity interests of Oncor Electric Delivery Company LLC (Oncor), a regulated electric distribution and transmission business that operates the largest distribution and transmission system in Texas. The EFH merger agreement, as amended in September 2016, provides that the consideration for the transaction funded by NEE will be $9.796 billion, which will be paid almost all in cash, with the balance in shares of NEE common stock. The amount of consideration will be subject to adjustment as provided in the EFH merger agreement. On February 17, 2017, the U.S. Bankruptcy Court for the District of Delaware confirmed EFH Corp.'s Eighth Amended Joint Plan of Reorganization. Completion of the merger and the actual closing date remain subject to, among other things, approval by the Public Utility Commission of Texas (PUCT) and receipt of a supplemental private letter ruling from the Internal Revenue Service. NEE, Merger Sub, EFH Corp. and EFIH have certain specified termination rights under the EFH merger agreement. In October 2016, NEE and Oncor filed a joint application with the PUCT requesting the approval of the EFH Corp. merger, as well as the TTHC merger described below. The PUCT hearings regarding the merger transactions were conducted the week of February 20, 2017.

In October 2016, NEE and its direct wholly owned subsidiary WSS Acquisition Company (TTHC Merger Sub) entered into an agreement (TTHC merger agreement) with Texas Transmission Holdings Corporation (TTHC) and certain stockholders of TTHC, Cheyne Walk Investment Pte Ltd, Borealis Power Holdings Inc. and BPC Health Corporation (together, the Primary Holders). Pursuant to the TTHC merger agreement, TTHC Merger Sub would merge with TTHC for a total cash merger consideration to be paid by NEE of approximately $2.410 billion, subject to adjustment as provided in the TTHC merger agreement. TTHC, through Texas Transmission Investment LLC (TTI), a wholly owned subsidiary, owns an approximately 20% interest in Oncor. Completion of the TTHC merger and actual closing date remain subject to, among other things, approval by the PUCT. NEE, TTHC Merger Sub, TTHC and the Primary Holders have certain specified termination rights under the TTHC merger agreement.

In October 2016, T & D Equity Acquisition, LLC (OMI purchaser), a direct wholly owned subsidiary of NEE, Oncor Management Investment LLC (OMI) and Oncor entered into an agreement for the OMI purchaser to purchase OMI's 0.22% interest in Oncor for approximately $27 million. This transaction is subject to NEE closing its agreement to acquire EFH Corp. described above.

The TTHC and OMI transactions, when combined with NEE's agreement to acquire EFH Corp. described above, if completed, would result in NEE owning 100% of Oncor. NEE expects the EFH Corp. merger and the other Oncor-related transactions to be completed in the first half of 2017.

8. Variable Interest Entities (VIEs)

In February 2015, the FASB issued an accounting standards update that modified consolidation guidance. The standards update makes changes to both the variable interest entity model and the voting interest entity model, including modifying the evaluation of whether limited partnerships or similar legal entities are VIEs or voting interest entities and amending the guidance for assessing how relationships of related parties affect the consolidation analysis of VIEs. The standards update was effective for NEE and FPL beginning January 1, 2016, and the modified retrospective approach was adopted. The adoption of the standards update did not result in any changes to the previous consolidation conclusions; however, it did result in a limited number of entities being considered VIEs and the related disclosure was provided for the current period.

As of December 31, 2016, NEE has thirty-three VIEs which it consolidates and has interests in certain other VIEs which it does not consolidate.

FPL - FPL is considered the primary beneficiary of, and therefore consolidates, a VIE that is a wholly owned bankruptcy remote special purpose subsidiary that it formed in 2007 for the sole purpose of issuing storm-recovery bonds pursuant to the securitization provisions of the Florida Statutes and a financing order of the FPSC. FPL is considered the primary beneficiary because FPL has the power to direct the significant activities of the VIE, and its equity investment, which is subordinate to the bondholder's interest in the VIE, is at risk. Storm restoration costs incurred by FPL during 2005 and 2004 exceeded the amount in FPL's funded storm and property insurance reserve, resulting in a storm reserve deficiency. In 2007, the VIE issued $652 million aggregate principal amount of senior secured bonds (storm-recovery bonds), primarily for the after-tax equivalent of the total of FPL's unrecovered balance of the 2004 storm restoration costs, the 2005 storm restoration costs and to reestablish FPL's storm and property insurance reserve. In connection with this financing, net proceeds, after debt issuance costs, to the VIE (approximately $644 million) were used to acquire the storm-recovery property, which includes the right to impose, collect and receive a storm-recovery charge from all customers receiving electric transmission or distribution service from FPL under rate schedules approved by the FPSC or under special contracts, certain other rights and interests that arise under the financing order issued by the FPSC and certain other collateral pledged by the VIE that issued the bonds. The storm-recovery bonds are payable only from and are secured by the storm-recovery property. The bondholders have no recourse to the general credit of FPL. The assets of the VIE were approximately $216 million and $230 million at December 31, 2016 and 2015, respectively, and consisted primarily of storm-recovery property, which are included in both current and noncurrent regulatory assets on NEE's and FPL's consolidated balance sheets. The liabilities of the VIE were approximately $214 million and $278 million at December 31, 2016 and 2015, respectively, and consisted primarily of storm-recovery bonds, which are included in long-term debt on NEE's and FPL's consolidated balance sheets.

FPL entered into a purchased power agreement effective in 1995 with a 330 MW coal-fired facility to purchase substantially all of the facility's capacity and electrical output over a substantial portion of its estimated useful life. The facility is considered a VIE because FPL absorbs a portion of the facility's variability related to changes in the market price of coal through the price it pays per MWh (energy payment). Since FPL does not control the most significant activities of the facility, including operations and maintenance, FPL is not the primary beneficiary and does not consolidate this VIE. The energy payments paid by FPL will fluctuate as coal prices change. This fluctuation does not expose FPL to losses since the energy payments paid by FPL to the facility are recovered through the fuel clause as approved by the FPSC. See Note 13 - Contracts for a discussion of FPL's purchase of the 330 MW coal-fired facility.

NEER - NEE consolidates thirty-two NEER VIEs. NEER is considered the primary beneficiary of these VIEs since NEER controls the most significant activities of these VIEs, including operations and maintenance, as well as construction, and has the obligation to absorb expected losses of these VIEs.

A subsidiary of NEER is the primary beneficiary of, and therefore consolidates, NEP, which consolidates NEP OpCo because of NEP's controlling interest in the general partner of NEP OpCo. NEP is a limited partnership formed to acquire, manage and own contracted clean energy projects with stable, long-term cash flows through a limited partner interest in NEP OpCo. NEE owns a controlling non-economic general partner interest in NEP and a limited partner interest in NEP OpCo, and presents NEP's limited partner interest as a noncontrolling interest in NEE's consolidated financial statements. At December 31, 2016, NEE owns common units of NEP OpCo representing noncontrolling interest in NEP's operating projects of approximately 65.2%. The assets and liabilities of NEP were approximately $7.2 billion and $5.0 billion, respectively, at December 31, 2016, and primarily consisted of property, plant and equipment and long-term debt.

A NEER VIE consolidates two entities which own and operate natural gas/oil electric generation facilities with the capability of producing 110 MW. These entities sell their electric output under power sales contracts to a third party, with expiration dates in 2018 and 2020. The power sales contracts provide the offtaker the ability to dispatch the facilities and require the offtaker to absorb the cost of fuel. The entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of the VIE were approximately $95 million and $42 million, respectively, at December 31, 2016 and $84 million and $47 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

Two indirect subsidiaries of NEER each contributed, to a NEP subsidiary, an approximately 50% ownership interest in three entities which own and operate solar PV facilities with the capability of producing a total of approximately 277 MW. Each of the two indirect subsidiaries of NEER is considered a VIE since the non-managing members have no substantive rights over the managing members, and is consolidated by NEER. These three entities sell their electric output to third parties under power sales contracts with expiration dates in 2035 and 2036. The three entities have third-party debt which is secured by liens against the assets of the entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of these VIEs were approximately $571 million and $487 million, respectively, at December 31, 2016 and $657 million and $626 million, respectively, at December 31, 2015, and consisted primarily of property, plant and equipment and long-term debt.

NEER consolidates a special purpose entity that has insufficient equity at risk and is considered a VIE. The entity provided a loan in the form of a note receivable (see Note 4 - Fair Value of Financial Instruments Recorded at Other than Fair Value) to an unrelated third party, and also issued senior secured bonds which are collateralized by the note receivable. The assets and liabilities of the VIE were approximately $502 million and $511 million, respectively, at December 31, 2016, and consisted primarily of notes receivables (included in other investments) and long-term debt.

The other twenty-seven NEER VIEs that are consolidated relate to certain subsidiaries which have sold differential membership interests in entities which own and operate wind electric generation and solar PV facilities with the capability of producing a total of approximately 6,847 MW and 374 MW, respectively. These entities sell their electric output either under power sales contracts to third parties with expiration dates ranging from 2018 through 2046 or in the spot market. Certain investors that have no equity at risk in the VIEs hold differential membership interests, which give them the right to receive a portion of the economic attributes of the generation facilities, including certain tax attributes. Certain entities have third-party debt which is secured by liens against the generation facilities and the other assets of these entities or by pledges of NEER's ownership interest in these entities. The debt holders have no recourse to the general credit of NEER for the repayment of debt. The assets and liabilities of these VIEs totaled approximately $10.9 billion and $6.9 billion, respectively, at December 31, 2016. Twenty of the twenty-seven were VIEs at December 31, 2015 and were consolidated; the assets and liabilities of those VIEs totaled approximately $7.6 billion and $5.0 billion, respectively, at December 31, 2015. At December 31, 2016 and 2015, the assets and liabilities of the VIEs consisted primarily of property, plant and equipment, deferral related to differential membership interests and long-term debt.

Other - As of December 31, 2016 and 2015, several NEE subsidiaries have investments totaling approximately $2,505 million ($2,049 million at FPL) and $602 million ($476 million at FPL), respectively, which are included in special use funds and other investments on NEE's consolidated balance sheets and in special use funds on FPL's consolidated balance sheets. At December 31, 2016, these investments represented primarily commingled funds, and at December 31, 2015, mortgage-backed securities. NEE subsidiaries, including FPL, are not the primary beneficiary and therefore do not consolidate any of these entities because they do not control any of the ongoing activities of these entities, were not involved in the initial design of these entities and do not have a controlling financial interest in these entities.

Certain subsidiaries of NEE have noncontrolling interests in entities accounted for under the equity method. These entities are limited partnerships or similar entity structures in which the limited partners or nonmanaging members do not have substantive rights, and therefore are considered VIEs. NEE is not the primary beneficiary because it does not have a controlling financial interest in these entities, and therefore does not consolidate any of these entities. NEE's investment in these entities totaled approximately $234 million at December 31, 2016, which are included in other investments on NEE's consolidated balance sheets. Subsidiaries of NEE have committed to invest an additional approximately $30 million in two of the entities.

9. Investments in Partnerships and Joint Ventures

Certain subsidiaries of NEE, primarily NEER, have noncontrolling non-majority owned interests in various partnerships and joint ventures, essentially all of which are in the process of developing or constructing natural gas pipelines or own electric generation facilities. At December 31, 2016 and 2015, NEE's investments in partnerships and joint ventures totaled approximately $1,767 million and $1,063 million, respectively, which are included in other investments on NEE's consolidated balance sheets. NEER's interest in these partnerships and joint ventures primarily range from approximately 31% to 50%. At December 31, 2016 and 2015, the principal entities included in NEER's investments in partnerships and joint ventures were Sabal Trail Transmission, LLC, Desert Sunlight Investment Holdings, LLC, Northeast Energy, LP and Cedar Point II Wind, LP.

Summarized combined information for these principal entities is as follows:

	2016	2015
	(millions)	
Net income	$ 264	$ 213
Total assets	$ 4,502	$ 3,339
Total liabilities	$ 1,364	$ 1,307
Partners'/members' equity	$ 3,138	$ 2,032
NEER's share of underlying equity in the principal entities	$ 1,423	$ 874
Difference between investment carrying amount and underlying equity in net assets[a]	65	(3)
NEER's investment carrying amount for the principal entities	$ 1,488	$ 871

(a) Substantially all of the difference between the investment carrying amount and the underlying equity in net assets is being amortized over a 25-year period.

In 2004, a trust created by NEE sold $300 million of 5 7/8% preferred trust securities to the public and $9 million of common trust securities to NEE. The trust is an unconsolidated 100%-owned finance subsidiary. The proceeds from the sale of the preferred and common trust securities were used to buy 5 7/8% junior subordinated debentures maturing in March 2044 from NEECH. NEE has fully and unconditionally guaranteed the preferred trust securities and the junior subordinated debentures.

10. Common Shareholders' Equity

Stock-Based Compensation - On March 30, 2016, the FASB issued an accounting standards update related to the accounting for employee share-based payment awards including simplification in areas such as (i) income tax consequences; (ii) classification of awards as either equity or liabilities; and (iii) classification on the statement of cash flows. The standards update was effective for NEE beginning January 1, 2017, however, NEE early adopted the provisions of the standards update during the three months ended June 30, 2016 with an effective date of January 1, 2016. Upon adoption, NEE recorded approximately $18 million primarily related to previously unrecognized excess tax benefits in deferred income taxes with a resulting increase to retained earnings as of January 1, 2016. For the year ended December 31, 2016, the impact of the standards update resulted in approximately $30 million of excess tax benefits being recorded in NEE's consolidated statements of income. All other provisions of the standards update did not have a material impact to NEE's consolidated financial statements. The standards update had no effect on FPL.

Earnings Per Share - The reconciliation of NEE's basic and diluted earnings per share attributable to NEE is as follows:

	Years Ended December 31,		
	2016	2015	2014
	(millions, except per share amounts)		
Numerator - net income attributable to NEE	$ 2,912	$ 2,752	$ 2,465
Denominator:			
Weighted-average number of common shares outstanding - basic	463.1	450.5	434.4
Equity units, performance share awards, stock options, forward sale agreement and restricted stock[a]	2.7	3.5	5.7
Weighted-average number of common shares outstanding - assuming dilution	465.8	454.0	440.1
Earnings per share attributable to NEE:			
Basic	$ 6.29	$ 6.11	$ 5.67
Assuming dilution	$ 6.25	$ 6.06	$ 5.60

(a) Calculated using the treasury stock method. Performance share awards are included in diluted weighted-average number of common shares outstanding based upon what would be issued if the end of the reporting period was the end of the term of the award.

Common shares issuable pursuant to equity units, performance share awards, stock options and forward sale agreements and restricted stock which were not included in the denominator above due to their antidilutive effect were approximately 7.9 million, 3.5 million and 2.6 million for the years ended December 31, 2016, 2015 and 2014, respectively.

Issuance of Common Stock and Forward Sale Agreement - In November 2013, NEE sold 4.5 million shares of its common stock at a price of $88.03 per share, and a forward counterparty borrowed and sold 6.6 million shares of NEE's common stock in connection with a forward sale agreement. In December 2014, NEE physically settled the forward sale agreement by delivering 6.6 million shares of its common stock to the forward counterparty in exchange for cash proceeds of approximately $552 million. The forward sale price used to determine the cash proceeds received by NEE was calculated based on the initial forward sale price of $88.03 per share less certain adjustments as specified in the forward sale agreement. Prior to the settlement date, the forward sale agreement had a dilutive effect on NEE's earnings per share when the average market price per share of NEE's common stock was above the adjusted forward sale price per share.

Forward Sale Agreements - In November 2016, NEE entered into forward sale agreements with several forward counterparties to be settled on a date or dates to be specified at NEE's direction, no later than November 1, 2017. NEE may elect physical settlement, cash settlement or net share settlement for all or a portion of its obligations under the forward sale agreements. If NEE physically settles, it will deliver the shares of its common stock to the applicable forward counterparty in exchange for cash proceeds at the then applicable forward sale price, which represents the initial forward sale price of $124.00 per share, less certain adjustments as specified in the forward sale agreements. The forward sale transactions are classified as equity transactions because they are indexed to NEE's common stock and physical settlement is within NEE's control. At December 31, 2016, if NEE had settled the forward sale agreements by delivery of 12 million shares of its common stock to the forward counterparties, NEE would have received net proceeds of approximately $1.5 billion. Prior to the settlement date, the forward sale agreements will have a dilutive effect on NEE's earnings per share when the average market price per share of NEE's common stock is above the adjusted forward sale price per share. As of December 31, 2016, the adjusted forward sale price per share was greater than the average market price per share of NEE's common stock; accordingly the 12 million shares were antidilutive.

Common Stock Dividend Restrictions - NEE's charter does not limit the dividends that may be paid on its common stock. FPL's mortgage securing FPL's first mortgage bonds contains provisions which, under certain conditions, restrict the payment of dividends and other distributions to NEE. These restrictions do not currently limit FPL's ability to pay dividends to NEE.

Stock-Based Compensation - Net income for the years ended December 31, 2016, 2015 and 2014 includes approximately $77 million, $60 million and $60 million, respectively, of compensation costs and $30 million, $23 million and $23 million, respectively, of income tax benefits related to stock-based compensation arrangements. Compensation cost capitalized for the years ended December 31, 2016, 2015 and 2014 was not material. As of December 31, 2016, there were approximately $78 million of unrecognized compensation costs related to nonvested/nonexercisable stock-based compensation arrangements. These costs are expected to be recognized over a weighted-average period of 1.8 years.

At December 31, 2016, approximately 16 million shares of common stock were authorized for awards to officers, employees and non-employee directors of NEE and its subsidiaries under NEE's: (a) Amended and Restated 2011 Long Term Incentive Plan, (b) 2007 Non-Employee Directors Stock Plan and (c) earlier equity compensation plans under which shares are reserved for issuance under existing grants, but no additional shares are available for grant under the earlier plans. NEE satisfies restricted stock and performance share awards by issuing new shares of its common stock or by purchasing shares of its common stock in the open market. NEE satisfies stock option exercises by issuing new shares of its common stock. NEE generally grants most of its stock-based compensation awards in the first quarter of each year.

Restricted Stock and Performance Share Awards - Restricted stock typically vests within three years after the date of grant and is subject to, among other things, restrictions on transferability prior to vesting. The fair value of restricted stock is measured based upon the closing market price of NEE common stock as of the date of grant. Performance share awards are typically payable at the end of a three-year performance period if the specified performance criteria are met. The fair value of performance share awards is estimated primarily based upon the closing market price of NEE common stock as of the date of grant less the present value of expected dividends, multiplied by an estimated performance multiple which is subsequently trued up based on actual performance.

The activity in restricted stock and performance share awards for the year ended December 31, 2016 was as follows:

	Shares	Weighted-Average Grant Date Fair Value Per Share
Restricted Stock:		
Nonvested balance, January 1, 2016	563,660	$ 89.60
Granted	291,422	$ 112.86
Vested	(274,144)	$ 85.62
Forfeited	(24,290)	$ 100.78
Nonvested balance, December 31, 2016	556,648	$ 103.26
Performance Share Awards:		
Nonvested balance, January 1, 2016	915,199	$ 81.90
Granted	604,686	$ 89.23
Vested	(630,773)	$ 69.40
Forfeited	(54,679)	$ 95.62
Nonvested balance, December 31, 2016	834,433	$ 95.76

The weighted-average grant date fair value per share of restricted stock granted for the years ended December 31, 2015 and 2014 was $103.58 and $93.46 respectively. The weighted-average grant date fair value per share of performance share awards granted for the years ended December 31, 2015 and 2014 was $77.12 and $71.52, respectively.

The total fair value of restricted stock and performance share awards vested was $99 million, $108 million and $85 million for the years ended December 31, 2016, 2015 and 2014, respectively.

Options - Options typically vest within three years after the date of grant and have a maximum term of ten years. The exercise price of each option granted equals the closing market price of NEE common stock on the date of grant. The fair value of the options is estimated on the date of the grant using the Black-Scholes option-pricing model and based on the following assumptions:

	2016	2015	2014
Expected volatility[a]	**16.37%**	18.91%	20.32%
Expected dividends	**3.16%**	3.11%	3.11%
Expected term (years)[b]	**7.0**	7.0	7.0
Risk-free rate	**1.50%**	1.84%	2.17%

(a) Based on historical experience.
(b) Based on historical exercise and post-vesting cancellation experience adjusted for outstanding awards.

Option activity for the year ended December 31, 2016 was as follows:

	Shares Underlying Options	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (millions)
Balance, January 1, 2016	2,866,501	$ 63.39		
Granted	294,889	$ 111.67		
Exercised	(651,492)	$ 55.37		
Forfeited	(4,690)	$ 106.64		
Balance, December 31, 2016	2,505,208	$ 71.08	5.4	$ 121
Exercisable, December 31, 2016	2,043,899	$ 62.90	4.7	$ 116

The weighted-average grant date fair value of options granted was $11.74, $13.62 and $14.09 per share for the years ended December 31, 2016, 2015 and 2014, respectively. The total intrinsic value of stock options exercised was approximately $42 million, $11 million and $30 million for the years ended December 31, 2016, 2015 and 2014, respectively.

Cash received from option exercises was approximately $36 million, $9 million and $26 million for the years ended December 31, 2016, 2015 and 2014, respectively. The tax benefits realized from options exercised were approximately $16 million, $4 million and $11 million for the years ended December 31, 2016, 2015 and 2014, respectively.

Preferred Stock - NEE's charter authorizes the issuance of 100 million shares of serial preferred stock, $0.01 par value, none of which are outstanding. FPL's charter authorizes the issuance of 10,414,100 shares of preferred stock, $100 par value, 5 million shares of subordinated preferred stock, no par value, and 5 million shares of preferred stock, no par value, none of which are outstanding.

NEXTERA ENERGY, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Accumulated Other Comprehensive Income (Loss) - The components of AOCI, net of tax, are as follows:

	Accumulated Other Comprehensive Income (Loss)					
	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available for Sale Securities	Defined Benefit Pension and Other Benefits Plans	Net Unrealized Losses on Foreign Currency Translation	Other Comprehensive Income (Loss) Related to Equity Method Investee	Total
			(millions)			
Balances, December 31, 2013	$ (115)	$ 197	$ 23	$ (33)	$ (16)	$ 56
Other comprehensive income (loss) before reclassifications	(141)	62	(44)	(25)	(8)	(156)
Amounts reclassified from AOCI	98 (a)	(41) (b)	1	—	—	58
Net other comprehensive income (loss)	(43)	21	(43)	(25)	(8)	(98)
Less other comprehensive loss attributable to noncontrolling interests	(2)	—	—	—	—	(2)
Balances, December 31, 2014	(156)	218	(20)	(58)	(24)	(40)
Other comprehensive loss before reclassifications	(88)	(7)	(42)	(27)	—	(164)
Amounts reclassified from AOCI	63 (a)	(37) (b)	—	—	—	26
Net other comprehensive loss	(25)	(44)	(42)	(27)	—	(138)
Less other comprehensive loss attributable to noncontrolling interests	(11)	—	—	—	—	(11)
Balances, December 31, 2015	(170)	174	(62)	(85)	(24)	(167)
Other comprehensive income (loss) before reclassifications	—	69	(21)	(5)	2	45
Amounts reclassified from AOCI	70 (a)	(18) (b)	—	—	—	52
Net other comprehensive income (loss)	70	51	(21)	(5)	2	97
Less other comprehensive income attributable to noncontrolling interests	—	—	—	—	—	—
Balances, December 31, 2016	$ (100)	$ 225	$ (83)	$ (90)	$ (22)	$ (70)

(a) Reclassified to interest expense and also to other - net in 2014 and 2015 in NEE's consolidated statements of income. See Note 3 - Income Statement Impact of Derivative Instruments.
(b) Reclassified to gains on disposal of investments and other property - net in NEE's consolidated statements of income.

11. Debt

Long-term debt consists of the following:

		December 31,			
		2016		2015	
	Maturity Date	Balance	Weighted-Average Interest Rate	Balance	Weighted-Average Interest Rate
		(millions)		(millions)	
FPL:					
First mortgage bonds - fixed	2017 - 2044	$ 8,690	4.78%	$ 8,690	4.77%
Storm-recovery bonds - fixed[a]	2021	210	5.26%	273	5.26%
Pollution control, solid waste disposal and industrial development revenue bonds - variable[b]	2020 - 2046	778	0.77%	718	0.04%
Other long-term debt - variable[c]	2018 - 2019	450	1.66%	400	1.11%
Other long-term debt - fixed	2016 - 2040	52	5.09%	53	5.06%
Unamortized debt issuance costs and discount		(108)		(114)	
Total long-term debt of FPL		10,072		10,020	
Less current maturities of long-term debt		367		64	
Long-term debt of FPL, excluding current maturities		9,705		9,956	
NEECH:					
Debentures - fixed[d]	2017 - 2023	4,100	2.87%	3,100	3.15%
Debentures, related to NEE's equity units - fixed	2018 - 2021	2,200	1.88%	1,200	1.98%
Junior subordinated debentures - primarily fixed[d]	2044 - 2076	3,460	5.40%	2,978	5.84%
Japanese yen denominated senior notes - fixed[d]	2030	85	5.13%	83	5.13%
Japanese yen denominated term loans - variable[c][d]	2017	470	1.83%	456	1.83%
Other long-term debt - fixed	2016 - 2044	924	2.45%	1,307	4.55%
Other long-term debt - variable[c]	2016 - 2019	60 [e]	1.77%	1,513	1.81%
Fair value hedge adjustment		8		24	
Unamortized debt issuance costs and discount		(101)		(94)	
Total long-term debt of NEECH		11,206		10,567	
Less current maturities of long-term debt		1,724		667	
Long-term debt of NEECH, excluding current maturities		9,482		9,900	
NEER:					
Senior secured limited-recourse bonds and notes - fixed	2017 - 2038	2,091 [f]	6.00%	2,203	5.88%
Senior secured limited-recourse term loans - primarily variable[c][d]	2016 - 2035	4,959	2.78%	3,969 [g]	2.51%
Other long-term debt - primarily variable[c][d]	2016 - 2040	2,262	2.97%	2,273	2.72%
Unamortized debt issuance costs and premium - net		(168)		(131)	
Total long-term debt of NEER		9,144		8,314	
Less current maturities of long-term debt		513		1,489 [h]	
Long-term debt of NEER, excluding current maturities		8,631		6,825	
Total long-term debt		$ 27,818		$ 26,681	

(a) Principal on the storm-recovery bonds is due on the final maturity date (the date by which the principal must be repaid to prevent a default) for each tranche, however, it is being paid semiannually and sequentially.

(b) Tax exempt bonds that permit individual bond holders to tender the bonds for purchase at any time prior to maturity. In the event bonds are tendered for purchase, they would be remarketed by a designated remarketing agent in accordance with the related indenture. If the remarketing is unsuccessful, FPL would be required to purchase the tax exempt bonds. As of December 31, 2016, all tax exempt bonds tendered for purchase have been successfully remarketed. FPL's bank revolving line of credit facilities are available to support the purchase of tax exempt bonds. Variable interest rate is established at various intervals by the remarketing agent.

(c) Variable rate is based on an underlying index plus a margin.

(d) Interest rate contracts, primarily swaps, have been entered into with respect to certain of these debt issuances. Additionally, a foreign currency swap has been entered into with respect to the Japanese yen denominated term loans - variable. See Note 3.

(e) Excludes debt totaling $373 million reflected in liabilities associated with assets held for sale on NEE's consolidated balance sheets.

(f) Includes approximately $490 million of debt held by a wholly owned subsidiary of NEER and collateralized by a third-party note receivable held by that subsidiary. See Note 8 - NEER.

(g) Excludes debt totaling $938 million reflected in liabilities associated with assets held for sale on NEE's consolidated balance sheets. See Note 1 - Assets and Liabilities Associated with Assets Held for Sale.

(h) See Spain Solar Projects Debt Restructuring below.

Minimum annual maturities of long-term debt for NEE are approximately $2,604 million, $2,118 million, $2,606 million, $1,842 million and $2,712 million for 2017, 2018, 2019, 2020 and 2021, respectively. The respective amounts for FPL are approximately $367 million, $347 million, $251 million, $10 million and $47 million.

At December 31, 2016 and 2015, short-term borrowings had a weighted-average interest rate of 1.07% (1.07% for FPL) and 2.10% (0.83% for FPL), respectively. Subsidiaries of NEE, including FPL, had credit facilities with available capacity as of December 31, 2016 of approximately $10.2 billion ($3.6 billion for FPL), of which approximately $9.8 billion ($3.6 billion for FPL) relate to revolving line of credit facilities and $0.4 billion (none for FPL) relate to letter of credit facilities. Certain of the revolving line of credit facilities provide for the issuance of letters of credit of up to approximately $3.4 billion ($0.7 billion for FPL). The issuance of letters of credit under certain revolving line of credit facilities is subject to the aggregate commitment of the relevant banks to issue letters of credit under the applicable facility.

In February 2017, NEECH entered into two variable rate bi-lateral term loan agreements each providing for a $3.75 billion short-term, non-revolving term loan facility, for a total of $7.5 billion. The obligation to make loans pursuant to these bi-lateral term loan agreements terminates in August 2017 and each loan agreement expires in February 2018. There are currently no amounts outstanding under these facilities.

NEE has guaranteed certain payment obligations of NEECH, including most of those under NEECH's debt, including all of its debentures and commercial paper issuances, as well as most of its payment guarantees and indemnifications. NEECH has guaranteed certain debt and other obligations of NEER and its subsidiaries.

In May 2015, NEECH completed a remarketing of $600 million aggregate principal amount of its Series E Debentures due June 1, 2017 (Debentures) that were issued in May 2012 as components of equity units issued concurrently by NEE (May 2012 equity units). The Debentures are fully and unconditionally guaranteed by NEE. In connection with the remarketing of the Debentures, the interest rate on the Debentures was reset to 1.586% per year, and interest is payable on June 1 and December 1 of each year, commencing June 1, 2015. In connection with the settlement of the contracts to purchase NEE common stock that were issued as components of the May 2012 equity units, on June 1, 2015, NEE issued 7,860,000 shares of common stock in exchange for $600 million.

In August 2015, NEECH completed a remarketing of approximately $650 million aggregate principal amount of its Series F Debentures due September 1, 2017, which constitutes a portion of the $650 million aggregate principal amount of such debentures (Debentures) that were issued in September 2012 as components of equity units issued concurrently by NEE (September 2012 equity units). The Debentures are fully and unconditionally guaranteed by NEE. In connection with the remarketing of the Debentures, the interest rate on all of the Debentures was reset to 2.056% per year and interest is payable on March 1 and September 1 of each year, commencing September 1, 2015. In connection with the settlement of the contracts to purchase NEE common stock that were issued as components of the September 2012 equity units, in August and September 2015, NEE issued a total of 8,173,099 shares of common stock in exchange for $650 million.

In September 2015, NEE sold $700 million of equity units (initially consisting of Corporate Units). Each equity unit has a stated amount of $50 and consists of a contract to purchase NEE common stock (stock purchase contract) and, initially, a 5% undivided beneficial ownership interest in a Series H Debenture due September 1, 2020 issued in the principal amount of $1,000 by NEECH. Each stock purchase contract requires the holder to purchase by no later than September 1, 2018 (the final settlement date) for a price of $50 in cash, a number of shares of NEE common stock (subject to antidilution adjustments) based on a price per share range of $95.35 to $114.42. If purchased on the final settlement date, as of December 31, 2016, the number of shares issued would (subject to antidilution adjustments) range from 0.5261 shares if the applicable market value of a share of common stock is less than or equal to $95.35 to 0.4385 shares if the applicable market value of a share is equal to or greater than $114.42, with applicable market value to be determined using the average closing prices of NEE common stock over a 20-day trading period ending August 29, 2018. Total annual distributions on the equity units will be at the rate of 6.371%, consisting of interest on the debentures (2.36% per year) and payments under the stock purchase contracts (4.011% per year). The interest rate on the debentures is expected to be reset on or after March 1, 2018. A holder of an equity unit may satisfy its purchase obligation with proceeds raised from remarketing the NEECH debentures that are part of its equity unit. The undivided beneficial ownership interest in the NEECH debenture that is a component of each Corporate Unit is pledged to NEE to secure the holder's obligation to purchase NEE common stock under the related stock purchase contract. If a successful remarketing does not occur on or before the third business day prior to the final settlement date, and a holder has not notified NEE of its intention to settle the stock purchase contract with cash, the debentures that are components of the Corporate Units will be used to satisfy in full the holders' obligations to purchase NEE common stock under the related stock purchase contracts on the final settlement date. The debentures are fully and unconditionally guaranteed by NEE.

In August 2016, NEE sold $1.5 billion of equity units (initially consisting of Corporate Units). Each equity unit has a stated amount of $50 and consists of a contract to purchase NEE common stock (stock purchase contract) and, initially, a 5% undivided beneficial ownership interest in a Series I Debenture due September 1, 2021 issued in the principal amount of $1,000 by NEECH. Each stock purchase contract requires the holder to purchase by no later than September 1, 2019 (the final settlement date) for a price of $50 in cash, a number of shares of NEE common stock (subject to antidilution adjustments) based on a price per share range of $127.63 to $159.54. If purchased on the final settlement date, as of December 31, 2016, the number of shares issued would (subject to antidilution adjustments) range from 0.3918 shares if the applicable market value of a share of common stock is less than or equal to $127.63 to 0.3134 shares if the applicable market value of a share is equal to or greater than $159.54, with applicable market value to be determined using the average closing prices of NEE common stock over a 20-day trading period ending August 28, 2019. Total annual distributions on the equity units will be at the rate of 6.123%, consisting of interest on the debentures (1.65% per year) and payments under the stock purchase contracts (4.473% per year). The interest rate on the debentures is expected to

be reset on or after March 1, 2019. A holder of an equity unit may satisfy its purchase obligation with proceeds raised from remarketing the NEECH debentures that are part of its equity unit. The undivided beneficial ownership interest in the NEECH debenture that is a component of each Corporate Unit is pledged to NEE to secure the holder's obligation to purchase NEE common stock under the related stock purchase contract. If a successful remarketing does not occur on or before the third business day prior to the final settlement date, and a holder has not notified NEE of its intention to settle the stock purchase contract with cash, the debentures that are components of the Corporate Units will be used to satisfy in full the holders' obligations to purchase NEE common stock under the related stock purchase contracts on the final settlement date. The debentures are fully and unconditionally guaranteed by NEE.

In September 2016, NEECH completed a remarketing of $500 million aggregate principal amount of its Series G Debentures due September 1, 2018 (Debentures) that were issued in September 2013 as components of equity units issued concurrently by NEE (September 2013 equity units). The Debentures are fully and unconditionally guaranteed by NEE. In connection with the remarketing of the Debentures, the interest rate on the Debentures was reset to 1.649% per year, and interest is payable on March 1 and September 1 of each year, commencing March 1, 2017. In connection with the settlement of the contracts to purchase NEE common stock that were issued as components of the September 2013 equity units, on September 1, 2016, NEE issued 5,101,000 shares of common stock in exchange for $500 million.

Prior to the issuance of NEE's common stock, the stock purchase contracts, if dilutive, will be reflected in NEE's diluted earnings per share calculations using the treasury stock method. Under this method, the number of shares of NEE common stock used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of shares that would be issued upon settlement of the stock purchase contracts over the number of shares that could be purchased by NEE in the market, at the average market price during the period, using the proceeds receivable upon settlement.

Spain Solar Projects Debt Restructuring - In August 2016, NextEra Energy España, S.L., the NEER subsidiary in Spain that is the direct shareholder of the subsidiaries that own the solar projects in Spain (project-level subsidiaries), and the project-level subsidiaries entered into an agreement with the lenders to restructure the project-level debt, which included, among other things, a re-amortization of the debt, including extending the maturity date from 2030 to 2037, and reducing the original interest rate under the project-level financing agreements. At closing, the NEECH affiliates' remaining letter of credit posting obligation on behalf of the project-level subsidiaries of approximately €23 million (approximately $26 million) was used primarily to make a prepayment of the restructured project-level debt. The noncurrent portions of the restructured project-level debt, net of unamortized debt issuance costs, and associated derivative liabilities related to the interest rate swaps were both reclassified from current to long-term debt and noncurrent derivative liabilities, respectively, on NEE's consolidated balance sheets as of December 31, 2016 and totaled approximately $498 million and $122 million, respectively, at that date. The restructured debt is secured solely by the assets of the project-level subsidiaries.

12. Asset Retirement Obligations

FPL's AROs relate primarily to the nuclear decommissioning obligations of its nuclear units. FPL's AROs other than nuclear decommissioning obligations are not significant. The accounting provisions result in timing differences in the recognition of legal asset retirement costs for financial reporting purposes and the method the FPSC allows FPL to recover in rates. NEER's AROs relate primarily to the nuclear decommissioning obligations of its nuclear plants and obligations for the dismantlement of certain of its wind and solar facilities. See Note 1 - Decommissioning of Nuclear Plants, Dismantlement of Plants and Other Accrued Asset Removal Costs.

A rollforward of NEE's and FPL's AROs is as follows:

	FPL	NEER	NEE
		(millions)	
Balances, December 31, 2014	$ 1,355	$ 631	$ 1,986
Liabilities incurred	5	46	51
Accretion expense	73	43	116
Liabilities settled	(20)	(2)	(22)
Revision in estimated cash flows - net	409 (a)	(71) (b)	338
Balances, December 31, 2015	1,822	647	2,469
Liabilities incurred	1	56	57
Accretion expense	91	47	138
Liabilities settled	—	(2)	(2)
Revision in estimated cash flows - net	5	69 (c)	74
Balances, December 31, 2016	$ 1,919	$ 817	$ 2,736

(a) Primarily reflects the effect of revised cost estimates for decommissioning FPL's nuclear units consistent with the updated nuclear decommissioning studies approved by the FPSC.
(b) Primarily reflects the effect of revised cost estimates for decommissioning NEER's nuclear units and a change in assumptions relating to spent fuel costs, partly offset by increased escalation rates.
(c) Primarily reflects the effect of revised cost estimates to dismantle certain of NEER's wind and solar facilities.

Restricted funds for the payment of future expenditures to decommission NEE's and FPL's nuclear units included in special use funds on NEE's and FPL's consolidated balance sheets are as follows (see Note 4 - Special Use Funds):

	FPL	NEER	NEE
		(millions)	
Balances, December 31, 2016	$ 3,665	$ 1,769	$ 5,434
Balances, December 31, 2015	$ 3,430	$ 1,634	$ 5,064

NEE and FPL have identified but not recognized ARO liabilities related to electric transmission and distribution and telecommunications assets resulting from easements over property not owned by NEE or FPL. These easements are generally perpetual and only require retirement action upon abandonment or cessation of use of the property or facility for its specified purpose. The ARO liability is not estimable for such easements as NEE and FPL intend to use these properties indefinitely. In the event NEE and FPL decide to abandon or cease the use of a particular easement, an ARO liability would be recorded at that time.

13. Commitments and Contingencies

Commitments - NEE and its subsidiaries have made commitments in connection with a portion of their projected capital expenditures. Capital expenditures at FPL include, among other things, the cost for construction or acquisition of additional facilities and equipment to meet customer demand, as well as capital improvements to and maintenance of existing facilities and the procurement of nuclear fuel. At NEER, capital expenditures include, among other things, the cost, including capitalized interest, for construction and development of wind and solar projects and the procurement of nuclear fuel, as well as the investment in the development and construction of its natural gas pipeline assets. Capital expenditures for Corporate and Other primarily include the cost to maintain existing transmission facilities at NextEra Energy Transmission, LLC.

At December 31, 2016, estimated capital expenditures for 2017 through 2021 for which applicable internal approvals (and also, if required, FPSC approvals for FPL or regulatory approvals for acquisitions) have been received were as follows:

	2017	2018	2019	2020	2021	Total
			(millions)			
FPL:						
Generation:[a]						
New[b]	$ 1,385	$ 655	$ 485	$ 35	$ 5	$ 2,565
Existing	1,240	635	680	645	600	3,800
Transmission and distribution	2,190	2,010	2,860	2,475	2,945	12,480
Nuclear fuel	125	190	170	210	120	815
General and other	440	275	285	220	330	1,550
Total	$ 5,380	$ 3,765	$ 4,480	$ 3,585	$ 4,000	$ 21,210
NEER:						
Wind[c]	$ 570	$ 955	$ 705	$ 75	$ 25	$ 2,330
Solar[d]	80	75	15	—	—	170
Nuclear, including nuclear fuel	240	250	230	225	245	1,190
Natural gas pipelines[e]	890	845	50	20	10	1,815
Other	335	55	40	40	35	505
Total	$ 2,115	$ 2,180	$ 1,040	$ 360	$ 315	$ 6,010
Corporate and Other	$ 45	$ 30	$ 85	$ 55	$ 35	$ 250

(a) Includes AFUDC of approximately $81 million, $79 million, $46 million and $6 million for 2017 through 2020, respectively.
(b) Includes land, generation structures, transmission interconnection and integration and licensing.
(c) Consists of capital expenditures for new wind projects, repowering of existing wind projects and related transmission totaling approximately 2,760 MW.
(d) Includes capital expenditures for new solar projects and related transmission totaling approximately 225 MW.
(e) Includes capital expenditures for construction of three natural gas pipelines, including equity contributions associated with equity investments in joint ventures for two pipelines and AFUDC associated with the third pipeline. The natural gas pipelines are subject to certain conditions. See Contracts below.

The above estimates are subject to continuing review and adjustment and actual capital expenditures may vary significantly from these estimates.

Contracts - In addition to the commitments made in connection with the estimated capital expenditures included in the table in Commitments above, FPL has commitments under long-term purchased power and fuel contracts. As of December 31, 2016, FPL is obligated under a take-or-pay purchased power contract to pay for 375 MW annually through 2021. FPL also has various firm pay-for-performance contracts to purchase approximately 114 MW from certain cogenerators and small power producers with expiration dates ranging from 2026 through 2034. The purchased power contracts provide for capacity and energy payments. Energy payments are based on the actual power taken under these contracts. Capacity payments for the pay-for-performance contracts

are subject to the facilities meeting certain contract conditions. FPL has contracts with expiration dates through 2036 for the purchase and transportation of natural gas and coal, and storage of natural gas. In addition, FPL has entered into 25-year natural gas transportation agreements with each of Sabal Trail Transmission, LLC (Sabal Trail, an entity in which a wholly owned NEER subsidiary has a 42.5% ownership interest) and Florida Southeast Connection, LLC (Florida Southeast Connection, a wholly owned NEER subsidiary), each of which will build, own and operate a pipeline that will be part of a natural gas pipeline system, for a quantity of 400,000 MMBtu/day beginning mid-2017 and increasing to 600,000 MMBtu/day in mid-2020. These agreements contain firm commitments that are contingent upon the occurrence of certain events, including the completion of construction of the pipeline system to be built by Sabal Trail and Florida Southeast Connection. See Commitments above.

As of December 31, 2016, NEER has entered into contracts with expiration dates ranging from late February 2017 through 2032 primarily for the purchase of wind turbines, wind towers and solar modules and related construction and development activities, as well as for the supply of uranium, and the conversion, enrichment and fabrication of nuclear fuel and has made commitments for the construction of the natural gas pipelines. Approximately $3.1 billion of related commitments are included in the estimated capital expenditures table in Commitments above. In addition, NEER has contracts primarily for the purchase, transportation and storage of natural gas with expiration dates ranging from March 2017 through 2019.

The required capacity and/or minimum payments under the contracts discussed above as of December 31, 2016 were estimated as follows:

	2017	2018	2019	2020	2021	Thereafter
			(millions)			
FPL:						
Capacity charges[a]	$ 75	$ 65	$ 50	$ 20	$ 20	$ 250
Minimum charges, at projected prices:[b]						
Natural gas, including transportation and storage[c]	$ 1,305	$ 900	$ 900	$ 910	$ 905	$ 12,065
Coal, including transportation	$ 125	$ 5	$ 5	$ —	$ —	$ —
NEER	$ 1,385	$ 1,380	$ 140	$ 90	$ 75	$ 285
Corporate and Other[d][e]	$ 45	$ 10	$ —	$ 5	$ —	$ —

(a) Capacity charges, substantially all of which are recoverable through the capacity clause, totaled approximately $175 million, $434 million and $485 million for the years ended December 31, 2016, 2015 and 2014, respectively. Energy charges, which are recoverable through the fuel clause, totaled approximately $126 million, $262 million and $299 million for the years ended December 31, 2016, 2015 and 2014, respectively.
(b) Recoverable through the fuel clause.
(c) Includes approximately $200 million, $295 million, $290 million, $360 million, $390 million and $7,495 million in 2017, 2018, 2019, 2020, 2021 and thereafter, respectively, of firm commitments, subject to certain conditions as noted above, related to the natural gas transportation agreements with Sabal Trail and Florida Southeast Connection.
(d) Includes an approximately $30 million commitment to invest in clean power and technology businesses primarily in 2017.
(e) Excludes approximately $263 million and $148 million in 2017 and 2018, respectively, of joint obligations of NEECH and NEER which are included in the NEER amounts above.

In January 2017, FPL assumed ownership of a 330 MW coal-fired generation facility located in Indiantown, Florida for a purchase price of $451 million (including existing debt of approximately $218 million). FPL will record a regulatory asset for approximately $451 million, which will be amortized over nine years and recovered through the capacity clause with a return on the portion of the unamortized balance of the regulatory asset. Prior to assuming ownership of this facility, FPL had a long-term purchased power agreement with this facility for substantially all of its capacity and energy. FPL expects to reduce the plant's operations with the intention of eventually phasing the plant out of service. FPL will recover the fuel costs of the facility through the fuel clause and operating costs through the capacity clause until FPL's next base rate filing where non-fuel cost recovery will be through base rates.

Insurance - Liability for accidents at nuclear power plants is governed by the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, NEE maintains $450 million of private liability insurance per site, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $13.0 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, NEE is subject to retrospective assessments of up to $1.0 billion ($509 million for FPL), plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed $152 million ($76 million for FPL) per incident per year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $15 million, $38 million and $19 million, plus any applicable taxes, per incident, respectively.

NEE participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at its nuclear plants and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. NEE also participates in an insurance program that provides limited coverage for replacement power costs if a nuclear plant is out of service for an extended period of time because of an accident. In the event of an accident at one of NEE's or another participating insured's nuclear plants, NEE could be assessed up to $186 million

($112 million for FPL), plus any applicable taxes, in retrospective premiums in a policy year. NEE and FPL are contractually entitled to recover a proportionate share of such assessments from the owners of minority interests in Seabrook, Duane Arnold and St. Lucie Unit No. 2, which approximates $3 million, $5 million and $4 million, plus any applicable taxes, respectively.

Due to the high cost and limited coverage available from third-party insurers, NEE does not have property insurance coverage for a substantial portion of either its transmission and distribution property or natural gas pipeline assets. Should FPL's future storm restoration costs exceed the reserve amount established through the issuance of storm-recovery bonds by a VIE in 2007, FPL may recover storm restoration costs, subject to prudence review by the FPSC, either through surcharges approved by the FPSC or through securitization provisions pursuant to Florida law. In February 2017, the FPSC approved FPL's request to recover through an interim surcharge the 2016 eligible storm restoration costs that exceeded the reserve amount. See Note 1 - Securitized Storm-Recovery Costs, Storm Fund and Storm Reserve.

In the event of a loss, the amount of insurance available might not be adequate to cover property damage and other expenses incurred. Uninsured losses and other expenses, to the extent not recovered from customers in the case of FPL, would be borne by NEE and FPL and could have a material adverse effect on NEE's and FPL's financial condition, results of operations and liquidity.

14. Segment Information

NEE's reportable segments are FPL, a rate-regulated electric utility, and NEER, a competitive energy business. Corporate and Other represents other business activities and eliminating entries. NEE's operating revenues derived from the sale of electricity represented approximately 90%, 92% and 91% of NEE's operating revenues for the years ended December 31, 2016, 2015 and 2014, respectively. Approximately 2% of operating revenues were from foreign sources for each of the years ended December 31, 2016, 2015 and 2014. At each of December 31, 2016 and 2015, approximately 3% of long-lived assets were located in foreign countries.

NEE's segment information is as follows:

	2016				2015				2014			
	FPL	NEER[a]	Corp. and Other	NEE Consolidated	FPL	NEER[a]	Corp. and Other	NEE Consolidated	FPL	NEER[a]	Corp. and Other	NEE Consolidated
	(millions)											
Operating revenues	$ 10,895	$ 4,893	$ 367	$ 16,155	$ 11,651	$ 5,444	$ 391	$ 17,486	$ 11,421	$ 5,196	$ 404	$ 17,021
Operating expenses - net	$ 7,737	$ 3,419	$ 391	$ 11,547	$ 8,674	$ 3,865	$ 315	$ 12,854	$ 8,593	$ 3,727	$ 317	$ 12,637
Interest expense	$ 456	$ 732	$ (95)	$ 1,093	$ 445	$ 625	$ 141	$ 1,211	$ 439	$ 667	$ 155	$ 1,261
Interest income	$ 2	$ 34	$ 46	$ 82	$ 7	$ 28	$ 51	$ 86	$ 3	$ 26	$ 51	$ 80
Depreciation and amortization	$ 1,651	$ 1,366	$ 60	$ 3,077	$ 1,576	$ 1,183	$ 72	$ 2,831	$ 1,432	$ 1,051	$ 68	$ 2,551
Equity in earnings (losses) of equity method investees	$ —	$ 119	$ 29	$ 148	$ —	$ 103	$ 4	$ 107	$ —	$ 95	$ (2)	$ 93
Income tax expense (benefit)[b]	$ 1,051	$ 242	$ 90	$ 1,383	$ 957	$ 289	$ (18)	$ 1,228	$ 910	$ 283	$ (17)	$ 1,176
Net income (loss)	$ 1,727	$ 1,218	$ 60	$ 3,005	$ 1,648	$ 1,102	$ 12	$ 2,762	$ 1,517	$ 993	$ (41)	$ 2,469
Net income (loss) attributable to NEE	$ 1,727	$ 1,125	$ 60	$ 2,912	$ 1,648	$ 1,092	$ 12	$ 2,752	$ 1,517	$ 989	$ (41)	$ 2,465
Capital expenditures, independent power and other investments and nuclear fuel purchases	$ 3,934	$ 5,521	$ 181	$ 9,636	$ 3,633	$ 4,661	$ 83	$ 8,377	$ 3,241	$ 3,701	$ 75	$ 7,017
Property, plant and equipment	$ 48,313	$ 37,644	$ 1,056	$ 87,013	$ 45,383	$ 33,340	$ 1,607	$ 80,330	$ 41,938	$ 30,178	$ 1,523	$ 73,639
Accumulated depreciation and amortization	$ 12,304	$ 7,655	$ 142	$ 20,101	$ 11,862	$ 6,640	$ 442	$ 18,944	$ 11,282	$ 6,268	$ 384	$ 17,934
Total assets	$ 45,501	$ 41,743	$ 2,749	$ 89,993	$ 42,523	$ 37,647	$ 2,309	$ 82,479	$ 39,222	$ 32,896	$ 2,487	$ 74,605
Investment in equity method investees	$ —	$ 1,661	$ 106	$ 1,767	$ —	$ 983	$ 80	$ 1,063	$ —	$ 617	$ 46	$ 663

(a) Interest expense allocated from NEECH is based on a deemed capital structure of 70% debt. For this purpose, the deferred credit associated with differential membership interests sold by NEER subsidiaries is included with debt. Residual NEECH corporate interest expense is included in Corporate and Other.
(b) NEER includes PTCs that were recognized based on its tax sharing agreement with NEE. See Note 1 - Income Taxes.

15. Summarized Financial Information of NEECH

NEECH, a 100% owned subsidiary of NEE, provides funding for, and holds ownership interests in, NEE's operating subsidiaries other than FPL. NEECH's debentures and junior subordinated debentures including those that were registered pursuant to the Securities Act of 1933, as amended, are fully and unconditionally guaranteed by NEE. Condensed consolidating financial information is as follows:

Condensed Consolidating Statements of Income

	Year Ended December 31, 2016				Year Ended December 31, 2015				Year Ended December 31, 2014			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)											
Operating revenues	$ —	$ 5,283	$ 10,872	$ 16,155	$ —	$ 5,849	$ 11,637	$ 17,486	$ —	$ 5,614	$ 11,407	$ 17,021
Operating expenses - net	(20)	(3,663)	(7,864)	(11,547)	(17)	(4,142)	(8,695)	(12,854)	(19)	(4,039)	(8,579)	(12,637)
Interest expense	(1)	(636)	(456)	(1,093)	(4)	(764)	(443)	(1,211)	(6)	(819)	(436)	(1,261)
Equity in earnings of subsidiaries	2,956	—	(2,956)	—	2,754	—	(2,754)	—	2,494	—	(2,494)	—
Other income - net	5	793	75	873	1	498	70	569	1	487	34	522
Income (loss) before income taxes	2,940	1,777	(329)	4,388	2,734	1,441	(185)	3,990	2,470	1,243	(68)	3,645
Income tax expense (benefit)	28	354	1,001	1,383	(18)	299	947	1,228	5	262	909	1,176
Net income (loss)	2,912	1,423	(1,330)	3,005	2,752	1,142	(1,132)	2,762	2,465	981	(977)	2,469
Less net income attributable to noncontrolling interests	—	93	—	93	—	10	—	10	—	4	—	4
Net income (loss) attributable to NEE	$ 2,912	$ 1,330	$ (1,330)	$ 2,912	$ 2,752	$ 1,132	$ (1,132)	$ 2,752	$ 2,465	$ 977	$ (977)	$ 2,465

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Statements of Comprehensive Income

	Year Ended December 31, 2016				Year Ended December 31, 2015				Year Ended December 31, 2014			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)											
Comprehensive income (loss) attributable to NEE	$ 3,009	$ 1,448	$ (1,448)	$ 3,009	$ 2,625	$ 1,049	$ (1,049)	$ 2,625	$ 2,369	$ 924	$ (924)	$ 2,369

(a) Represents primarily FPL and consolidating adjustments.

Condensed Consolidating Balance Sheets

	December 31, 2016				December 31, 2015			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)							
PROPERTY, PLANT AND EQUIPMENT								
Electric plant in service and other property	$ 28	$ 38,671	$ 48,314	$ 87,013	$ 27	$ 34,921	$ 45,382	$ 80,330
Accumulated depreciation and amortization	(18)	(7,778)	(12,305)	(20,101)	(16)	(7,067)	(11,861)	(18,944)
Total property, plant and equipment - net	10	30,893	36,009	66,912	11	27,854	33,521	61,386
CURRENT ASSETS								
Cash and cash equivalents	1	1,258	33	1,292	—	546	25	571
Receivables	88	1,615	736	2,439	90	1,510	665	2,265
Other	2	1,877	1,799	3,678	4	2,443	1,512	3,959
Total current assets	91	4,750	2,568	7,409	94	4,499	2,202	6,795
OTHER ASSETS								
Investment in subsidiaries	24,323	—	(24,323)	—	22,544	—	(22,544)	—
Other	867	8,992	5,813	15,672	823	7,790	5,685	14,298
Total other assets	25,190	8,992	(18,510)	15,672	23,367	7,790	(16,859)	14,298
TOTAL ASSETS	$ 25,291	$ 44,635	$ 20,067	$ 89,993	$ 23,472	$ 40,143	$ 18,864	$ 82,479
CAPITALIZATION								
Common shareholders' equity	$ 24,341	$ 7,699	$ (7,699)	$ 24,341	$ 22,574	$ 6,990	$ (6,990)	$ 22,574
Noncontrolling interests	—	990	—	990	—	538	—	538
Long-term debt	—	18,112	9,706	27,818	—	16,725	9,956	26,681
Total capitalization	24,341	26,801	2,007	53,149	22,574	24,253	2,966	49,793
CURRENT LIABILITIES								
Debt due within one year	—	2,237	785	3,022	—	2,786	220	3,006
Accounts payable	1	2,668	778	3,447	4	1,919	606	2,529
Other	231	2,624	1,595	4,450	252	3,003	1,317	4,572
Total current liabilities	232	7,529	3,158	10,919	256	7,708	2,143	10,107
OTHER LIABILITIES AND DEFERRED CREDITS								
Asset retirement obligations	—	816	1,920	2,736	—	647	1,822	2,469
Deferred income taxes	82	3,002	8,017	11,101	157	2,396	7,274	9,827
Other	636	6,487	4,965	12,088	485	5,139	4,659	10,283
Total other liabilities and deferred credits	718	10,305	14,902	25,925	642	8,182	13,755	22,579
COMMITMENTS AND CONTINGENCIES								
TOTAL CAPITALIZATION AND LIABILITIES	$ 25,291	$ 44,635	$ 20,067	$ 89,993	$ 23,472	$ 40,143	$ 18,864	$ 82,479

(a) Represents primarily FPL and consolidating adjustments.

NEXTERA ENERGY, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Condensed Consolidating Statements of Cash Flows

	Year Ended December 31, 2016				Year Ended December 31, 2015				Year Ended December 31, 2014			
	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated	NEE (Guarantor)	NEECH	Other[a]	NEE Consolidated
	(millions)											
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,897	$ 2,171	$ 2,268	$ 6,336	$ 1,659	$ 2,488	$ 1,969	$ 6,116	$ 1,615	$ 1,976	$ 1,909	$ 5,500
CASH FLOWS FROM INVESTING ACTIVITIES												
Capital expenditures, independent power and other investments and nuclear fuel purchases	(1)	(5,701)	(3,934)	(9,636)	—	(4,744)	(3,633)	(8,377)	(1)	(3,741)	(3,275)	(7,017)
Capital contributions from NEE	(745)	—	745	—	(1,480)	—	1,480	—	(912)	—	912	—
Cash grants under the Recovery Act	—	335	—	335	—	8	—	8	—	343	—	343
Sale of independent power and other investments of NEER	—	658	—	658	—	52	—	52	—	307	—	307
Proceeds from sale or maturity of securities in special use funds and other investments	—	1,281	2,495	3,776	—	1,120	3,731	4,851	—	1,272	3,349	4,621
Purchases of securities in special use funds and other investments	—	(1,323)	(2,506)	(3,829)	—	(1,190)	(3,792)	(4,982)	—	(1,321)	(3,446)	(4,767)
Proceeds from the sale of a noncontrolling interest in subsidiaries	—	645	—	645	—	345	—	345	—	438	—	438
Other - net	—	(40)	(19)	(59)	—	106	(8)	98	10	(64)	(232)	(286)
Net cash used in investing activities	(746)	(4,145)	(3,219)	(8,110)	(1,480)	(4,303)	(2,222)	(8,005)	(903)	(2,766)	(2,692)	(6,361)
CASH FLOWS FROM FINANCING ACTIVITIES												
Issuances of long-term debt	—	5,349	308	5,657	—	4,689	1,083	5,772	—	4,057	997	5,054
Retirements of long-term debt	—	(3,048)	(262)	(3,310)	—	(3,421)	(551)	(3,972)	—	(4,395)	(355)	(4,750)
Proceeds from differential membership investors	—	1,859	—	1,859	—	761	—	761	—	978	—	978
Proceeds from other short-term debt	—	—	500	500	—	1,125	100	1,225	—	500	—	500
Repayments of other short-term debt	—	(212)	(450)	(662)	—	(813)	—	(813)	—	(500)	—	(500)
Net change in commercial paper	—	(318)	212	(106)	—	318	(1,086)	(768)	—	(487)	938	451
Issuances of common stock - net	537	—	—	537	1,298	—	—	1,298	633	—	—	633
Dividends on common stock	(1,612)	—	—	(1,612)	(1,385)	—	—	(1,385)	(1,261)	—	—	(1,261)
Dividends to NEE	—	(650)	650	—	—	(698)	698	—	—	812	(812)	—
Other - net	(75)	(294)	1	(368)	(92)	(162)	19	(235)	(84)	(31)	10	(105)
Net cash provided by (used in) financing activities	(1,150)	2,686	959	2,495	(179)	1,799	263	1,883	(712)	934	778	1,000
Net increase (decrease) in cash and cash equivalents	1	712	8	721	—	(16)	10	(6)	—	144	(5)	139
Cash and cash equivalents at beginning of year	—	546	25	571	—	562	15	577	—	418	20	438
Cash and cash equivalents at end of year	$ 1	$ 1,258	$ 33	$ 1,292	$ —	$ 546	$ 25	$ 571	$ —	$ 562	$ 15	$ 577

(a) Represents primarily FPL and consolidating adjustments.

NEXTERA ENERGY, INC. AND FLORIDA POWER & LIGHT COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Concluded)

16. Quarterly Data (Unaudited)

Condensed consolidated quarterly financial information is as follows:

	March 31[a]	June 30[a]	September 30[a]	December 31[a]
	(millions, except per share amounts)			
NEE:				
2016				
Operating revenues[b]	$ 3,835	$ 3,817	$ 4,805	$ 3,699
Operating income[b]	$ 1,234	$ 1,169	$ 1,279	$ 926
Net income[b]	$ 654 [c]	$ 544	$ 789	$ 1,017
Net income attributable to NEE[b]	$ 653 [c]	$ 540	$ 753	$ 966
Earnings per share attributable to NEE - basic[d]	$ 1.42 [c]	$ 1.17	$ 1.63	$ 2.07
Earnings per share attributable to NEE - assuming dilution[d]	$ 1.41 [c]	$ 1.16	$ 1.62	$ 2.06
Dividends per share	$ 0.87	$ 0.87	$ 0.87	$ 0.87
High-low common stock sales prices	$119.37 - $102.20	$130.43 - $112.44	$131.98 - $120.22	$128.46 - $110.49
2015				
Operating revenues[b]	$ 4,104	$ 4,358	$ 4,954	$ 4,069
Operating income[b]	$ 1,129	$ 1,146	$ 1,481	$ 876
Net income[b]	$ 650	$ 720	$ 882	$ 510
Net income attributable to NEE[b]	$ 650	$ 716	$ 879	$ 507
Earnings per share attributable to NEE - basic[d]	$ 1.47	$ 1.61	$ 1.94	$ 1.10
Earnings per share attributable to NEE - assuming dilution[d]	$ 1.45	$ 1.59	$ 1.93	$ 1.10
Dividends per share	$ 0.77	$ 0.77	$ 0.77	$ 0.77
High-low common stock sales prices	$112.64 - $97.48	$106.63 - $97.23	$109.98 - $93.74	$105.85 - $95.84
FPL:				
2016				
Operating revenues[b]	$ 2,303	$ 2,750	$ 3,283	$ 2,558
Operating income[b]	$ 714	$ 828	$ 921	$ 694
Net income[b]	$ 393	$ 448	$ 515	$ 371
2015				
Operating revenues[b]	$ 2,541	$ 2,996	$ 3,274	$ 2,839
Operating income[b]	$ 667	$ 780	$ 855	$ 674
Net income[b]	$ 359	$ 435	$ 489	$ 365

(a) In the opinion of NEE and FPL management, all adjustments, which consist of normal recurring accruals necessary to present a fair statement of the amounts shown for such periods, have been made. Results of operations for an interim period generally will not give a true indication of results for the year.
(b) The sum of the quarterly amounts may not equal the total for the year due to rounding.
(c) Amounts were restated to reflect the adoption in the second quarter of 2016 of an accounting standards update resulting in an increase to net income and net income attributable to NEE of $17 million, and an increase to earnings per share attributable to NEE, basic and assuming dilution, of $0.04. See Note 10 - Stock-Based Compensation.
(d) The sum of the quarterly amounts may not equal the total for the year due to rounding and changes in weighted-average number of common shares outstanding.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

As of December 31, 2016, each of NEE and FPL had performed an evaluation, under the supervision and with the participation of its management, including NEE's and FPL's chief executive officer and chief financial officer, of the effectiveness of the design and operation of each company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)). Based upon that evaluation, the chief executive officer and the chief financial officer of each of NEE and FPL concluded that the company's disclosure controls and procedures were effective as of December 31, 2016.

Internal Control Over Financial Reporting

(a) Management's Annual Report on Internal Control Over Financial Reporting

See Item 8. Financial Statements and Supplementary Data.

(b) Attestation Report of the Independent Registered Public Accounting Firm

See Item 8. Financial Statements and Supplementary Data.

(c) Changes in Internal Control Over Financial Reporting

NEE and FPL are continuously seeking to improve the efficiency and effectiveness of their operations and of their internal controls. This results in refinements to processes throughout NEE and FPL. However, there has been no change in NEE's or FPL's internal control over financial reporting (as defined in the Securities Exchange Act of 1934 Rules 13a-15(f) and 15d-15(f)) that occurred during NEE's and FPL's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, NEE's or FPL's internal control over financial reporting.

Item 9B. Other Information

None

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item will be included under the headings "Business of the Annual Meeting," "Information About NextEra Energy and Management" and "Corporate Governance and Board Matters" in NEE's Proxy Statement which will be filed with the SEC in connection with the 2017 Annual Meeting of Shareholders (NEE's Proxy Statement) and is incorporated herein by reference, or is included in Item 1. Business - Executive Officers of NEE.

NEE has adopted the NextEra Energy, Inc. Code of Ethics for Senior Executive and Financial Officers (the Senior Financial Executive Code), which is applicable to the chief executive officer, the chief financial officer, the chief accounting officer and other senior executive and financial officers. The Senior Financial Executive Code is available under Corporate Governance in the Investor Relations section of NEE's internet website at www.nexteraenergy.com. Any amendments or waivers of the Senior Financial Executive Code which are required to be disclosed to shareholders under SEC rules will be disclosed on the NEE website at the address listed above.

Item 11. Executive Compensation

The information required by this item will be included in NEE's Proxy Statement under the headings "Executive Compensation" and "Corporate Governance and Board Matters" and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item relating to security ownership of certain beneficial owners and management will be included in NEE's Proxy Statement under the heading "Information About NextEra Energy and Management" and is incorporated herein by reference.

Securities Authorized For Issuance Under Equity Compensation Plans

NEE's equity compensation plan information as of December 31, 2016 is as follows:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)		Weighted-average exercise price of outstanding options, warrants and rights (b)		Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	4,479,039	(a)	$ 71.08	(b)	9,383,195
Equity compensation plans not approved by security holders	—		—		—
Total	4,479,039		$ 71.08		9,383,195

(a) Includes an aggregate of 2,505,208 outstanding options, 1,747,538 unvested performance share awards (at maximum payout), 16,564 deferred fully vested performance shares and 183,989 deferred stock awards (including future reinvested dividends) under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan and former LTIP, and 25,740 fully vested shares deferred by directors under the NextEra Energy, Inc. 2007 Non-Employee Directors Stock Plan and its predecessor, the FPL Group, Inc. Amended and Restated Non-Employee Directors Stock Plan.

(b) Relates to outstanding options only.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item, to the extent applicable, will be included in NEE's Proxy Statement under the heading "Corporate Governance and Board Matters" and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

NEE - The information required by this item will be included in NEE's Proxy Statement under the heading "Audit-Related Matters" and is incorporated herein by reference.

FPL - The following table presents fees billed for professional services rendered by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates (collectively, Deloitte & Touche) for the fiscal years ended December 31, 2016 and 2015. The amounts presented below reflect allocations from NEE for FPL's portion of the fees, as well as amounts billed directly to FPL.

	2016	2015
Audit fees[a]	$ 3,787,000	$ 3,909,000
Audit-related fees[b]	4,000	97,000
Tax fees[c]	102,000	63,000
All other fees[d]	9,000	14,000
Total	$ 3,902,000	$ 4,083,000

(a) Audit fees consist of fees billed for professional services rendered for the audit of FPL's and NEE's annual consolidated financial statements for the fiscal year, the reviews of the financial statements included in FPL's and NEE's Quarterly Reports on Form 10-Q during the fiscal year and the audit of the effectiveness of internal control over financial reporting, comfort letters, consents, and other services related to SEC matters and services in connection with annual and semi-annual filings of NEE's financial statements with the Japanese Ministry of Finance.

(b) Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of FPL's and NEE's consolidated financial statements and are not reported under audit fees. These fees primarily related to agreed-upon procedures and attestation services.

(c) Tax fees consist of fees billed for professional services rendered for tax compliance, tax advice and tax planning. In 2016 and 2015, approximately $66,000 and $28,000, respectively, was paid related to tax advice and planning services. All other tax fees in 2016 and in 2015 related to tax compliance services.

(d) All other fees consist of fees for products and services other than the services reported under the other named categories. In 2016 and 2015, these fees related to training.

In accordance with the requirements of the Sarbanes-Oxley Act of 2002, the Audit Committee Charter and the Audit Committee's pre-approval policy for services provided by the independent registered public accounting firm, all services performed by Deloitte & Touche are approved in advance by the Audit Committee, except for audits of certain trust funds where the fees are paid by the trust. Audit and audit-related services specifically identified in an appendix to the pre-approval policy are pre-approved by the Audit Committee each year. This pre-approval allows management to request the specified audit and audit-related services on an as-needed basis during the year, provided any such services are reviewed with the Audit Committee at its next regularly scheduled meeting. Any audit or audit-related service for which the fee is expected to exceed $250,000, or that involves a service not listed on the pre-approval list, must be specifically approved by the Audit Committee prior to commencement of such service. In addition, the Audit Committee approves all services other than audit and audit-related services performed by Deloitte & Touche in advance of the commencement of such work. The Audit Committee has delegated to the Chair of the committee the right to approve audit, audit-related, tax and other services, within certain limitations, between meetings of the Audit Committee, provided any such decision is presented to the Audit Committee at its next regularly scheduled meeting. At each Audit Committee meeting (other than meetings held to review earnings materials), the Audit Committee reviews a schedule of services for which Deloitte & Touche has been engaged since the prior Audit Committee meeting under existing pre-approvals and the estimated fees for those services. In 2016 and 2015, none of the amounts presented above represent services provided to NEE or FPL by Deloitte & Touche that were approved by the Audit Committee after services were rendered pursuant to Rule 2-01(c)(7)(i)(C) of Regulation S-X (which provides for a waiver of the otherwise applicable pre-approval requirement if certain conditions are met).

PART IV

Item 15. Exhibits, Financial Statement Schedules

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2. Financial Statement Schedules - Schedules are omitted as not applicable or not required.

3. Exhibits (including those incorporated by reference)

Certain exhibits listed below refer to "FPL Group" and "FPL Group Capital," and were effective prior to the change of the name FPL Group, Inc. to NextEra Energy, Inc., and of the name FPL Group Capital Inc to NextEra Energy Capital Holdings, Inc., during 2010.

Exhibit Number	Description	NEE	FPL
*2(a)	Agreement and Plan of Merger, dated as of July 29, 2016, by and among NextEra Energy, Inc., EFH Merger Co., LLC, Energy Future Intermediate Holding Company LLC and Energy Future Holdings Corp. (filed as Exhibit 2.1 to Form 8-K dated July 29, 2016, File No. 1-8841)**	x	
*2(b)	Amendment No. 1 to Agreement and Plan of Merger dated as of September 18, 2016 (filed as Exhibit 2 to Form 8-K dated September 18, 2016, File No. 1-8841)	x	
*2(c)	Merger Agreement between NextEra Energy, Inc., WSS Acquisition Company, Texas Transmission Holding Corporation, Cheyne Walk Investment Pte Ltd, Borealis Power Holdings Inc. and BPC Health Corporation dated October 30, 2016 (filed as Exhibit 2 to Form 8-K dated October 29, 2016, File No. 1-8841)**	x	
*3(i)a	Restated Articles of Incorporation of NextEra Energy, Inc. (filed as Exhibit 3(i)(b) to Form 8-K dated May 21, 2015, File No. 1-8841)	x	
*3(i)b	Restated Articles of Incorporation of Florida Power & Light Company (filed as Exhibit 3(i)b to Form 10-K for the year ended December 31, 2010, File No. 2-27612)		x
*3(ii)a	Amended and Restated Bylaws of NextEra Energy, Inc., effective October 14, 2016 (filed as Exhibit 3(ii)(b) to Form 8-K dated October 14, 2016, File No. 1-8841)	x	
*3(ii)b	Amended and Restated Bylaws of Florida Power & Light Company, Inc., as amended through October 17, 2008 (filed as Exhibit 3(ii)b to Form 10-Q for the quarter ended September 30, 2008, File No. 2-27612)		x

Exhibit Number	Description	NEE	FPL
*4(a)	Mortgage and Deed of Trust dated as of January 1, 1944, and One hundred and twenty-four Supplements thereto, between Florida Power & Light Company and Deutsche Bank Trust Company Americas, Trustee (filed as Exhibit B-3, File No. 2-4845; Exhibit 7(a), File No. 2-7126; Exhibit 7(a), File No. 2-7523; Exhibit 7(a), File No. 2-7990; Exhibit 7(a), File No. 2-9217; Exhibit 4(a)-5, File No. 2-10093; Exhibit 4(c), File No. 2-11491; Exhibit 4(b)-1, File No. 2-12900; Exhibit 4(b)-1, File No. 2-13255; Exhibit 4(b)-1, File No. 2-13705; Exhibit 4(b)-1, File No. 2-13925; Exhibit 4(b)-1, File No. 2-15088; Exhibit 4(b)-1, File No. 2-15677; Exhibit 4(b)-1, File No. 2-20501; Exhibit 4(b)-1, File No. 2-22104; Exhibit 2(c), File No. 2-23142; Exhibit 2(c), File No. 2-24195; Exhibit 4(b)-1, File No. 2-25677; Exhibit 2(c), File No. 2-27612; Exhibit 2(c), File No. 2-29001; Exhibit 2(c), File No. 2-30542; Exhibit 2(c), File No. 2-33038; Exhibit 2(c), File No. 2-37679; Exhibit 2(c), File No. 2-39006; Exhibit 2(c), File No. 2-41312; Exhibit 2(c), File No. 2-44234; Exhibit 2(c), File No. 2-46502; Exhibit 2(c), File No. 2-48679; Exhibit 2(c), File No. 2-49726; Exhibit 2(c), File No. 2-50712; Exhibit 2(c), File No. 2-52826; Exhibit 2(c), File No. 2-53272; Exhibit 2(c), File No. 2-54242; Exhibit 2(c), File No. 2-56228; Exhibits 2(c) and 2(d), File No. 2-60413; Exhibits 2(c) and 2(d), File No. 2-65701; Exhibit 2(c), File No. 2-66524; Exhibit 2(c), File No. 2-67239; Exhibit 4(c), File No. 2-69716; Exhibit 4(c), File No. 2-70767; Exhibit 4(b), File No. 2-71542; Exhibit 4(b), File No. 2-73799; Exhibits 4(c), 4(d) and 4(e), File No. 2-75762; Exhibit 4(c), File No. 2-77629; Exhibit 4(c), File No. 2-79557; Exhibit 99(a) to Post-Effective Amendment No. 5 to Form S-8, File No. 33-18669; Exhibit 99(a) to Post-Effective Amendment No. 1 to Form S-3, File No. 33-46076; Exhibit 4(b) to Form 10-K for the year ended December 31, 1993, File No. 1-3545; Exhibit 4(i) to Form 10-Q for the quarter ended June 30, 1994, File No. 1-3545; Exhibit 4(b) to Form 10-Q for the quarter ended June 30, 1995, File No. 1-3545; Exhibit 4(a) to Form 10-Q for the quarter ended March 31,1996, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended June 30, 1998, File No. 1-3545; Exhibit 4 to Form 10-Q for the quarter ended March 31, 1999, File No. 1-3545; Exhibit 4(f) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; Exhibit 4(g) to Form 10-K for the year ended December 31, 2000, File No. 1-3545; Exhibit 4(o), File No. 333-102169; Exhibit 4(k) to Post-Effective Amendment No. 1 to Form S-3, File No. 333-102172; Exhibit 4(l) to Post-Effective Amendment No. 2 to Form S-3, File No. 333-102172; Exhibit 4(m) to Post-Effective Amendment No. 3 to Form S-3, File No. 333-102172; Exhibit 4(a) to Form 10-Q for the quarter ended September 30, 2004, File No. 2-27612; Exhibit 4(f) to Amendment No. 1 to Form S-3, File No. 333-125275; Exhibit 4(y) to Post-Effective Amendment No. 2 to Form S-3, File Nos. 333-116300, 333-116300-01 and 333-116300-02; Exhibit 4(z) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-116300, 333-116300-01 and 333-116300-02; Exhibit 4(b) to Form 10-Q for the quarter ended March 31, 2006, File No. 2-27612; Exhibit 4(a) to Form 8-K dated April 17, 2007, File No. 2-27612; Exhibit 4 to Form 8-K dated October 10, 2007, File No. 2-27612; Exhibit 4 to Form 8-K dated January 16, 2008, File No. 2-27612; Exhibit 4(a) to Form 8-K dated March 17, 2009, File No. 2-27612; Exhibit 4 to Form 8-K dated February 9, 2010, File No. 2-27612; Exhibit 4 to Form 8-K dated December 9, 2010, File No. 2-27612; Exhibit 4(a) to Form 8-K dated June 10, 2011, File No. 2-27612; Exhibit 4 to Form 8-K dated December 13, 2011, File No. 2-27612; Exhibit 4 to Form 8-K dated May 15, 2012, File No. 2-27612; Exhibit 4 to Form 8-K dated December 20, 2012, File No. 2-27612; Exhibit 4 to Form 8-K dated June 5, 2013, File No. 2-27612; Exhibit 4 to Form 8-K dated May 15, 2014, File No. 2-27612; Exhibit 4 to Form 8-K dated September 10, 2014, File No. 2-27612; and Exhibit 4 to Form 8-K dated November 19, 2015, File No. 2-27612)	x	x
*4(b)	Indenture (For Unsecured Debt Securities), dated as of June 1, 1999, between FPL Group Capital Inc and The Bank of New York Mellon, as Trustee (filed as Exhibit 4(a) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	
*4(c)	First Supplemental Indenture to Indenture (For Unsecured Debt Securities) dated as of June 1, 1999, dated as of September 21, 2012, between NextEra Energy Capital Holdings, Inc. and The Bank of New York Mellon, as Trustee (filed as Exhibit 4(e) to Form 10-Q for the quarter ended September 30, 2012, File No. 1-8841)	x	
*4(d)	Guarantee Agreement, dated as of June 1, 1999, between FPL Group, Inc. (as Guarantor) and The Bank of New York Mellon (as Guarantee Trustee) (filed as Exhibit 4(b) to Form 8-K dated July 16, 1999, File No. 1-8841)	x	
*4(e)	Officer's Certificate of FPL Group Capital Inc, dated March 9, 2009, creating the 6.00% Debentures, Series due March 1, 2019 (filed as Exhibit 4 to Form 8-K dated March 9, 2009, File No. 1-8841)	x	

Exhibit Number	Description	NEE	FPL
*4(f)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated June 10, 2011, creating the 4.50% Debentures, Series due June 1, 2021 (filed as Exhibit 4(b) to Form 8-K dated June 10, 2011, File No. 1-8841)	x	
*4(g)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated May 4, 2012, creating the Series E Debentures due June 1, 2017 (filed as Exhibit 4(c) to Form 8-K dated May 4, 2012, File No. 1-8841)	x	
*4(h)	Letter, dated May 7, 2015, from NextEra Energy Capital Holdings, Inc. to The Bank of New York Mellon, as trustee, setting forth certain terms of the Series E Debentures due June 1, 2017, effective May 7, 2015 (filed as Exhibit 4(b) to Form 8-K dated May 7, 2015, File No. 1-8841)	x	
*4(i)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated September 11, 2012, creating the Series F Debentures due September 1, 2017 (filed as Exhibit 4(c) to Form 8-K dated September 11, 2012, File No. 1-8841)	x	
*4(j)	Letter, dated August 10, 2015, from NextEra Energy Capital Holdings, Inc. to The Bank of New York Mellon, as trustee, setting forth certain terms of the Series F Debentures due September 1, 2017, effective August 10, 2015 (filed as Exhibit 4(b) to Form 8-K dated August 10, 2015, File No. 1-8841)	x	
*4(k)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. dated June 6, 2013, creating the 3.625% Debentures, Series due June 15, 2023 (filed as Exhibit 4 to Form 8-K dated June 6, 2013, File No. 1-8841)	x	
*4(l)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated September 25, 2013, creating the Series G Debentures due September 1, 2018 (filed as Exhibit 4(c) to Form 8-K dated September 25, 2013, File No. 1-8841)	x	
*4(m)	Letter, dated September 1, 2016, from NextEra Energy Capital Holdings, Inc. to The Bank of New York Mellon, as trustee, setting forth certain terms of the Series G Debentures due September 1, 2018, effective September 1, 2016 (filed as Exhibit 4(b) to Form 8-K dated September 1, 2016, File No. 1-8841)	x	
*4(n)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated March 11, 2014, creating the 2.700% Debentures, Series due September 15, 2019 (filed as Exhibit 4 to Form 8-K dated March 11, 2014, File No. 1-8841)	x	
*4(o)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated June 6, 2014, creating the 2.40% Debentures, Series due September 15, 2019 (filed as Exhibit 4 to Form 8-K dated June 6, 2014, File No. 1-8841)	x	
*4(p)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated August 27, 2015, creating the 2.80% Debentures, Series due August 27, 2020 (filed as Exhibit 4(c) to Form 10-Q for the quarter ended September 30, 2015, File No. 1-8841)	x	
*4(q)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated September 16, 2015, creating the Series H Debentures due September 1, 2020 (filed as Exhibit 4(c) to Form 8-K dated September 16, 2015, File No. 1-8841)	x	
*4(r)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated March 31, 2016, creating the 2.30% Debentures, Series due April 1, 2019 (filed as Exhibit 4 to Form 8-K dated March 31, 2016, File No. 1-8841)	x	
*4(s)	Officer's Certificate of NextEra Energy Capital Holdings, Inc., dated August 8, 2016, creating the Series I Debentures due September 1, 2021 (filed as Exhibit 4(c) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*4(t)	Indenture (For Unsecured Subordinated Debt Securities relating to Trust Securities), dated as of March 1, 2004, among FPL Group Capital Inc, FPL Group, Inc. (as Guarantor) and The Bank of New York Mellon (as Trustee) (filed as Exhibit 4(au) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(u)	Preferred Trust Securities Guarantee Agreement, dated as of March 15, 2004, between FPL Group, Inc. (as Guarantor) and The Bank of New York Mellon (as Guarantee Trustee) relating to FPL Group Capital Trust I (filed as Exhibit 4(aw) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(v)	Amended and Restated Trust Agreement relating to FPL Group Capital Trust I, dated as of March 15, 2004 (filed as Exhibit 4(at) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	

Exhibit Number	Description	NEE	FPL
*4(w)	Agreement as to Expenses and Liabilities of FPL Group Capital Trust I, dated as of March 15, 2004 (filed as Exhibit 4(ax) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(x)	Officer's Certificate of FPL Group Capital Inc and FPL Group, Inc., dated March 15, 2004, creating the 5 7/8% Junior Subordinated Debentures, Series due March 15, 2044 (filed as Exhibit 4(av) to Post-Effective Amendment No. 3 to Form S-3, File Nos. 333-102173, 333-102173-01, 333-102173-02 and 333-102173-03)	x	
*4(y)	Indenture (For Unsecured Subordinated Debt Securities), dated as of September 1, 2006, among FPL Group Capital Inc, FPL Group, Inc. (as Guarantor) and The Bank of New York Mellon (as Trustee) (filed as Exhibit 4(a) to Form 8-K dated September 19, 2006, File No. 1-8841)	x	
*4(z)	First Supplemental Indenture to Indenture (For Unsecured Subordinated Debt Securities) dated as of September 1, 2006, dated as of November 19, 2012, between NextEra Energy Capital Holdings, Inc., NextEra Energy, Inc. as Guarantor, and The Bank of New York Mellon, as Trustee (filed as Exhibit 2 to Form 8-A dated January 16, 2013, File No. 1-33028)	x	
*4(aa)	Officer's Certificate of FPL Group Capital Inc and FPL Group, Inc., dated September 19, 2006, creating the Series B Enhanced Junior Subordinated Debentures due 2066 (filed as Exhibit 4(c) to Form 8-K dated September 19, 2006, File No. 1-8841)	x	
*4(bb)	Replacement Capital Covenant, dated September 19, 2006, by FPL Group Capital Inc and FPL Group, Inc. relating to FPL Group Capital Inc's Series B Enhanced Junior Subordinated Debentures due 2066 (filed as Exhibit 4(d) to Form 8-K dated September 19, 2006, File No. 1-8841)	x	
4(cc)	Amendment, dated November 9, 2016, to the Replacement Capital Covenant, dated September 19, 2006, by NextEra Energy Capital Holdings, Inc. (formerly known as FPL Group Capital Holdings Inc) and NextEra Energy, Inc. (formerly known as FPL Group, Inc.), relating to FPL Group Capital Inc's Series B Enhanced Junior Subordinated Debentures due 2066	x	
*4(dd)	Officer's Certificate of FPL Group Capital Inc and FPL Group, Inc., dated June 12, 2007, creating the Series C Junior Subordinated Debentures due 2067 (filed as Exhibit 4(a) to Form 8-K dated June 12, 2007, File No. 1-8841)	x	
*4(ee)	Replacement Capital Covenant, dated June 12, 2007, by FPL Group Capital Inc and FPL Group, Inc. relating to FPL Group Capital Inc's Series C Junior Subordinated Debentures due 2067 (filed as Exhibit 4(b) to Form 8-K dated June 12, 2007, File No. 1-8841)	x	
*4(ff)	Officer's Certificate of FPL Group Capital Inc and FPL Group, Inc., dated September 17, 2007, creating the Series D Junior Subordinated Debentures due 2067 (filed as Exhibit 4(a) to Form 8-K dated September 17, 2007, File No. 1-8841)	x	
*4(gg)	Replacement Capital Covenant, dated September 18, 2007, by FPL Group Capital Inc and FPL Group, Inc. relating to FPL Group Capital Inc's Series D Junior Subordinated Debentures due 2067 (filed as Exhibit 4(c) to Form 8-K dated September 17, 2007, File No. 1-8841)	x	
4(hh)	Amendment, dated November 9, 2016, to the Replacement Capital Covenant, dated June 12, 2007 and to the Replacement Capital Covenant, dated September 18, 2007, by NextEra Energy Capital Holdings, Inc. (formerly known as FPL Group Capital Holdings Inc) and NextEra Energy, Inc. (formerly known as FPL Group, Inc.), relating to FPL Group Capital Inc's Series C Junior Subordinated Debentures due 2067 and Series D Junior Subordinated Debentures due 2067	x	
*4(ii)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated March 27, 2012, creating the Series G Junior Subordinated Debentures due March 1, 2072 (filed as Exhibit 4 to Form 8-K dated March 27, 2012, File No. 1-8841)	x	
*4(jj)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated June 15, 2012, creating the Series H Junior Subordinated Debentures due June 15, 2072 (filed as Exhibit 4 to Form 8-K dated June 15, 2012, File No. 1-8841)	x	
*4(kk)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated November 19, 2012, creating the Series I Junior Subordinated Debentures due November 15, 2072 (filed as Exhibit 4 to Form 8-K dated November 19, 2012, File No. 1-8841)	x	

Exhibit Number	Description	NEE	FPL
*4(ll)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated January 18, 2013, creating the Series J Junior Subordinated Debentures due January 15, 2073 (filed as Exhibit 4 to Form 8-K dated January 18, 2013, File No. 1-8841)	x	
*4(mm)	Officer's Certificate of NextEra Energy Capital Holdings, Inc. and NextEra Energy, Inc., dated June 7, 2016, creating the Series K Junior Subordinated Debentures due June 1, 2076 (filed as Exhibit 4 to Form 8-K dated June 7, 2016, File No. 1-8841)	x	
*4(nn)	Indenture (For Securing Senior Secured Bonds, Series A), dated May 22, 2007, between FPL Recovery Funding LLC (as Issuer) and The Bank of New York Mellon (as Trustee and Securities Intermediary) (filed as Exhibit 4.1 to Form 8-K dated May 22, 2007 and filed June 1, 2007, File No. 333-141357)		x
*4(oo)	Purchase Contract Agreement, dated as of September 1, 2015, between NextEra Energy, Inc. and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(a) to Form 8-K dated September 16, 2015, File No. 1-8841)	x	
*4(pp)	Pledge Agreement, dated as of September 1, 2015, between NextEra Energy, Inc., Deutsche Bank Trust Company Americas, as Collateral Agent, Custodial Agent and Securities Intermediary, and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(b) to Form 8-K dated September 16, 2015, File No. 1-8841)	x	
*4(qq)	Purchase Contract Agreement, dated as of August 1, 2016, between NextEra Energy, Inc. and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(a) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*4(rr)	Pledge Agreement, dated as of August 1, 2016, between NextEra Energy, Inc., Deutsche Bank Trust Company Americas, as Collateral Agent, Custodial Agent and Securities Intermediary, and The Bank of New York Mellon, as Purchase Contract Agent (filed as Exhibit 4(b) to Form 8-K dated August 8, 2016, File No. 1-8841)	x	
*10(a)	FPL Group, Inc. Supplemental Executive Retirement Plan, amended and restated effective April 1, 1997 (SERP) (filed as Exhibit 10(a) to Form 10-K for the year ended December 31, 1999, File No. 1-8841)	x	x
*10(b)	FPL Group, Inc. Supplemental Executive Retirement Plan, amended and restated effective January 1, 2005 (Restated SERP) (filed as Exhibit 10(b) to Form 8-K dated December 12, 2008, File No. 1-8841)	x	x
*10(c)	Amendment Number 1 to the Restated SERP changing name to NextEra Energy, Inc. Supplemental Executive Retirement Plan (filed as Exhibit 10(b) to Form 10-Q for the quarter ended June 30, 2010, File No. 1-8841)	x	x
*10(d)	Appendix A1 (revised as of December 11, 2014) to the NextEra Energy, Inc. Supplemental Executive Retirement Plan (filed as Exhibit 10(d) to Form 10-K for the year ended December 31, 2015, File No. 1-8841)	x	x
*10(e)	Appendix A2 (revised as of September 19, 2016) to the NextEra Energy, Inc. Supplemental Executive Retirement Plan (filed as Exhibit 10(d) to Form 10-Q for the quarter ended September 30, 2016, File No. 1-8841)	x	x
*10(f)	Supplement to the Restated SERP relating to a special credit to certain executive officers and other officers effective February 15, 2008 (filed as Exhibit 10(g) to Form 10-K for the year ended December 31, 2007, File No. 1-8841)	x	x
*10(g)	Supplement to the Restated SERP effective February 15, 2008 as it applies to Armando Pimentel, Jr. (filed as Exhibit 10(i) to Form 10-K for the year ended December 31, 2007, File No. 1-8841)	x	x
*10(h)	Supplement to the SERP effective December 14, 2007 as it applies to Manoochehr K. Nazar (filed as Exhibit 10(j) to Form 10-K for the year ended December 31, 2009, File No. 1-8841)	x	x
*10(i)	NextEra Energy, Inc. (formerly known as FPL Group, Inc.) Amended and Restated Long-Term Incentive Plan, most recently amended and restated on May 22, 2009 (filed as Exhibit 10(a) to Form 10-Q for the quarter ended June 30, 2009, File No. 1-8841)	x	x
*10(j)	NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan (filed as Exhibit 10(c) to Form 8-K dated March 16, 2012, File No. 1-8841)	x	x
*10(k)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. 2011 Long Term Incentive Plan (filed as Exhibit 10(a) to Form 8-K dated October 13, 2011, File No. 1-8841)	x	x

Exhibit Number	Description	NEE	FPL
*10(l)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan, as revised March 16, 2012 (filed as Exhibit 10(c) to Form 10-Q for the quarter ended March 31, 2012)	x	x
*10(m)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(a) to Form 8-K dated October 11, 2012)	x	x
*10(n)	Form of Performance Share Award Agreement under the Next Era Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(o) to Form 10-K for the year ended December 31, 2015, File No. 1-8841)	x	x
*10(o)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(c) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(p)	Form of Performance Share Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(d) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(q)	Form of Restricted Stock Award Agreement under the NextEra Energy, Inc. 2011 Long Term Incentive Plan (filed as Exhibit 10(c) to Form 8-K dated October 13, 2011, File No. 1-8841)	x	x
*10(r)	Form of Restricted Stock Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(b) to Form 8-K dated October 11, 2012)	x	x
*10(s)	Form of Restricted Stock Award Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(e) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(t)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan Stock Option Award - Non-Qualified Stock Option Agreement (filed as Exhibit 10(c) to Form 8-K dated December 29, 2004, File No. 1-8841)	x	x
*10(u)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan Stock Option Award - Non-Qualified Stock Option Agreement (filed as Exhibit 10(d) to Form 8-K dated December 29, 2004, File No. 1-8841)	x	x
*10(v)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan Stock Option Award - Non-Qualified Stock Option Agreement effective February 15, 2008 (filed as Exhibit 10(b) to Form 8-K dated February 15, 2008, File No. 1-8841)	x	x
*10(w)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan Stock Option Award - Non-Qualified Stock Option Agreement effective February 13, 2009 (filed as Exhibit 10(u) to Form 10-K for the year ended December 31, 2008, File No. 1-8841)	x	x
*10(x)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan - Non-Qualified Stock Option Agreement effective February 12, 2010 (filed as Exhibit 10(bb) to Form 10-K for the year December 31, 2009, File No. 1-8841)	x	x
*10(y)	Form of NextEra Energy, Inc. Amended and Restated Long-Term Incentive Plan - Non-Qualified Stock Option Agreement effective February 18, 2011 (filed as Exhibit 10(d) to Form 10-Q for the quarter ended March 31, 2011, File No. 1-8841)	x	x
*10(z)	Form of Non-Qualified Stock Option Award Agreement under the NextEra Energy, Inc. 2011 Long Term Incentive Plan (filed as Exhibit 10(b) to Form 8-K dated October 13, 2011, File No. 1-8841)	x	x
*10(aa)	Form of Non-Qualified Stock Option Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(f) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(bb)	Form of Non-Qualified Stock Option Agreement under the NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan for certain executive officers (filed as Exhibit 10(g) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(cc)	Form of FPL Group, Inc. Amended and Restated Long-Term Incentive Plan Amended and Restated Deferred Stock Award Agreement effective February 12, 2010 between FPL Group, Inc. and each of Moray P. Dewhurst and James L. Robo (filed as Exhibit 10(dd) to Form 10-K for the year ended December 31, 2009, File No. 1-8841)	x	x
*10(dd)	Form of Deferred Stock Award Agreement under NextEra Energy, Inc. Amended and Restated 2011 Long Term Incentive Plan (filed as Exhibit 10(a) to Form 8-K dated March 16, 2012, File No. 1-8841)	x	x

Exhibit Number	Description	NEE	FPL
*10(ee)	NextEra Energy, Inc. 2013 Executive Annual Incentive Plan (filed as Exhibit 10(c) to Form 8-K dated October 11, 2012, File No. 1-8841)	x	x
*10(ff)	NextEra Energy, Inc. Deferred Compensation Plan effective January 1, 2005 as amended and restated through February 11, 2016 (filed as Exhibit 10(h) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(gg)	FPL Group, Inc. Deferred Compensation Plan, amended and restated effective January 1, 2003 (filed as Exhibit 10(k) to Form 10-K for the year ended December 31, 2002, File No. 1-8841)	x	x
*10(hh)	FPL Group, Inc. Executive Long-Term Disability Plan effective January 1, 1995 (filed as Exhibit 10(g) to Form 10-K for the year ended December 31, 1995, File No. 1-8841)	x	x
*10(ii)	FPL Group, Inc. Amended and Restated Non-Employee Directors Stock Plan, as amended and restated October 13, 2006 (filed as Exhibit 10(b) to Form 10-Q for the quarter ended September 30, 2006, File No. 1-8841)	x	
*10(jj)	FPL Group, Inc. 2007 Non-Employee Directors Stock Plan (filed as Exhibit 99 to Form S-8, File No. 333-143739)	x	
*10(kk)	NextEra Energy, Inc. Non-Employee Director Compensation Summary effective January 1, 2016 (filed as Exhibit 10(jj) to Form 10-K for the year ended December 31, 2015, File No. 1-8841)	x	
10(ll)	NextEra Energy, Inc. Non-Employee Director Compensation Summary effective January 1, 2017	x	
*10(mm)	Form of Amended and Restated Executive Retention Employment Agreement effective December 10, 2009 between FPL Group, Inc. and each of Moray P. Dewhurst, James L. Robo, Armando Pimentel, Jr., and Charles E. Sieving (filed as Exhibit 10(nn) to Form 10-K for the year ended December 31, 2009, File No. 1-8841)	x	x
*10(nn)	Executive Retention Employment Agreement between FPL Group, Inc. and Joseph T. Kelliher dated as of May 21, 2009 (filed as Exhibit 10(b) to Form 10-Q for the quarter ended June 30, 2009, File No. 1-8841)	x	x
*10(oo)	Executive Retention Employment Agreement between FPL Group, Inc. and Manoochehr K. Nazar dated as of January 1, 2010 (filed as Exhibit 10(rr) to Form 10-K for the year ended December 31, 2009, File No. 1-8841)	x	x
*10(pp)	Executive Retention Employment Agreement between NextEra Energy, Inc. and Eric E. Silagy dated as of May 2, 2012 (filed as Exhibit 10(b) to Form 10-Q for the quarter ended June 30, 2012, File No. 1-8841)	x	x
*10(qq)	Executive Retention Employment Agreement between NextEra Energy, Inc. and William L. Yeager dated as of January 1, 2013 (filed as Exhibit 10(ccc) to Form 10-K for the year ended December 31, 2012, File No. 1-8841)	x	x
*10(rr)	Form of 2012 409A Amendment to NextEra Energy, Inc. Executive Retention Employment Agreement effective October 11, 2012 between NextEra Energy, Inc. and each of James L. Robo, Moray P. Dewhurst, Armando Pimentel, Jr., Eric E. Silagy, Joseph T. Kelliher, Manoochehr K. Nazar and Charles E. Sieving (filed as Exhibit 10(ddd) to Form 10-K for the year ended December 31, 2012, File No. 1-8841)	x	x
*10(ss)	Executive Retention Employment Agreement between NextEra Energy, Inc. and Deborah H. Caplan dated as of April 23, 2013 (filed as Exhibit 10(e) to Form 10-Q for the quarter ended June 30, 2013, File No. 1-8841)	x	x
*10(tt)	Executive Retention Employment Agreement between NextEra Energy, Inc. and Miguel Arechabala dated as of January 1, 2014 (filed as Exhibit 10(bbb) to Form 10-K for the year ended December 31, 2013, File No. 1-8841)	x	x
*10(uu)	Executive Retention Employment Agreement between NextEra Energy, Inc. and John W. Ketchum dated as of March 4, 2016 (filed as Exhibit 10(i) to Form 10-Q for the quarter ended March 31, 2016, File No. 1-8841)	x	x
*10(vv)	NextEra Energy, Inc. Executive Severance Benefit Plan effective February 26, 2013 (filed as Exhibit 10(eee) to Form 10-K for the year ended December 31, 2012, File No. 1-8841)	x	x
*10(ww)	Guarantee Agreement between FPL Group, Inc. and FPL Group Capital Inc, dated as of October 14, 1998 (filed as Exhibit 10(y) to Form 10-K for the year ended December 31, 2001, File No. 1-8841)	x	
*10(xx)	Amended and Restated Plan Support Agreement dated as of September 19, 2016 (filed as Exhibit 10 to Form 8-K dated September 18, 2016, File No. 1-8841)	x	

Exhibit Number	Description	NEE	FPL
10(yy)	Limited Forbearance Agreement, dated as of December 1, 2016	x	
*10(zz)	Form of Oncor Letter Agreement (filed as Exhibit 10.2 to Form 8-K dated July 29, 2016, File No. 1-8841)	x	
*10(aaa)	Form of Bi-lateral Term Loan Agreement between NextEra Energy Capital Holdings, Inc. and the Lender dated February 7, 2017 (filed as Exhibit 10 to Form 8-K dated February 10, 2017, File No. 1-8841)	x	
12(a)	Computation of Ratios	x	
12(b)	Computation of Ratios		x
21	Subsidiaries of NextEra Energy, Inc.	x	
23	Consent of Independent Registered Public Accounting Firm	x	x
31(a)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of NextEra Energy, Inc.	x	
31(b)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of NextEra Energy, Inc.	x	
31(c)	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer of Florida Power & Light Company		x
31(d)	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer of Florida Power & Light Company		x
32(a)	Section 1350 Certification of NextEra Energy, Inc.	x	
32(b)	Section 1350 Certification of Florida Power & Light Company		x
99	Eighth Amended Joint Plan of Reorganization of Energy Future Holdings Corp., et al., Pursuant to Chapter 11 of the Bankruptcy Code	x	
101.INS	XBRL Instance Document	x	x
101.SCH	XBRL Schema Document	x	x
101.PRE	XBRL Presentation Linkbase Document	x	x
101.CAL	XBRL Calculation Linkbase Document	x	x
101.LAB	XBRL Label Linkbase Document	x	x
101.DEF	XBRL Definition Linkbase Document	x	x

* Incorporated herein by reference
** Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. NEE will furnish the omitted schedules to the SEC upon request.

NEE and FPL agree to furnish to the SEC upon request any instrument with respect to long-term debt that NEE and FPL have not filed as an exhibit pursuant to the exemption provided by Item 601(b)(4)(iii)(A) of Regulation S-K.

Item 16. Form 10-K Summary

Not applicable

NEXTERA ENERGY, INC. SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized and in the capacities and on the date indicated.

NextEra Energy, Inc.

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
and Director
(Principal Executive Officer)

Date: February 23, 2017

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature and Title as of February 23, 2017:

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
(Principal Financial Officer)

TERRELL KIRK CREWS, II

Terrell Kirk Crews, II
Vice President, Controller and Chief Accounting
Officer
(Principal Accounting Officer)

Directors:

SHERRY S. BARRAT

Sherry S. Barrat

AMY B. LANE

Amy B. Lane

JAMES L. CAMAREN

James L. Camaren

RUDY E. SCHUPP

Rudy E. Schupp

Kenneth B. Dunn

JOHN L. SKOLDS

John L. Skolds

NAREN K. GURSAHANEY

Naren K. Gursahaney

WILLIAM H. SWANSON

William H. Swanson

KIRK S. HACHIGIAN

Kirk S. Hachigian

HANSEL E. TOOKES, II

Hansel E. Tookes, II

TONI JENNINGS

Toni Jennings

FLORIDA POWER & LIGHT COMPANY SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized and in the capacities and on the date indicated.

Florida Power & Light Company

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer and Director
(Principal Executive Officer)

Date: February 23, 2017

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

Signature and Title as of February 23, 2017:

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer and Director
(Principal Financial Officer)

KIMBERLY OUSDAHL

Kimberly Ousdahl
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Director:

JAMES L. ROBO

James L. Robo

Supplemental Information to be Furnished With Reports Filed Pursuant to Section 15(d) of the Securities Exchange Act of 1934 by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Securities Exchange Act of 1934

No annual report, proxy statement, form of proxy or other proxy soliciting material has been sent to security holders of FPL during the period covered by this Annual Report on Form 10-K for the fiscal year ended December 31, 2016.

Exhibit 4(cc)

Amendment (this "*Amendment*"), dated November 9, 2016 (the "*Amendment Effective Date*"), by NextEra Energy Capital Holdings, Inc. (formerly known as FPL Group Capital Holdings Inc), a Florida corporation (together with its successors and assigns, the "*Corporation*"), and NextEra Energy, Inc. (formerly known as FPL Group, Inc.), a Florida corporation (together with its successors and assigns, the "*Guarantor*"), to the Replacement Capital Covenant, dated September 19, 2006 (the "*Replacement Capital Covenant*"), entered into by the Corporation and the Guarantor in favor of and for the benefit of each Covered Debtholder (as defined in the Replacement Capital Covenant).

Recitals

A. On September 19, 2006, the Corporation and the Guarantor entered into the Replacement Capital Covenant in connection with the issuance of, among other things, the Corporation's Series B Enhanced Junior Subordinated Debentures due 2066.

B. Pursuant to Section 4(b) of the Replacement Capital Covenant, the Corporation and the Guarantor may amend the Replacement Capital Covenant without the consent of the Holders of the then-effective Covered Debt if such amendment is not adverse to the Holders of the then-effective Covered Debt and an officer of the Corporation delivers to such Holders a written certificate stating that, in his or her determination, such amendment is not adverse to the Holders of the then-effective Covered Debt.

C. The intent and effect of this Amendment is to (i) recognize, for purposes of calculating qualified replacement capital under the Replacement Capital Covenant, the proceeds from the issuance of any and all securities specified in Section 2 of the Replacement Capital Covenant after the Amendment Effective Date during the 365 days prior to the applicable redemption, repurchase or purchase date and (ii) allow the Corporation to select the Covered Debt upon a Redesignation Date.

NOW, THEREFORE, the Corporation and the Guarantor hereby amend the Replacement Capital Covenant as set forth in this Amendment.

SECTION 1. *Definitions.* Capitalized terms used herein (including in the Recitals) and not otherwise amended or defined herein shall have the meanings set forth in the Replacement Capital Covenant.

SECTION 2. *Amendments of the Replacement Capital Covenant.* The Replacement Capital Covenant is hereby amended in accordance with Section 4(b) thereof as follows:

(A) by replacing the phrase "during the 180 days prior to the applicable redemption, repurchase or purchase date" with the phrase "during the 365 days prior to the applicable redemption, repurchase or purchase date" each time this phrase appears in Section 2 thereof;

(B) by replacing the phrase "during the 180 days prior to the date of redemption or repurchase" with the phrase "during the 365 days prior to the date of redemption or repurchase" in the definition of "*Applicable Percentage*" as set forth in Schedule I thereto;

(C) by amending Section 3(b) thereof to read in its entirety as follows:

"(b) (i) During the period commencing on the earlier of (x) the date two years and 30 days prior to the final maturity date for the then effective Covered Debt and (y) the date on which the Corporation gives notice of redemption of the then effective Covered Debt, if such redemption is in whole or in part with the consequence that after giving effect to such redemption the outstanding principal amount of such Covered Debt would be less than $100,000,000, or (ii) if earlier than the date specified in clauses (x) and (y) of this Section 3(b)(i), on the date on which the Parent or the Corporation repurchases the then effective Covered Debt in whole or in part and, after giving effect to such repurchase, the outstanding principal amount of such Covered Debt would be less than $100,000,000, the Corporation shall identify the series of Eligible Debt that will become the Covered Debt on the related Redesignation Date in accordance with the following procedures:

(A) the Corporation shall identify each series of then outstanding long-term indebtedness for money borrowed of the Corporation and the Guarantor that is Eligible Debt;

(B) the Corporation shall designate one of such series to be the series of Eligible Debt that will become the Covered Debt commencing on the related Redesignation Date;

(C) the series of Eligible Debt that is determined to be the Covered Debt pursuant to clause (B) above shall be the Covered Debt for purposes of this Replacement Capital Covenant for the period commencing on the related Redesignation Date and continuing to but not including the Redesignation Date as of which a new series of Eligible Debt is next determined to be the Covered Debt pursuant to the procedures set forth in this Section 3(b); and

(D) in connection with such identification of a new series of the Covered Debt, notice shall be given as provided for in Section 3(d) within the time frame provided for in such section.";

(D) by deleting Section 3(c) thereof in its entirety;

(E) by amending the definition of the term "*Eligible Debt*" as set forth in Schedule I thereto to read in its entirety as follows:

"*Eligible Debt*" means, at any time, Eligible Subordinated Debt or Eligible Senior Debt. The Subordinated Debentures shall not be considered "Eligible Debt" for purposes of the Replacement Capital Covenant."; and

(F) by amending the definition of the term "*Eligible Subordinated Debt*" as set forth in Schedule I thereto to read in its entirety as follows:

"*Eligible Subordinated Debt*" means, at any time in respect of any issuer, each series of the issuer's then outstanding unsecured long-term indebtedness for

money borrowed that (i) upon a bankruptcy, liquidation, dissolution or winding up of the issuer, ranks senior to the Subordinated Debentures (or any guarantee thereof) and subordinate to the issuer's then outstanding series of unsecured indebtedness for money borrowed that ranks most senior, (ii) is then assigned a rating by at least one NRSRO (provided that this clause (ii) shall apply on a Redesignation Date only if on such date the issuer has outstanding subordinated long-term indebtedness for money borrowed that satisfies the requirements of clauses (i), (iii) and (iv) that is then assigned a rating by at least one NRSRO), (iii) has an outstanding principal amount of not less than $100,000,000, and (iv) was issued through or with the assistance of a commercial or investment banking firm or firms acting as underwriters, initial purchasers or placement or distribution agents. For purposes of this definition as applied to securities with a CUSIP number, each issuance of long-term indebtedness for money borrowed that has (or, if such indebtedness is held by a trust or other intermediate entity established directly or indirectly by the issuer, the securities of such intermediate entity have) a separate CUSIP number shall be deemed to be a series of the issuer's long-term indebtedness for money borrowed that is separate from each other series of such indebtedness."

SECTION 3. *Miscellaneous*. (a) Except as expressly amended hereby, all of the provisions of the Replacement Capital Covenant continue in full force and effect.

(b) This Amendment shall be governed and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Corporation and the Guarantor have caused this Amendment to the Replacement Capital Covenant to be executed by a duly authorized officer as of the day and year first above written.

NextEra Energy Capital Holdings, Inc.

By: ALDO E. PORTALES
Name: Aldo E. Portales
Title: Assistant Treasurer

NextEra Energy, Inc.

By: ALDO E. PORTALES
Name: Aldo E. Portales
Title: Assistant Treasurer

Exhibit 4(hh)

Amendment (this "*Amendment*"), dated November 9, 2016 (the "*Amendment Effective Date*"), by NextEra Energy Capital Holdings, Inc. (formerly known as FPL Group Capital Holdings Inc), a Florida corporation (together with its successors and assigns, the "*Corporation*"), and NextEra Energy, Inc. (formerly known as FPL Group, Inc.), a Florida corporation (together with its successors and assigns, the "*Guarantor*"), to (i) the Replacement Capital Covenant, dated June 12, 2007 (the "*June 2007 Replacement Capital Covenant*"), entered into by the Corporation and the Guarantor in favor of and for the benefit of each Covered Debtholder (as defined in the June 2007 Replacement Capital Covenant) and (ii) the Replacement Capital Covenant, dated September 18, 2007 (the "*September 2007 Replacement Capital Covenant*" and together with the June 2007 Replacement Capital Covenant, the "*Replacement Capital Covenants*"), entered into by the Corporation in favor of and for the benefit of each Covered Debtholder (as defined in each of the Replacement Capital Covenants).

Recitals

A. On June 12, 2007, the Corporation and the Guarantor entered into the June 2007 Replacement Capital Covenant in connection with the issuance of the Corporation's Series C Junior Subordinated Debentures due 2067.

B. On September 18, 2007, the Corporation and the Guarantor entered into the September 2007 Replacement Capital Covenant in connection with the issuance of, among other things, the Corporation's Series D Junior Subordinated Debentures due 2067.

C. Pursuant to Section 4(b) of each of the Replacement Capital Covenants, the Corporation and the Guarantor may amend such Replacement Capital Covenant without the consent of the Holders of the then-effective Covered Debt if such amendment is not adverse to the rights of the Holders of the then-effective Covered Debt and an officer of the Corporation delivers to such Holders a written certificate stating that, in his or her determination, such amendment is not adverse to the rights of the Holders of the then-effective Covered Debt.

D. The intent and effect of this Amendment is to (i) recognize, for purposes of calculating qualified replacement capital under each Replacement Capital Covenant, the proceeds from the issuance of any and all securities specified in Section 2 of such Replacement Capital Covenant after the Amendment Effective Date during the 365 days prior to the date of delivery of a notice of redemption or applicable date of purchase or defeasance and (ii) allow the Corporation to select the Covered Debt upon a Redesignation Date.

NOW, THEREFORE, the Corporation and the Guarantor hereby amend each Replacement Capital Covenant as set forth in this Amendment.

SECTION 1. *Definitions.* Capitalized terms used herein (including in the Recitals) and not otherwise amended or defined herein shall have the meanings set forth in the respective Replacement Capital Covenant.

SECTION 2. *Amendments of the Replacement Capital Covenants.* Each Replacement Capital Covenant is hereby amended in accordance with Section 4(b) thereof as follows:

(A) by amending Section 3(b) thereof to read in its entirety as follows:

"(b) On, or during the 30-day period immediately preceding, any Redesignation Date with respect to the Covered Debt then in effect, the Corporation shall identify the series of Eligible Debt that will become the Covered Debt on the related Redesignation Date in accordance with the following procedures:

(A) the Corporation shall identify each series of then outstanding long-term indebtedness for money borrowed of the Corporation and the Guarantor that is Eligible Debt;

(B) the Corporation shall designate one of such series to be the series of Eligible Debt that will become the Covered Debt commencing on the related Redesignation Date;

(C) the series of Eligible Debt that is determined to be the Covered Debt pursuant to clause (B) above shall be the Covered Debt for purposes of this Replacement Capital Covenant for the period commencing on the related Redesignation Date and continuing to but not including the Redesignation Date as of which a new series of Eligible Debt is next determined to be the Covered Debt pursuant to the procedures set forth in this Section 3(b); and

(D) in connection with such identification of a new series of the Covered Debt, notice shall be given as provided for in Section 3(d) within the time frame provided for in such section.";

(B) by deleting Section 3(c) thereof in its entirety;

(C) by amending the definition of the term "*Eligible Debt*" as set forth in Schedule I thereto to read in its entirety as follows:

"*Eligible Debt*" means, at any time, Eligible Subordinated Debt or Eligible Senior Debt. The Subordinated Debentures shall not be considered "Eligible Debt" for purposes of the Replacement Capital Covenant."; and

(D) by amending the definition of the term "*Measurement Period*" as set forth in Schedule I thereto to read in its entirety as follows:

"*Measurement Period*" with respect to any redemption, purchase or defeasance of Subordinated Debentures, means the period (i) beginning on the date that is 365 days prior to the date of delivery of notice of such redemption (such date of delivery, the "*notice date*") or the date of such purchase or defeasance and (ii) ending on such notice date or the date of such purchase or defeasance.

SECTION 3. *Miscellaneous.* (a) Except as expressly amended hereby, all of the provisions of each Replacement Capital Covenant continue in full force and effect.

(b) This Amendment shall be governed and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Corporation and the Guarantor have caused this Amendment to the Replacement Capital Covenants to be executed by a duly authorized officer as of the day and year first above written.

NextEra Energy Capital Holdings, Inc.

By: ALDO E. PORTALES
Name: Aldo E. Portales
Title: Assistant Treasurer

NextEra Energy, Inc.

By: ALDO E. PORTALES
Name: Aldo E. Portales
Title: Assistant Treasurer

Exhibit 10(ll)

NEXTERA ENERGY, INC.

NON-EMPLOYEE DIRECTOR COMPENSATION SUMMARY

(Effective January 1, 2017)

Annual Retainer (payable quarterly in common stock or cash)	$90,000
Board or Committee meeting fee	$2,000/meeting
Audit Committee Chair retainer (annual) (payable quarterly)	$20,000
Lead Director retainer (annual) (payable quarterly)	$25,000
Other Committee Chair retainer (annual) (payable quarterly)	$15,000
Annual grant of restricted stock (under 2007 Non-Employee Directors Stock Plan)	That number of shares determined by dividing $145,000 by closing price of NextEra Energy common stock on effective date of grant (rounded up to the nearest 10 shares)
Miscellaneous	– Travel and Accident Insurance (including spouse coverage) – Travel and related expenses while on Board business, and actual administrative or similar expenses incurred for Board or Committee business, are paid or reimbursed by the Company. Directors may travel on Company aircraft in accordance with the Company's Aviation Policy (primarily to or from Board meetings and while on Board business; in limited circumstances for other reasons if the Company would incur little if any incremental cost, space is available and the aircraft is already in use for another authorized purpose - may be accompanied by immediate family members when space is available). – Directors may participate in the Company's Deferred Compensation Plan. – Directors may participate in the Company's matching gift program, which matches gifts to educational institutions to a maximum of $10,000 per donor.

Exhibit 10(yy)

Execution Version

LIMITED FORBEARANCE AGREEMENT

This Limited Forbearance Agreement (this "**Agreement**"), dated as of December 1, 2016 is entered into by and among (a) (i) Energy Future Holdings Corp., a Texas corporation ("**EFH Corp.**"); (ii) Energy Future Intermediate Holding Company LLC ("**EFIH**"), a Delaware limited liability company and a direct, wholly-owned subsidiary of EFH Corp.; (iii) EFIH Finance Inc. ("**EFIH Finance**," and together with EFIH, the "**EFIH Debtors**"), a Delaware corporation and a direct, wholly-owned subsidiary of EFIH; and (iv) each of EFH Corp.'s other direct and indirect subsidiaries listed on the signature pages hereto (each of the foregoing entities identified in subclauses (i) through (iv) an "**EFH/EFIH Debtor**" and, collectively, the "**EFH/EFIH Debtors**") and (b) NextEra Energy, Inc., a Florida corporation ("**NEE**") (each of the foregoing, a "**Party**" and, collectively, the "**Parties**").

RECITALS

WHERAS, The EFH/EFIH Debtors, NEE and certain funds and accounts advised or sub-advised by Fidelity Management & Research Company or its affiliates (collectively, the "**Fidelity Funds**") that hold or direct the vote of Claims against the EFH/EFIH Debtors, excluding EFIH First Lien DIP Claims, are parties to an Amended and Restated Plan Support Agreement dated as of September 19, 2016 (the "**PSA**");

WHEREAS, pursuant to Section 8.03(d) of the PSA, if the Bankruptcy Court fails to enter the Alternative E-Side Confirmation Order on or before December 15, 2016 (the "**Confirmation Milestone**"), NEE will have the right to terminate the PSA as between all Parties;

WHEREAS, on or shortly after the date hereof, the EFH/EFIH Debtors will file with the Bankruptcy Court an amended Alternative E-Side Disclosure Statement (the "**Amended Alternative E-Side Disclosure Statement**") and the amended Alternative E-Side Plan attached hereto as Exhibit A (the "**Amended Alternative E-Side Plan**"); and

WHEREAS, subject to the terms and conditions set forth herein, the EFH/EFIH Debtors have requested that NEE forbear from taking a Termination Action;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the Parties agree as follows:

1. Definitions. All capitalized terms used in this Agreement and the Recitals hereto which are defined in the PSA and which are not otherwise defined herein shall have the meanings set forth in the PSA. As used in this Agreement, the following terms shall have the respective meanings indicated below and in the Recitals and Preamble hereof:

"**Forbearance Period**" shall mean the period beginning on the date hereof and ending on the earlier of (i) February 22, 2017 and (ii) the occurrence of a Forbearance Termination Event.

"**Forbearance Termination Event**" shall mean the occurrence of any of the following: (i) the Bankruptcy Court shall not have entered an order approving the Amended Alternative E-Side Disclosure Statement as containing "adequate information" as required by section 1125 of

the Bankruptcy Code on or before January 5, 2017; or (ii) the EFH/EFIH Debtors (a) file any plan of reorganization or other restructuring document for the EFH/EFIH Debtors other than the Amended Alternative E-Side Plan or (b) amend, modify or supplement in any manner the Amended Alternative E-Side Plan, in each case, without the express written consent of NEE, which consent shall be given or withheld in NEE's sole discretion.

"**Termination Action**" shall mean the exercise by NEE of its right to terminate the PSA pursuant to Section 8.03(d) thereof.

2. Limited Forbearance. For the duration of the Forbearance Period, subject to the terms and conditions set forth herein, NEE agrees that it shall forbear from taking a Termination Action. If the Bankruptcy Court enters an order confirming the Amended Alternative E-Side Plan and authorizing all of the transactions and agreements contemplated by the Amended Alternative E-Side Plan with respect to the EFH/EFIH Debtors (the "**Alternative E-Side Confirmation Order**") at any time during the Forbearance Period, then NEE hereby agrees to permanently forbear from taking a Termination Action.

3. Reference to, and Effect on, the PSA. The execution, delivery and effectiveness of this Agreement shall not, except to the extent of the limited forbearance set forth in Section 2 hereof, operate as a forbearance or waiver of any right, power or remedy of NEE under the PSA, nor constitute a waiver of any provision of the PSA. NEE expressly reserves all of its rights and remedies with respect to any other present or future event, circumstance or breach arising under the PSA. The PSA remains in full force and effect in all respects, notwithstanding the execution and delivery of this Agreement.

4. Representations and Warranties. Each of the Parties hereby represents and warrants (with respect to itself) that as of the date hereof:

(a) Such party is a corporation, company or other business entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization;

(b) Such party has full power, authority and legal right to execute and deliver this Agreement, and to perform its obligations and agreements hereunder;

(c) The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate, company or other business entity action on the part of such party; and this Agreement has been duly executed and delivered by such party and constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as its enforceability may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally or by general principles of equity;

(d) The execution, delivery and performance by such party of this Agreement do not and will not violate or conflict with (i) the organizational documents of such party, (ii) any law, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality or arbitration panel applicable to it, or (iii) any provision of

any indenture, agreement or other instrument to which such party is a party or by which any of its assets or properties is bound or affected.

5. Incorporation by Reference. The terms and provisions of Sections 10.04, 10.06, 10.07, 10.08, 10.11 and 10.15 of the PSA are hereby incorporated by reference as though set forth herein, *mutatis mutandis*.

6. Miscellaneous.

(a) This Agreement shall be binding on, and shall inure to the benefit of, each of the Parties and its respective successors and permitted assigns. The terms and provisions of this Agreement are for the purpose of defining the relative rights and obligations of each of the Parties with respect to the transactions contemplated hereby, and there shall be no third party beneficiaries of any of the terms and provisions of this Agreement.

(b) Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

(c) Except as otherwise provided in this Agreement, if any provision contained in this Agreement is in conflict with, or inconsistent with, any provision in the PSA, the provision contained in this Agreement shall govern and control.

(d) This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or email transmission of a pdf file shall be effective as delivery of a manually executed counterpart of this Agreement.

7. Survival. All provisions of this Agreement (including, without limitation, the representations and warranties in Section 4) shall survive and shall be effective both during and after the Forbearance Period, except to the extent that any provision hereof shall expressly limit or restrict the applicability of any term or provision of this Agreement solely to the Forbearance Period.

8. Amendments. This Agreement may be amended with (and only with) the written consent of each of the Parties.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and date first written above.

NEXTERA ENERGY, INC.

CHARLES E. SIEVING
Name: Charles E. Sieving
Title: Executive Vice President and General Counsel

Address:

NextEra Energy, Inc.
700 Universe Blvd.
Juno Beach, FL 33408

E-mail address(es): charles.sieving@nexteraenergy.com
Telephone: (561) 691-7575
Facsimile: (561) 694-3337

[Signature Page to Limited Forbearance Agreement]

EFH/EFIH DEBTOR SIGNATURE PAGES

Energy Future Holdings Corp.
Ebasco Services of Canada Limited
EEC Holdings, Inc.
EECI, Inc.
EFH Australia (No. 2) Holdings Company
EFH Finance (No. 2) Holdings Company
EFH FS Holdings Company
EFH Renewables Company LLC
EFIH Finance Inc.
Energy Future Competitive Holdings Company LLC
Energy Future Intermediate Holding Company LLC
Generation Development Company LLC
LSGT Gas Company LLC
LSGT SACROC, Inc.
NCA Development Company LLC
TXU Receivables Company

ANDREW M. WRIGHT
Name: Andrew M. Wright
Title: Executive Vice President, General Counsel and Corporate Secretary

EXHIBIT A

Intentionally Omitted

Exhibit 12(a)

NEXTERA ENERGY, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Years Ended December 31,				
	2016	2015	2014	2013	2012
	(millions of dollars)				
Earnings, as defined:					
Net Income	**$ 3,005**	$ 2,762	$ 2,469	$ 1,677	$ 1,911
Income taxes	**1,383**	1,228	1,176	777	692
Fixed charges included in the determination of net income, as below	**1,184**	1,287	1,331	1,195	1,124
Amortization of capitalized interest	**38**	40	39	34	25
Distributed income of equity method investees	**102**	80	33	33	32
Less equity in earnings of equity method investees	**148**	107	93	25	13
Total earnings, as defined	**$ 5,564**	$ 5,290	$ 4,955	$ 3,691	$ 3,771
Fixed charges, as defined:					
Interest expense	**$ 1,093**	$ 1,211	$ 1,261	$ 1,121	$1,038
Rental interest factor	**66**	55	55	47	52
Allowance for borrowed funds used during construction	**25**	21	15	27	34
Fixed charges included in the determination of net income	**1,184**	1,287	1,331	1,195	1,124
Capitalized interest	**110**	100	113	140	155
Total fixed charges, as defined	**$ 1,294**	$ 1,387	$ 1,444	$ 1,335	$ 1,279
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	**4.30**	3.81	3.43	2.76	2.95

(a) NextEra Energy, Inc. has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 12(b)

FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS[a]

	Years Ended December 31,				
	2016	2015	2014	2013	2012
	(millions of dollars)				
Earnings, as defined:					
Net income	**$ 1,727**	$ 1,648	$ 1,517	$ 1,349	$ 1,240
Income taxes	**1,051**	957	910	835	752
Fixed charges, as below	**493**	478	466	451	450
Total earnings, as defined	**$ 3,271**	$ 3,083	$ 2,893	$ 2,635	$ 2,442
Fixed charges, as defined:					
Interest expense	**$ 456**	$ 445	$ 439	$ 415	$ 417
Rental interest factor	**14**	12	12	10	11
Allowance for borrowed funds used during construction	**23**	21	15	26	22
Total fixed charges, as defined	**$ 493** 493	$ 478	$ 466	$ 451	$ 450
Ratio of earnings to fixed charges and ratio of earnings to combined fixed charges and preferred stock dividends[a]	**6.63**	6.45	6.21	5.84	5.43

(a) Florida Power & Light Company has no preference equity securities outstanding; therefore, the ratio of earnings to fixed charges is the same as the ratio of earnings to combined fixed charges and preferred stock dividends.

Exhibit 21

SUBSIDIARIES OF NEXTERA ENERGY, INC.

NextEra Energy, Inc.'s principal subsidiaries as of December 31, 2016 are listed below.

	Subsidiary	State or Jurisdiction of Incorporation or Organization
1.	Florida Power & Light Company (100%-owned)	Florida
2.	NextEra Energy Capital Holdings, Inc. (100%-owned)	Florida
3.	NextEra Energy Resources, LLC[(a)(b)]	Delaware
4.	Palms Insurance Company, Limited[(b)]	Cayman Islands

(a) Includes 864 subsidiaries that operate in the United States and 187 subsidiaries that operate in foreign countries in the same line of business as NextEra Energy Resources, LLC.
(b) 100%-owned subsidiary of NextEra Energy Capital Holdings, Inc.

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements of our reports dated February 23, 2017, relating to the consolidated financial statements of NextEra Energy, Inc. and subsidiaries (NextEra Energy) and Florida Power & Light Company and subsidiaries (FPL), and the effectiveness of NextEra Energy's and FPL's internal control over financial reporting, appearing in the Annual Report on Form 10-K of NextEra Energy and FPL for the year ended December 31, 2016:

NextEra Energy, Inc.

Form S-8	No. 33-57673
Form S-8	No. 333-27079
Form S-8	No. 333-88067
Form S-8	No. 333-114911
Form S-8	No. 333-116501
Form S-8	No. 333-130479
Form S-8	No. 333-143739
Form S-8	No. 333-174799
Form S-3	No. 333-203453
Form S-3	No. 333-205558

Florida Power & Light Company

Form S-3	No. 333-205558-02

DELOITTE & TOUCHE LLP

Boca Raton, Florida
February 23, 2017

Exhibit 31(a)

Rule 13a-14(a)/15d-14(a) Certification

I, James L. Robo, certify that:

1. I have reviewed this Form 10-K for the annual period ended December 31, 2016 of NextEra Energy, Inc. (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2017

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

Exhibit 31(b)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-K for the annual period ended December 31, 2016 of NextEra Energy, Inc. (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2017

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of NextEra Energy, Inc.

Exhibit 31(c)

Rule 13a-14(a)/15d-14(a) Certification

I, Eric E. Silagy, certify that:

1. I have reviewed this Form 10-K for the annual period ended December 31, 2016 of Florida Power & Light Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2017

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer
of Florida Power & Light Company

Exhibit 31(d)

Rule 13a-14(a)/15d-14(a) Certification

I, John W. Ketchum, certify that:

1. I have reviewed this Form 10-K for the annual period ended December 31, 2016 of Florida Power & Light Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2017

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

Exhibit 32(a)

Section 1350 Certification

We, James L. Robo and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of NextEra Energy, Inc. (the registrant) for the annual period ended December 31, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: February 23, 2017

JAMES L. ROBO

James L. Robo
Chairman, President and Chief Executive Officer
of NextEra Energy, Inc.

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of NextEra Energy, Inc.

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 32(b)

Section 1350 Certification

We, Eric E. Silagy and John W. Ketchum, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of Florida Power & Light Company (the registrant) for the annual period ended December 31, 2016 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: February 23, 2017

ERIC E. SILAGY

Eric E. Silagy
President and Chief Executive Officer of
Florida Power & Light Company

JOHN W. KETCHUM

John W. Ketchum
Executive Vice President, Finance
and Chief Financial Officer
of Florida Power & Light Company

A signed original of this written statement required by Section 906 has been provided to the registrant and will be retained by the registrant and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 and, accordingly, is not being filed with the Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

Exhibit 99

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
ENERGY FUTURE HOLDINGS CORP., *et al.*,[1]	)	Case No. 14-10979 (CSS)
Debtors.	)	(Jointly Administered)

EIGHTH AMENDED JOINT PLAN OF REORGANIZATION OF ENERGY FUTURE HOLDINGS CORP., *ET AL.*, PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
--and--
300 North LaSalle
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200

Counsel to the Debtors and Debtors in Possession

RICHARDS, LAYTON & FINGER, P.A.
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

--and--

PROSKAUER ROSE LLP
Three First National Plaza
70 W. Madison Street, Suite 3800
Chicago, Illinois 60602
Telephone: (312) 962-3550
Facsimile: (312) 962-3551

Co-Counsel to the Debtor Energy Future Holdings Corp.

BIELLI & KLAUDER, LLC
1204 North King Street
Wilmington, Delaware 19801
Telephone: (302) 803-4600
Facsimile: (302) 397-2557

--and--

[1] The last four digits of Energy Future Holdings Corp.'s tax identification number are 8810. The location of the debtors' service address is 1601 Bryan Street, Dallas, Texas 75201. Due to the large number of debtors in these chapter 11 cases, which are being jointly administered, a complete list of the debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the debtors' claims and noticing agent at http://www.efhcaseinfo.com.

CRAVATH, SWAINE AND MOORE LLP
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019
Telephone: (212) 474-1978
Facsimile: (212) 474-3700

STEVENS & LEE, P.C.
1105 North Market Street, Suite 700
Wilmington, Delaware 19801
Telephone: (302) 425-3310
Facsimile: (610) 371-7927

JENNER & BLOCK LLP
919 Third Avenue
New York, New York 10022
Telephone: (212) 891-1600
Facsimile: (212) 891-1699

Co-Counsel to the Debtor Energy Future Intermediate Holding Company LLC

--and--

MUNGER, TOLLES & OLSON LLP
355 South Grand Avenue, 35th Floor
Los Angeles, California 90071
Telephone: (213) 683-9100
Facsimile: (213) 683-4022

MCELROY, DEUTSCH, MULVANEY & CARPENTER, LLP
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INTRODUCTION

The Debtors (as defined herein) propose this eighth amended joint plan of reorganization (the "Plan") for the resolution of the outstanding claims against, and interests in, the Debtors pursuant to the Bankruptcy Code. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in Article I.A of the Plan. Holders of Claims and Interests should refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, historical financial information, events during the Chapter 11 Cases, and projections of future operations, as well as a summary and description of the Plan and certain related matters. The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered pursuant to an order of the Bankruptcy Court. Accordingly, the Plan constitutes a separate plan of reorganization for each of the Debtors. For the avoidance of doubt and notwithstanding anything herein to the contrary, the Plan may be confirmed and consummated as to each of the TCEH Debtors and EFH Shared Services Debtors separate from, and independent of, confirmation and/or consummation of the Plan as to any of the EFH Debtors or EFIH Debtors.

ALL HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

ARTICLE I.
DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. Defined Terms.

As used in the Plan, capitalized terms have the meanings set forth below.

1. "*2005 Oncor Transfer*" means those certain 2005 transactions pursuant to which the equity of Oncor's predecessor, TXU Electric Delivery Company LLC, was dividended from EFCH's predecessor, TXU US Holdings Company, to EFH Corp.'s predecessor, TXU Corp.

2. "*2007 Acquisition*" means the transactions that occurred in October 2007 in which TEF and Texas Holdings and their direct and indirect equity holders became the direct and indirect equity holders of each of the Debtors.

3. "*2011 Amend and Extend Transactions*" means those certain transactions effectuated by TCEH and EFCH in April 2011, including the TCEH Credit Amendment and the issuance of the TCEH First Lien Notes.

4. "*2013 Revolver Extension*" means those certain transactions effectuated by TCEH and EFCH in January 2013, including the maturity extension of revolving credit commitments due 2013, the Incremental Amendment Agreement, and the incurrence of the TCEH 2012 Incremental Term Loans.

5. "*2015 Compensation Order*" means the order entered by the Bankruptcy Court on December 17, 2014 [D.I. 3052], authorizing the Debtors to implement the Debtors' 2015 compensation programs.

6. "*2016 Compensation Order*" means the order entered by the Bankruptcy Court on February 18, 2016 [D.I. 7883] authorizing the Debtors to implement the Debtors' 2016 compensation programs.

7. "*503(b)(9) Claim*" means a Claim or any portion thereof entitled to administrative expense priority pursuant to section 503(b)(9) of the Bankruptcy Code.

8. "*Additional Interest*" means additional interest payable on the EFIH First Lien Notes, the EFIH Second Lien Notes, or the EFIH Unsecured Notes, as applicable, under the registration rights agreements associated with such notes so long as EFIH has not registered such notes in accordance with the Securities Act, on the terms set forth in such registration rights agreements.

9. "*Adjusted Company Cash Amount*" means the "Adjusted Company Cash Amount" as defined in the Merger Agreement.

10. "*Administrative Claim*" means a Claim for costs and expenses of administration of the Estates under sections 503(b) (including 503(b)(9) Claims), 507(b), or 1114(e)(2) of the Bankruptcy Code, other than DIP Claims, including: (a) the actual and necessary costs and expenses incurred after the Petition Date through the Effective Date of preserving the applicable Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims; (c) all fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930; and (d) all Intercompany Claims authorized pursuant to the Cash Management Order.

11. "*Administrative Claims Bar Date*" means the deadline for Filing requests for payment of Administrative Claims, which: (a) with respect to General Administrative Claims, shall be 30 days after the Effective Date; and (b) with respect to Professional Fee Claims, shall be 45 days after the Effective Date.

12. "*Affiliate*" has the meaning set forth in section 101(2) of the Bankruptcy Code.

13. "*Allowed*" means with respect to any Claim or Interest, except as otherwise provided herein: (a) a Claim or Interest as to which no objection has been Filed prior to the Claims Objection Deadline and that is evidenced by a Proof of Claim or Interest, as applicable, timely Filed by the applicable Bar Date or that is not required to be evidenced by a Filed Proof of Claim or Interest, as applicable, under the Plan, the Bankruptcy Code, or a Final Order; (b) a Claim or Interest that is scheduled by the Debtors as neither disputed, contingent, nor unliquidated, and as for which no Proof of Claim or Interest, as applicable, has been timely Filed in an unliquidated or a different amount; or (c) a Claim or Interest that is upheld or otherwise allowed (i) pursuant to the Plan, (ii) in any stipulation that is approved by the Bankruptcy Court, (iii) pursuant to any contract, instrument, indenture, or other agreement entered into or assumed in connection herewith, or (iv) by Final Order (including any such Claim to which the Debtors had objected or which the Bankruptcy Court had disallowed prior to such Final Order); *provided, however*, that, without prejudice to the releases set forth in Article VIII.B-D, and except as otherwise set forth herein, the consummation of the Plan and the occurrence of the Effective Date is not intended to impair the right of any Holder or any of the Indenture Trustees to prosecute an appeal from, or otherwise petition for review of, any order or judgment of the Bankruptcy Court (or any other court of competent jurisdiction) disallowing any Claim; *provided, further,* for the avoidance of doubt, all parties reserve all rights in connection with any such appeal or petition, including (a) the right of any of the Reorganized Debtors to move for the dismissal of any such appeal or petition on grounds of equitable mootness or any other prudential basis and (b) the right of any Holder or any of the Indenture Trustees to oppose any such motion on any grounds, including on grounds that the relief sought in the appeal or petition is contemplated by or provided for under the Plan. Except as otherwise specified in the Plan or any Final Order, the amount of an Allowed Claim shall not include interest or other charges on such Claim from and after the Petition Date. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable.

14. "*Allowed EFIH General Unsecured Claim*" means, as set forth more fully in the EFIH Unsecured Creditor Plan Support Agreement, (a) the Charging Lien Advance; (b) the principal amount outstanding of the EFIH Unsecured Notes, in the amount of $1,568 million; (c) any accrued but unpaid prepetition interest, in the amount of $81 million; and (d) any accrued but unpaid postpetition interest at the Federal Judgment Rate, in the amount of $5 million (based on an assumed EFH Effective Date of April 30, 2017, subject to adjustment based on the actual EFH Effective Date) plus any additional amounts, including postpetition interest at the Federal Judgment Rate, accruing on such Allowed EFIH General Unsecured Claim from the EFH Effective Date until the Allowed EFIH General Unsecured Claim has been paid in full pursuant to the terms of this Plan, but excluding any recovery on account of asserted Makewhole Claims.

15. "*Alternative E-Side Plan*" means "Alternative E-Side Plan," as such term is defined in the EFIH Unsecured Creditor Plan Support Agreement.

16. "*Amended and Restated Split Participant Agreement*" means that certain Amended and Restated Split Participant Agreement, by and among Oncor Electric, Reorganized TCEH, and OpCo, to be entered into on or

before the TCEH Effective Date, which shall govern the rights and obligations of each party thereto with respect to certain employment matters, which shall be in form and substance acceptable to the Debtors, the TCEH Supporting First Lien Creditors, and the Plan Sponsor, and which shall be included in the Plan Supplement.

17. "*Amended Plan Supplement*" means an amended Plan Supplement filed by the Debtors on January 27, 2017 [D.I. 10729], and an amended Plan Supplement filed by the Debtors on February 7, 2017 [D.I. 10780], as may be further amended, modified, or supplement from time to time, and which shall include (a) the governance and mechanics of the Pre-Effective Date Makewhole Litigation Oversight Committee, (b) the governance, mechanics, and composition, of the Makewhole Litigation Oversight Committee after the EFH Effective Date, each of which shall be negotiated in good faith by and among the EFIH Supporting Unsecured Creditors, (c) further details on each category of the EFH/EFIH Distribution Account, (d) any changes to the fee review process for reviewing the fees of the EFIH First Lien Notes Trustee and EFIH Second Lien Notes Trustee set forth in the Plan Supplement, including specifically when the fee review process for pre-Effective Date fees and expenses will begin and the fee review process for post-Effective Date fees and expenses (including the timeline for the payment of such fees and expenses), (e) the basis for the EFH/EFIH Debtors' assertion that the EFIH Claims Reserve should be funded to pay interest (i) only for three years and (ii) if not already commenced, when the EFIH Debtors, in consultation with the Initial Supporting Creditors, intend to commence any challenge to the Makewhole Claims following the Third Circuit's ruling, and (f) a further revised non-binding and good-faith estimate of each category of the EFIH Claims Reserve that has been modified from the disclosure set forth in the EFH Disclosure Statement.

18. "*Approval Order*" means the order (which may be the TCEH Confirmation Order), which shall (a) be in form and substance acceptable to the Debtors and the TCEH Supporting First Lien Creditors, and the Plan Sponsor, (b) authorize and direct EFH Corp., EFIH, and Reorganized TCEH (and, in the case of the Tax Matters Agreement, EFIH Finance) to enter into (i) the Tax Matters Agreement, (ii) the Transition Services Agreement, if any, (iii) the Amended and Restated Split Participant Agreement, and (iv) the Separation Agreement; and (c) contain terms and conditions consistent with each of the agreements in the foregoing clause (b).

19. "*Assumed Executory Contract or Unexpired Lease*" means any EFH/EFIH Assumed Executory Contract or Unexpired Lease or any TCEH Assumed Executory Contract or Unexpired Lease.

20. "*Assumed Executory Contract and Unexpired Lease List*" means, as applicable, the EFH/EFIH Assumed Executory Contract and Unexpired Lease List or the TCEH Assumed Executory Contract and Unexpired Lease List.

21. "*AST&T*" means American Stock Transfer & Trust Company, LLC.

22. "*Auditor*" means the "Auditor" as defined in, and designated to conduct the Post-Closing Audit in accordance with, the Merger Agreement.

23. "*Bankruptcy Code*" means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time.

24. "*Bankruptcy Court*" means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 11 Cases or any other court having jurisdiction over the Chapter 11 Cases, including, to the extent of the withdrawal of any reference under 28 U.S.C. § 157, the United States District Court for the District of Delaware.

25. "*Bankruptcy Rules*" means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

26. "*Bar Date*" means the applicable date established by the Bankruptcy Court by which respective Proofs of Claims and Interests must be Filed.

27. "*Basis Step-Up*" means the net increase in the aggregate U.S. federal income tax basis of the assets transferred or deemed transferred to the Preferred Stock Entity pursuant to the Spin-Off Preferred Stock Sale equal

to the aggregate utilized amount of the net losses, net operating losses, and net capital losses (but only to the extent such net capital losses are deductible under applicable tax law against gain recognized on the Spin-Off Preferred Stock Sale) (in each case, including carryovers) available to the EFH Group as of the TCEH Effective Date (determined (a) as if the "consolidated year" (within the meaning of Section 1503(e)(2)(B) of the Internal Revenue Code) of the EFH Group ended on the TCEH Effective Date, and (b) without regard to any income, gain, loss or deduction generated as a result of the Spin-Off Preferred Stock Sale or transactions occurring outside the ordinary course of business on the TCEH Effective Date after the Spin-Off Preferred Stock Sale (other than any Deferred Intercompany and ELA Items (if any) and other transactions expressly contemplated by the Plan, any plan support agreement, or any definitive documentation related thereto)), such amount to be determined in accordance with the relevant procedures under the Plan Support Agreement, as modified consistent with the Tax Matters Agreement; *provided, however*, that any such Basis Step-Up shall not exceed the built-in gain in the assets subject to the Spin-Off Preferred Stock Sale.

28. "*BNY*" means, collectively: (a) BNYM; and (b) BNYMTC.

29. "*BNYM*" means The Bank of New York Mellon.

30. "*BNYMTC*" means The Bank of New York Mellon Trust Company, N.A.

31. "*Business Day*" means any day, other than a Saturday, Sunday, or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

32. "*Cash*" means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the U.S., less the amount of any outstanding checks or transfers at such time.

33. "*Cash Collateral Order*" means the *Final Order (A) Authorizing Use of Cash Collateral for Texas Competitive Electric Holdings Company LLC and Certain of its Debtor Affiliates, (B) Granting Adequate Protection, and (C) Modifying the Automatic Stay* [D.I. 855], as further amended, modified, and supplemented from time to time, including D.I. 5922 and D.I. 5923.

34. "*Cash Management Order*" means the *Final Order (A) Authorizing the Debtors to (I) Continue Using Their Existing Cash Management System, (II) Maintain Existing Bank Accounts and Business Forms, and (III) Continue Using Certain Investment Accounts; (B) Authorizing Continued Intercompany Transactions and Netting of Intercompany Claims; and (C) Granting Postpetition Intercompany Claims Administrative Expense Priority* [D.I. 801].

35. "*Causes of Action*" means any claims, interests, damages, remedies, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, in contract, tort, law, equity, or otherwise. Causes of Action also include: (a) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by law; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to sections 362, 510, 542, 543, 544 through 550, or 553 of the Bankruptcy Code; and (d) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code.

36. "*Centerview*" means Centerview Partners LLC.

37. "*Chapter 11 Cases*" means, collectively: (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court; and (b) when used with reference to all the Debtors, the procedurally consolidated and jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

38. "*Charging Lien Advance*" means the amount advanced and paid to the EFIH Unsecured Notes Trustee pursuant to that certain *Order Approving Additional Relief in Connection with Settlement of Certain EFIH PIK Noteholder Claims* [D.I. 7353] and any future amounts advanced and paid to the EFIH Unsecured Notes Trustee pursuant to the charging lien under the EFIH Unsecured Note Indentures.

39. "*Claim*" means any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.

40. "*Claims and Noticing Agent*" means Epiq Bankruptcy Solutions, LLC, retained as the Debtors' notice and claims agent pursuant to the *Order Approving the Retention and Appointment of Epiq Bankruptcy Solutions as the Claims and Noticing Agent for the Debtors* [D.I. 321].

41. "*Claims Objection Deadline*" means the later of: (a) the date that is 180 days after the Effective Date; and (b) such other date as may be fixed by the Bankruptcy Court, after notice and hearing, upon a motion Filed before the expiration of the deadline to object to Claims or Interests.

42. "*Claims Register*" means the official register of Claims maintained by the Claims and Noticing Agent.

43. "*Class*" means a category of Claims or Interests as set forth in Article III of the Plan.

44. "*CM/ECF*" means the Bankruptcy Court's Case Management and Electronic Case Filing system.

45. "*Collective Professional Fee Claims*" means Professional Fee Claims incurred by a Professional for the collective benefit of two or more of TCEH, EFH Corp., and EFIH.

46. "*Committees*" means, collectively: (a) the TCEH Committee; and (b) the EFH/EFIH Committee.

47. "*Company Disclosure Letter*" means "Company Disclosure Letter" as such term is defined in the Merger Agreement.

48. "*Competitive Tax Sharing Agreement*" means that certain Federal and State Income Tax Allocation Agreement Among the Members of the Energy Future Holdings Corp. Consolidated Group (as amended and restated from time to time), dated May 15, 2012, by and among EFH Corp. and certain of its direct and indirect subsidiaries.

49. "*Computershare Trust*" means, collectively: (a) Computershare Trust Company, N.A.; and (b) Computershare Trust Company of Canada.

50. "*Confirmation*" means the entry of the EFH Confirmation Order and/or the TCEH Confirmation Order, as applicable, on the docket of the Chapter 11 Cases.

51. "*Confirmation Date*" means EFH Confirmation Date and/or the TCEH Confirmation Date, as applicable.

52. "*Confirmation Hearing*" means the one or more hearings held by the Bankruptcy Court to consider Confirmation of the Plan as to one or more Debtors pursuant to section 1129 of the Bankruptcy Code.

53. "*Confirmation Order*" means the EFH Confirmation Order and/or the TCEH Confirmation Order, as applicable. The Confirmation Order may be comprised of one or more orders entered by the Bankruptcy Court.

54. "*Conflict Matters*" means for each of EFH Corp., EFIH, and EFCH/TCEH, as defined in the respective resolutions of the applicable Board of Directors or Board of Managers dated November 7, 2014 and December 9, 2014 including the determination of whether any matter constitutes a "Conflict Matter."

55. "*Consummation*" means the occurrence of the EFH Effective Date and/or the TCEH Effective Date, as applicable.

56. "*Contributed TCEH Debtors*" means those one or more TCEH Debtors mutually agreed on by EFH Corp. and the TCEH Supporting First Lien Creditors whose equity will be contributed by Reorganized TCEH to the Preferred Stock Entity in the Spin-Off Preferred Stock Sale, if any.

57. "*Contribution*" means, as part of the Spin-Off, immediately following the cancelation of Claims against the TCEH Debtors, the transfer to Reorganized TCEH by TCEH and the EFH Debtors of their applicable portion of the TCEH Assets, in exchange for the consideration described in Article IV.B.2 of the Plan.

58. "*Cure Claim*" means a Claim based upon the Debtors' defaults on an Executory Contract or Unexpired Lease at the time such Executory Contract or Unexpired Lease is assumed by the Debtors pursuant to section 365 of the Bankruptcy Code.

59. "*Dealer Managers*" means the dealer managers under that certain dealer manager agreement approved under the EFIH First Lien Principal Settlement Order.

60. "*Debtor*" means one of the Debtors, in its individual capacity as a debtor and debtor in possession in its respective Chapter 11 Case. As used herein, the term "Debtor" shall refer to the TCEH Debtors when referencing the plan of reorganization of the TCEH Debtors, shall refer to the EFH Debtors when referencing the plan of reorganization of the EFH Debtors, shall refer to the EFIH Debtors when referencing the plan of reorganization of the EFIH Debtors, and shall refer to the EFH Shared Services Debtors when referencing the plan of reorganization of the EFH Shared Services Debtors.

61. "*Debtor Intercompany Claim*" means a Claim by any Debtor against any other Debtor.

62. "*Debtors*" means, collectively: (a) the TCEH Debtors; (b) the EFIH Debtors; (c) the EFH Debtors; and (d) the EFH Shared Services Debtors. As used herein, the term "Debtors" shall refer to the TCEH Debtors when referencing the plan of reorganization of the TCEH Debtors, shall refer to the EFH Debtors when referencing the plan of reorganization of the EFH Debtors, shall refer to the EFIH Debtors when referencing the plan of reorganization of the EFIH Debtors, and shall refer to the EFH Shared Services Debtors when referencing the plan of reorganization of the EFH Shared Services Debtors.

63. "*Deferred Intercompany and ELA Items*" means intercompany items (as such term is defined in Treasury Regulations Section 1.1502-13(b)(2)) or any excess loss account (as such term is defined in Treasury Regulations Section 1.1502-19(a)), in each case, of any subsidiary of TCEH (other than TCEH Finance) that are accelerated into income as a result of the Distribution pursuant to Treasury Regulations Section 1.1502-13(d) or Section 1.1502-19.

64. "*DIP Agents*" means, collectively: (a) the TCEH DIP Agent; and (b) the EFIH First Lien DIP Agent.

65. "*DIP Agreements*" means, collectively: (a) the TCEH DIP Credit Agreement; and (b) the EFIH First Lien DIP Credit Agreement.

66. "*DIP Claims*" means, collectively: (a) the TCEH DIP Claims; and (b) the EFIH First Lien DIP Claims.

67. "*DIP Facilities*" means, collectively: (a) the TCEH DIP Facility; (b) the EFIH First Lien DIP Facility; and (c) the Refinanced TCEH DIP Facility.

68. "*DIP Lenders*" means the DIP Agents, the TCEH DIP L/C Issuers, the banks, financial institutions, and other lenders party to the DIP Facilities from time to time, and each arranger, bookrunner, syndication agent, manager, and documentation agent under the DIP Facilities; *provided, however*, that as used in

definition of "Released Parties" and "Releasing Parties," the definition of DIP Lenders shall include Citibank, N.A., in its capacity as administrative and collateral agent under the Refinanced TCEH DIP Facility, and such letter of credit issuers, banks, financial institutions, and other lenders party to such facility from time to time, and each other arranger, bookrunner, syndication agent, manager, and documentation agent under the Refinanced TCEH DIP Facility.

69. "*DIP Orders*" means, collectively: (a) the TCEH DIP Order; and (b) the EFIH First Lien Final DIP Order.

70. "*Direct Professional Fee Claims*" means Professional Fee Claims incurred by a Professional for the benefit of only one of the following: (a) the EFH Debtors; (b) the EFIH Debtors; or (c) the TCEH Debtors.

71. "*Disbursing Agent*" means the Reorganized Debtors or the Entity or Entities authorized to make or facilitate distributions under the Plan as selected by the Debtors or the Reorganized Debtors, as applicable, in consultation with the Plan Sponsor and the TCEH Supporting First Lien Creditors, *provided* that (a) the EFH Notes Trustee shall be the Disbursing Agent for Classes A4, A5, A6, and B5; (b) the EFIH Unsecured Notes Trustee shall be the Disbursing Agent for distributions to Holders of EFIH Unsecured Note Claims; (c) the EFIH First Lien Notes Trustee, or such other Disbursing Agent pursuant to the EFH Confirmation Order, shall be the Disbursing Agent for distributions to Holders of EFIH First Lien Note Claims; and (d) the EFIH Second Lien Notes Trustee, or other such Disbursing Agent pursuant to the EFH Confirmation Order, shall be the Disbursing Agent for distributions to Holders of EFIH Second Lien Note Claims.

72. "*Disclosure Statement*" means, as applicable, the TCEH Disclosure Statement and/or the EFH Disclosure Statement.

73. "*Disclosure Statement Order*" means, as applicable, the TCEH Disclosure Statement Order and/or the EFH Disclosure Statement Order.

74. "*Disinterested Directors and Managers*" means the disinterested directors and managers of EFH Corp., EFIH, and EFCH/TCEH.

75. "*Disinterested Directors Settlement*" means the settlement negotiated by and among the Disinterested Directors and Managers regarding Debtor Intercompany Claims set forth in the Initial Plan.

76. "*Disputed*" means with regard to any Claim or Interest, a Claim or Interest that is not yet Allowed.

77. "*Distribution*" means, as part of the Spin-Off, and following the Contribution and the Reorganized TCEH Conversion, distribution of (a) the Reorganized TCEH Common Stock; (b) the net Cash proceeds of the New Reorganized TCEH Debt (or at the TCEH Supporting First Lien Creditors' election, all or a portion of such New Reorganized TCEH Debt) and the Spin-Off Preferred Stock Sale, if any, (c) the Spin-Off TRA Rights (if any), and (d) proceeds from the TCEH Settlement Claim, if determined as of the TCEH Effective Date, and to the extent not determined as of the TCEH Effective Date, the right to receive recoveries under the TCEH Settlement Claim; provided, that following the TCEH Effective Date, Reorganized TCEH will nominally hold the right to receive recoveries under the TCEH Settlement Claim but the Holders of Allowed TCEH First Lien Secured Claims will hold all legal and equitable entitlement to receive recoveries under the TCEH Settlement Claim, in the case of clauses (a), (b), and (c) above, received in the Contribution to Holders of Allowed TCEH First Lien Secured Claims.

78. "*Distribution Date*" means the Effective Date and any Periodic Distribution Date thereafter.

79. "*Distribution Record Date*" means other than with respect to any publicly-held securities, the record date for purposes of making distributions under the Plan on account of Allowed Claims and Allowed Interests (other than DIP Claims), which date shall be the date that is five (5) Business Days after the Confirmation Date, as applicable, or such other date as designated in an order of the Bankruptcy Court; *provided, however*, that the Distribution Record Date for all Holders of EFH Unexchanged Note Claims, EFH Legacy Note Claims, and

EFH LBO Note Claims shall be November 20, 2016; *provided further, however*, that the Distribution Record Date for the Holders of Allowed Class C3 Claims shall be the date that is five (5) Business Days after the TCEH Confirmation Date, or such other date as designated in an order of the Bankruptcy Court, regardless of whether distributions on account of such Claims are made on the TCEH Effective Date or the EFH Effective Date.

80. "*DTC*" means the Depository Trust Company.

81. "*EFCH*" means Energy Future Competitive Holdings Company LLC, a Delaware limited liability company.

82. "*EFCH 2037 Note Claim*" means any Claim derived from or based upon the EFCH 2037 Notes.

83. "*EFCH 2037 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated December 1, 1995, by and between EFCH, successor to TXU US Holdings Company, as issuer, and the EFCH 2037 Notes Trustee.

84. "*EFCH 2037 Notes*" means, collectively: (a) the EFCH Fixed 2037 Notes; and (b) the EFCH Floating 2037 Notes.

85. "*EFCH 2037 Notes Trustee*" means BNYMTC, or any successor thereto, as trustee under the EFCH 2037 Note Indenture.

86. "*EFCH Fixed 2037 Notes*" means the 8.175% fixed rate notes due January 30, 2037, issued by EFCH pursuant to the EFCH 2037 Note Indenture.

87. "*EFCH Floating 2037 Notes*" means the 1.245% floating rate notes due January 30, 2037, issued by EFCH pursuant to the EFCH 2037 Note Indenture.

88. "*EFCH/TCEH*" means, collectively: (a) EFCH; and (b) TCEH.

89. "*Effective Date*" means the EFH Effective Date and/or the TCEH Effective Date, as applicable with respect to any particular Debtor.

90. "*Effective Dates*" means, collectively: (a) the EFH Effective Date; and (b) the TCEH Effective Date.

91. "*EFH 2019 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated November 16, 2009, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

92. "*EFH 2019 Notes*" means the 9.75% unsecured notes due October 15, 2019, issued by EFH Corp. pursuant to the EFH 2019 Note Indenture.

93. "*EFH 2020 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated January 12, 2010, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

94. "*EFH 2020 Notes*" means the 10.0% unsecured notes due January 15, 2020, issued by EFH Corp. pursuant to the EFH 2020 Note Indenture.

95. "*EFH Beneficiary Claims*" means, collectively: (a) the Allowed EFH Non-Qualified Benefit Claims; (b) the Allowed EFH Unexchanged Note Claims; and (c) the Allowed General Unsecured Claims Against EFH Corp.; *provided, however*, that any of the foregoing Claims shall cease to constitute EFH Beneficiary Claims if the Class comprised of such Claims fails to accept or fails to reject the Plan consistent with the Voting Indication (as such term is defined in the EFH/EFIH Committee Settlement), if any.

96. "*EFH Committee Settlement Escrow Account*" means an escrow account in an amount equal to $9,450,000.00, which shall be funded from and reduce the TCEH Cash Payment dollar for dollar; *provided* that such escrow account shall provide that distributions from such account shall be made *first* to Reorganized TCEH in an amount equal to the EFH Committee Settlement Payment Amount, and *second*, to the extent the EFH Committee Settlement Escrow Account exceeds the EFH Committee Settlement Payment Amount, such excess amounts shall be distributed in a manner consistent with the distribution of the TCEH Cash Payment in accordance with Article III.B.30 and III.B.31 of the Plan.

97. "*EFH Committee Settlement Payment Amount*" means an amount equal to 25% of the TCEH Settlement Claim Turnover Distributions.

98. "*EFH Confirmation Date*" means the date upon which the Bankruptcy Court enters the EFH Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

99. "*EFH Confirmation Order*" means one or more orders of the Bankruptcy Court confirming the Plan with respect to one or more EFH Debtors or EFIH Debtors pursuant to section 1129 of the Bankruptcy Code. The EFH Confirmation Order shall be reasonably acceptable to the EFIH DIP Agents and acceptable to the Plan Sponsor.

100. "*EFH Corp.*" means Energy Future Holdings Corp., a Texas corporation.

101. "*EFH Corp. Claims*" means, collectively: (a) the Allowed EFH Legacy Note Claims; (b) the Allowed EFH Swap Claims; (c) the Allowed EFH LBO Note Primary Claims; (d) the Allowed TCEH Settlement Claim; (e) the Allowed EFH Non-Qualified Benefit Claims; (f) the Allowed EFH Unexchanged Note Claims; (g) the Allowed General Unsecured Claims Against EFH Corp.; (h) the Allowed General Unsecured Claims Against EFH Debtors Other Than EFH Corp; and (i) the Allowed Tex-La Guaranty Claims; *provided, however*, that if the Holders of Allowed EFH LBO Note Primary Claims receive a recovery on account of their Allowed Class B5 EFH LBO Note Guaranty Claims, the Allowed EFH LBO Note Primary Claims shall not be included in this definition of EFH Corp. Claims; *provided further, however*, that if the Holders of Allowed Tex-La Guaranty Claims receive full recovery on account of their Allowed Class C1 Other Secured Claims Against the TCEH Debtors, the Allowed Tex-La Guaranty Claims shall not be included in this definition of EFH Corp. Claims.

102. "*EFH Corporate Services*" means EFH Corporate Services Company, a Texas corporation.

103. "*EFH Creditor Recovery Pool*" means, collectively: (i) the Reorganized EFH Class A Common Stock as set forth in Article IV.B.9 of the Plan, which shall, at the Merger Closing, convert to the right to receive the NextEra Class A Common Stock Investment in accordance with the Merger Agreement; (ii) any Cash remaining in the EFH/EFIH Distribution Account after payment in full of (a) Allowed Claims against EFIH Debtors, and (b) Allowed Administrative Claims and Allowed Priority Claims against the EFH Debtors; *provided, however*, that the Holders of Allowed EFH Non-Qualified Benefit Claims shall receive Cash instead of NextEra Class A Common Stock on account of their Claims (including any TCEH Settlement Claim Turnover Distributions distributed to such Holders of EFH Non-Qualified Benefit Claims); *provided, further, however*, that (x) the amount of the NextEra Class A Common Stock Investment shall be reduced proportionately on account of such Cash payment and (y) to the extent necessary to satisfy the continuity of interest requirement, the amount of Cash in the EFH/EFIH Distribution Account, with respect to the EFIH Unsecured Creditor Recovery Pool, shall be reduced by reducing the Merger Sub Cash Amount by such amount, with a corresponding equal increase in the amount of the NextEra Class B Common Stock Investment or NextEra Class A Common Stock Investment, determined consistently with the provisions of Article IV.B.9 of the Plan and Section 1.12 of the Merger Agreement; *provided, further, however*, that the amount of Cash in the EFH Creditor Recovery Pool shall be limited to the amount of Cash that can be distributed to Holders of Claims against EFH Corp. while satisfying the continuity of interest requirements under section 368 and 355 of the Internal Revenue Code; *provided, further, however*, that if there is a determination in advance of the EFH Effective Date that there is a reasonable risk that the amount of Cash in the EFH Creditor Recovery Pool would prevent the satisfaction of the continuity of interest requirement, a reduction to the Merger Sub Cash Amount, with a corresponding increase to the NextEra Class A Common Stock Investment and/or NextEra Class B Common Stock Investment, shall be made in an amount determined consistently with

Article IV.B.9 of the Plan and Section 1.12 of the Merger Agreement; *provided, further, however*, that to the extent the amount of Cash in the EFH Creditor Recovery Pool would nevertheless cause a violation of the continuity of interest requirement (after accounting for the adjustments to the Merger Sub Cash Amount and the NextEra Class A Common Stock Investment and/or NextEra Class B Common Stock Investment), such Cash will not be included in the EFH Creditor Recovery Pool; and (iii) any reorganized EFH Class B Common Stock or NextEra Class B Common Stock distributable from the Makewhole Stock Reserve to Holders of Claims against the EFH Debtors in accordance with Article IV.B.9 of the Plan and the Reorganized EFH Stock Issuance Procedures.

104. "*EFH Debtor Intercompany Claim*" means any Claim by an EFH Debtor against another EFH Debtor.

105. "*EFH Debtors*" means, collectively: (a) EFH Corp.; (b) Ebasco Services of Canada Limited; (c) EEC Holdings, Inc.; (d) EECI, Inc.; (e) EFH Australia (No. 2) Holdings Company; (f) EFH Finance (No. 2) Holdings Company; (g) EFH FS Holdings Company; (h) EFH Renewables Company LLC; (i) Generation Development Company LLC; (j) LSGT Gas Company LLC; (k) LSGT SACROC, Inc.; (l) NCA Development Company LLC; and (m) TXU Receivables Company.

106. "*EFH Disclosure Statement*" means (a) with respect to all Holders of Claims against, and Interests in, the EFH Debtors and EFIH Debtors other than Holders of Class B3, Class B4, and Class B6 Claims, the *Disclosure Statement for the Fourth Amended Joint Plan of Reorganization of Energy Future Holdings Corp.*, et al., *Pursuant to Chapter 11 of the Bankruptcy Code with Respect to the EFH Debtors and EFIH Debtors*, dated September 21, 2016 [D.I. 9616], including all exhibits and schedules thereto, as approved pursuant to the applicable EFH Disclosure Statement Order and (b) with respect to Holders of Class B3, Class B4, and Class B6 Claims, the *Disclosure Statement for the Seventh Amended Joint Plan of Reorganization of Energy Future Holdings Corp.*, et al., *Pursuant to Chapter 11 of the Bankruptcy Code with Respect to the EFH Debtors and EFIH Debtors*, dated January 4, 2017, [D.I. 10564], including all exhibits and schedules thereto, as approved pursuant to the applicable EFH Disclosure Statement Order .

107. "*EFH Disclosure Statement Order*" means (a) with respect to all Holders of Claims against, and Interests in, the EFH Debtors and EFIH Debtors other than Holders of Class B3, Class B4, and Class B6 Claims, the *Order (A) Approving the EFH/EFIH Disclosure Statement, (B) Establishing the Voting Record Date, Voting Deadline, and Other Dates, (C) Approving Procedures for Soliciting, Receiving, and Tabulating Votes on the Plan and for Filing Objections to the Plan, and (D) Approving the Manner and Forms of Notice and Other Related Documents* [D.I. 9585] and (b) with respect to Holders of Class B3, Class B4, and Class B6 Claims, the *Supplemental Order (A) Binding Holders of Claims and Interests to Their Prior Ballots, Pursuant to Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, (B) Approving the Revised EFH/EFIH Disclosure Statement, (C) Approving the Procedures and Timeline for the Limited Solicitation of Votes on the Plan, and (D) Approving the Manner and Forms of Notice Related Thereto* [D.I. 10560].

108. "*EFH Effective Date*" means, with respect to the Plan, the date after the EFH Confirmation Date selected by (a) the EFH Debtors and EFIH Debtors, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor and (b) the Plan Sponsor, on which: (i) no stay of the EFH Confirmation Order is in effect; and (ii) all conditions precedent to the EFH Effective Date specified in Article IX.D have been satisfied or waived (in accordance with Article IX.E).

109. "*EFH/EFIH Assumed Executory Contracts and Unexpired Leases*" means those Executory Contracts and Unexpired Leases to be assumed by the Reorganized EFH and Reorganized EFIH, as set forth on the EFH/EFIH Assumed Executory Contract and Unexpired Lease List.

110. "*EFH/EFIH Assumed Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases to be assumed (with proposed cure amounts), as determined by the Plan Sponsor, in its sole discretion, the form of which shall be included in the Plan Supplement; *provided, however,* that notwithstanding Article V.F. herein, the following contracts to the extent such contracts are executory contracts, shall be deemed assumed by Reorganized EFH and Reorganized EFIH, as applicable: (a) the Insurance Policies that provide coverage to the TCEH Debtors or EFH Shared Services Debtors, (b) D&O Insurance Policies at EFH

Corp. for the benefit of current or former directors, managers, officers, and, employees, and (c) any D&O priority agreement between EFH Corp. and the sponsoring institution of certain directors.

111. "*EFH/EFIH Committee*" means the statutory committee of unsecured creditors of EFH Corp., EFIH, EFIH Finance, and EECI, Inc., appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on October 27, 2014, the membership of which may be reconstituted from time to time.

112. "*EFH/EFIH Committee Settlement*" means the Settlement & Support Agreement, dated as of November 23, 2015, by and among EFH Corp., EFIH, EFIH Finance, EEC Holdings, Inc., EECI, Inc., LSGT Gas Company LLC, LSGT SACROC, Inc., TCEH, the EFH/EFIH Committee, the EFH Notes Trustee, the TCEH Supporting First Lien Creditors, the Original Plan Sponsors, and the TCEH Committee, as approved under the EFH/EFIH Committee Settlement Order.

113. "*EFH/EFIH Committee Settlement Order*" means the *Order Approving Settlement Among Debtors, EFH Committee, EFH Notes Trustee, and Certain Other Parties* [D.I. 7143], entered by the Bankruptcy Court on November 25, 2015.

114. "*EFH/EFIH Committee Standing Motion*" means the *Motion of the EFH Official Committee for Entry of an Order Granting Derivative Standing and Authority to Prosecute and Settle Claims on Behalf of the Luminant Debtors' Estates* [D.I. 3605].

115. "*EFH/EFIH Debtors*" means, collectively: (a) the EFH Debtors; and (b) the EFIH Debtors.

116. "*EFH/EFIH Distribution Account*" means collectively, the following interest-bearing escrow accounts collectively consisting of (a) the Merger Sub Cash Amount, (b) the Cash distributed to satisfy Allowed EFH Non-Qualified Benefit Claims, (c) the EFIH Unsecured Creditor Cash Pool, and (d) any other amounts to be funded into the EFH/EFIH Distribution Account pursuant to the terms of the Plan, Merger Agreement, or the Settlement Approval Order, provided that neither the Plan Sponsor, Merger Sub, the EFH/EFIH Debtors, nor Reorganized EFH or Reorganized EFIH shall have any obligation to fund any amounts other than as set forth in the Plan or Merger Agreement, as applicable, which accounts shall be administered by the EFH Plan Administrator Board. The EFH/EFIH Distribution Account shall include (a) a general escrow account, into which the Merger Sub Cash Amount shall be funded; (b) the segregated EFIH Claims Reserve that will be established on the EFH Effective Date if the EFIH Settlement Approval Order is not entered as of or on the EFH Effective Date; and (c) any segregated accounts within the EFH/EFIH Distribution Account established pursuant to a Reserve Order.

117. "*EFH/EFIH Plan Supporters*" means, collectively: (a) the Plan Sponsor; and (b) excluding the EFH Debtors and the EFIH Debtors, all other parties to the Plan Sponsor Plan Support Agreement and the EFIH Unsecured Creditor Plan Support Agreement.

118. "*EFH/EFIH Rejected Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases to be rejected, as determined by the Plan Sponsor, in its sole discretion, the form of which shall be included in the Plan Supplement.

119. "*EFH Group*" means the "affiliated group" (within the meaning of Section 1504(a)(1) of the Internal Revenue Code), and any consolidated, combined, aggregate, or unitary group under state or local law, of which EFH Corp. is the common parent.

120. "*EFH LBO Note Claims*" means, collectively: (a) the EFH LBO Note Primary Claims; and (b) the EFH LBO Note Guaranty Claims.

121. "*EFH LBO Note Guaranty Claim*" means any Claim against EFIH derived from or based upon the EFH LBO Notes.

122. "*EFH LBO Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated October 31, 2007, by and among EFH Corp., as issuer, EFCH and EFIH as guarantors, and the EFH Notes Trustee.

123. "*EFH LBO Note Primary Claim*" means any Claim against EFH Corp. derived from or based upon the EFH LBO Notes.

124. "*EFH LBO Notes*" means, collectively: (a) the EFH LBO Senior Notes; and (b) the EFH LBO Toggle Notes.

125. "*EFH LBO Senior Notes*" means the 10.875% senior notes due November 1, 2017, issued by EFH Corp. pursuant to the EFH LBO Note Indenture.

126. "*EFH LBO Toggle Notes*" means the 11.25%/12.00% toggle notes due November 1, 2017, issued by EFH Corp. pursuant to the EFH LBO Note Indenture.

127. "*EFH Legacy Note Claims*" means, collectively: (a) the EFH Legacy Series P Claims; (b) the EFH Legacy Series Q Claims; and (c) the EFH Legacy Series R Claims.

128. "*EFH Legacy Note Indentures*" means, collectively: (a) the EFH Legacy Series P Indenture; (b) the EFH Legacy Series Q Indenture; and (c) the EFH Legacy Series R Indenture.

129. "*EFH Legacy Notes*" means, collectively: (a) the EFH Legacy Series P Notes; (b) the EFH Legacy Series Q Notes; and (c) the EFH Legacy Series R Notes.

130. "*EFH Legacy Series P Claim*" means any Claim derived from or based upon the EFH Legacy Series P Notes, excluding any Claims derived from or based upon EFH Legacy Series P Notes held by EFIH (if any).

131. "*EFH Legacy Series P Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated November 1, 2004, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

132. "*EFH Legacy Series P Notes*" means the 5.55% Series P Senior Notes due November 15, 2014, issued by EFH Corp. pursuant to the EFH Legacy Series P Indenture and related officer's certificate.

133. "*EFH Legacy Series Q Claim*" means any Claim derived from or based upon the EFH Legacy Series Q Notes, excluding any Claims derived from or based upon EFH Legacy Series Q Notes held by EFIH (if any).

134. "*EFH Legacy Series Q First Supplemental Indenture*" means that certain Supplemental Indenture, dated December 5, 2012, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

135. "*EFH Legacy Series Q Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated November 1, 2004, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

136. "*EFH Legacy Series Q Notes*" means the 6.50% Series Q Senior Notes due November 15, 2024, issued by EFH Corp. pursuant to the EFH Legacy Series Q Indenture and related officer's certificate.

137. "*EFH Legacy Series R Claim*" means any Claim derived from or based upon the EFH Legacy Series R Notes, excluding any Claims derived from or based upon EFH Legacy Series R Notes held by EFIH (if any).

138. "*EFH Legacy Series R First Supplemental Indenture*" means that certain Supplemental Indenture, dated December 5, 2012, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

139. "*EFH Legacy Series R Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated November 1, 2004, by and among EFH Corp., as issuer, and the EFH Notes Trustee.

140. "*EFH Legacy Series R Notes*" means the 6.55% Series R Senior Notes due November 15, 2034, issued by EFH Corp. pursuant to the EFH Legacy Series R Indenture and related officer's certificate.

141. "*EFH Non-Debtors*" means, collectively: (a) TXU Europe Limited; (b) TXU Eastern Finance (A) Ltd; (c) TXU Eastern Finance (B) Ltd; (d) TXU Finance (No. 2) Limited; (e) TXU Eastern Funding Company; (f) TXU Acquisitions Limited; (g) Humphreys & Glasgow Limited; (h) EFH Vermont Insurance Company; and (i) any other non-U.S., non-Debtor Entities.

142. "*EFH Non-Qualified Benefit Claim*" means any Claim against the EFH Debtors derived from or based upon an EFH Non-Qualified Benefit Plan.

143. "*EFH Non-Qualified Benefit Plan*" means either: (a) a non-contributory, non-qualified pension plan that provides retirement benefits to participants whose tax-qualified pension benefits are limited due to restrictions under the Internal Revenue Code and/or deferrals to other benefit programs; and/or (b) a contributory, non-qualified defined contribution plan that permits participants to voluntarily defer a portion of their base salary and/or annual incentive plan bonuses.

144. "*EFH Note Indentures*" means, collectively: (a) the EFH Legacy Note Indentures; (b) the EFH LBO Note Indenture; (c) the EFH 2019 Note Indenture; and (d) the EFH 2020 Note Indenture.

145. "*EFH Notes Trustee*" collectively means AST&T, in its capacity as successor trustee to BNYMTC under the EFH Note Indentures.

146. "*EFH Plan Administrator Board*" shall be a one- or two-member board of directors comprised of a person or persons to be identified in the Plan Supplement as determined by the EFH Debtors and EFIH Debtors in their sole and absolute discretion, which board shall be appointed on or after the EFH Effective Date and tasked with directing the Disbursing Agent with respect to Cash distributions made on account of Allowed Claims asserted against the EFH Debtors and EFIH Debtors and shall not, for the avoidance of doubt, be authorized to direct the Disbursing Agent with respect to any Cash distributions made on account of Allowed Claims asserted against the TCEH Debtors or EFH Shared Services Debtors, if any.

147. "*EFH Professional Fee Escrow Account*" means an escrow account established and funded pursuant to Article II.A.2(b) of the Plan for Professional Fee Claims allocated to the EFH Debtors or the Reorganized EFH Debtors pursuant to pursuant to Article II.A.2(d) of the Plan.

148. "*EFH Professional Fee Reserve Amount*" means the total amount of Professional Fee Claims estimated to be allocated to the EFH Debtors or the Reorganized EFH Debtors in accordance with Article II.A.2(c) of the Plan.

149. "*EFH Series N Note Claim*" means any Claim derived from or based upon the EFH Series N Notes.

150. "*EFH Series N Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated July 3, 2003, by and among EFH Corp., as issuer, and the EFH Series N Trustee.

151. "*EFH Series N Notes*" means the floating rate convertible notes due 2033 issued by EFH Corp. pursuant to the EFH Series N Note Indenture.

152. "*EFH Series N Notes Trustee*" means BNYMTC, in its capacity under the EFH Series N Notes.

153. "*EFH Shared Services Debtor Intercompany Claim*" means any Claim by an EFH Shared Services Debtor against another EFH Shared Services Debtor.

154. "*EFH Shared Services Debtors*" means, collectively: (a) EFH Corporate Services; (b) Dallas Power and Light Company, Inc.; (c) EFH CG Holdings Company LP; (d) EFH CG Management Company LLC; (e) Lone Star Energy Company, Inc.; (f) Lone Star Pipeline Company, Inc.; (g) Southwestern Electric Service Company, Inc.; (h) Texas Electric Service Company, Inc.; (i) Texas Energy Industries Company, Inc.; (j) Texas Power and Light Company, Inc.; (k) Texas Utilities Company, Inc.; (l) Texas Utilities Electric Company, Inc.; (m) TXU Electric Company, Inc.; (n) Brighten Energy LLC; and (o) Brighten Holdings LLC.

155. "*EFH Swap Claim*" means any Claim against EFH Corp. derived from or based upon the EFH Swaps.

156. "*EFH Swaps*" means those certain swaps entered into by EFH Corp. on an unsecured basis.

157. "*EFH Unexchanged Notes Indentures*" means, collectively: (a) the EFH 2019 Note Indenture; and (b) the EFH 2020 Note Indenture.

158. "*EFH Unexchanged Note Claim*" means any Claim derived from or based upon the EFH Unexchanged Notes.

159. "*EFH Unexchanged Notes*" means, collectively: (a) the EFH 2019 Notes; and (b) the EFH 2020 Notes.

160. "*EFIH*" means Energy Future Intermediate Holding Company LLC, a Delaware limited liability company.

161. "*EFIH Base Payment Amount*" means the represented, accrued, and unpaid fees and expenses incurred as of the EFH Effective Date by the EFIH Unsecured Notes Trustee (including all reasonable professional fees and expenses).

162. "*EFIH Collateral Trust Agreement*" means the collateral trust agreement by and between EFIH, Delaware Trust Company, as successor collateral trustee to BNY, and the other Secured Debt Representatives from time to time party thereto dated as of November 16, 2009.

163. "*EFIH Claims Reserve*" means, if the Settlement Approval Order is not entered before the EFH Effective Date, the interest-bearing account established on the EFH Effective Date using the Merger Sub Cash Amount and Cash on hand at EFIH as of the EFH Effective Date, and excluding in all instances the Cash on hand at EFH Corp. as of the EFH Effective Date, and, without duplication, and excluding in all instances the Makewhole Stock Reserve, which shall consist of all available Merger Sub Cash Amount funds (subject to the limits identified in the immediately preceding proviso), less any amounts determined by the EFIH Debtors to be amounts necessary to satisfy General Administrative Claims asserted against the EFIH Debtors and Priority Claims asserted against the EFIH Debtors; *provided, however*, that (a) any fees incurred by (1) the EFH/EFIH Debtors and (2) the Plan Sponsor, in an amount not to exceed $200,000, in each case arising from or related to any and all litigation and settlements relating to the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims, during the period between the EFH Effective Date and the earlier of (A) the denial of the Settlement Approval Order and (B) entry of the Reserve Order, shall be satisfied, in full, from the EFIH Claims Reserve, (b) any payments required to be made to the Plan Sponsor pursuant to the Post-Closing Audit may be made from the EFIH Claims Reserve; (c) the EFIH Claims Reserve may be further modified pursuant to a Reserve Order entered after the EFH Effective Date (and without prejudice to any parties' rights and objections to be addressed at the Reserve Hearing prior to entry of the Reserve Order); and (d) neither Reorganized EFIH nor the Plan Sponsor shall have any obligation to fund the EFIH Claims Reserve with Cash on hand after the EFH Effective Date and the EFIH Claims Reserve shall be funded solely using the Merger Sub Cash Amount and Cash on hand at EFIH immediately prior to the EFH Effective Date. For the avoidance of doubt, (i) neither of the amount of Cash on hand at EFH Corp. or the Makewhole Stock Reserve shall be used to fund the EFIH Claims Reserve and (ii) the establishment of the EFIH Claims Reserve is not an admission of liability by any party, including the Debtors, the Reorganized Debtors, the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, and the Initial

Supporting Creditors, as to the validity or amount of any potential claims and the amounts being reserved for in the EFIH Claims Reserve.

164. "*EFIH Debtor Intercompany Claim*" means any Claim by an EFIH Debtor against another EFIH Debtor.

165. "*EFIH Debtors*" means, collectively: (a) EFIH; and (b) EFIH Finance.

166. "*EFIH DIP Secured Cash Management Banks*" means the "Secured Cash Management Banks," as defined in the EFIH First Lien Final DIP Order.

167. "*EFIH DIP Secured Cash Management Obligations*" means the "Secured Cash Management Obligations," as defined in the EFIH First Lien Final DIP Order.

168. "*EFIH DIP Secured Hedge Banks*" means the "Secured Hedge Banks," as defined in the EFIH First Lien Final DIP Order.

169. "*EFIH DIP Secured Hedge Obligations*" means the "Secured Hedge Obligations," as defined in the EFIH First Lien Final DIP Order.

170. "*EFIH Finance*" means EFIH Finance Inc., a Delaware corporation.

171. "*EFIH First Lien 6.875% Notes*" means the EFIH First Lien Notes that bear interest (because of an increase in the rate of 50 basis points due to the EFIH Debtors' failure to register them) under the applicable agreements at a rate of 7.375% per annum (CUSIPs 29269Q AE7 & U29197).

172. "*EFIH First Lien 10.0% Notes*" means the EFIH First Lien Notes that bear interest under the applicable agreements at a rate of 10.000% per annum (CUSIP 29269QAA5).

173. "*EFIH First Lien 10.5% Notes*" means the EFIH First Lien Notes that bear interest (because of an increase in the rate of 50 basis points due to the EFIH Debtors' failure to register them) under the applicable agreements at a rate of 10.500% per annum (CUSIPs 29269QAK3 & U29197AG2).

174. "*EFIH First Lien 2017 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated August 14, 2012, by and among the EFIH Debtors, as issuers, and the EFIH First Lien Notes Trustee.

175. "*EFIH First Lien 2017 Notes*" means the 6.875% senior secured notes due August 15, 2017, issued by the EFIH Debtors pursuant to the EFIH First Lien 2017 Note Indenture.

176. "*EFIH First Lien 2020 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated August 17, 2010, by and among the EFIH Debtors, as issuers, and the EFIH First Lien Notes Trustee.

177. "*EFIH First Lien 2020 Notes*" means the 10.0% senior secured notes due December 1, 2020, issued by the EFIH Debtors pursuant to the EFIH First Lien 2020 Note Indenture.

178. "*EFIH First Lien DIP Agent*" means Deutsche Bank AG New York Branch, or its duly appointed successor, in its capacity as administrative agent and collateral agent for the EFIH First Lien DIP Facility.

179. "*EFIH First Lien DIP Claim*" means any Claim derived from or based upon the EFIH First Lien DIP Credit Agreement or the EFIH First Lien Final DIP Order, including Claims for all principal amounts outstanding, interest, fees, expenses, costs, and other charges.

180. "*EFIH First Lien DIP Collateral*" means the "EFIH DIP Collateral," as defined in the EFIH First Lien Final DIP Order.

181. "*EFIH First Lien DIP Contingent Obligations*" means the "Contingent Obligations," as defined in the EFIH First Lien DIP Credit Agreement, including any and all expense reimbursement obligations of the Debtors that are contingent as of the EFH Effective Date.

182. "*EFIH First Lien DIP Credit Agreement*" means that certain Senior Secured Superpriority Debtor-in-Possession Credit Agreement, dated as of June 19, 2014, as amended, supplemented, or modified from time to time, by and among EFIH, EFIH Finance, the banks, financial institutions, and other lenders from time to time party thereto, the EFIH First Lien DIP Agent, and the other agents and entities party thereto, collectively with the "EFIH First Lien DIP Documents," as defined in the EFIH First Lien Final DIP Order.

183. "*EFIH First Lien DIP Facility*" means the EFIH Debtors' $5.4 billion debtor-in-possession financing facility, as approved on a final basis pursuant to the EFIH First Lien Final DIP Order.

184. "*EFIH First Lien DIP Repayment Amount*" means an amount in Cash sufficient to repay all outstanding Allowed EFIH First Lien DIP Claims in accordance with Article II.B.2 of the Plan.

185. "*EFIH First Lien Final DIP Order*" means the *Final Order (A) Approving Postpetition Financing For Energy Future Intermediate Holding Company LLC and EFIH Finance Inc., (B) Granting Liens and Providing Superpriority Administrative Expense Claims, (C) Approving the Use of Cash Collateral by Energy Future Intermediate Holding Company LLC and EFIH Finance Inc., (D) Authorizing the EFIH First Lien Repayment, (E) Authorizing Issuance of Roll-Up Debt to the Extent Authorized by the Settlement Orders, and (F) Modifying the Automatic Stay* [D.I. 859], as amended by the *Amended Final Order (A) Approving Postpetition Financing for Energy Future Intermediate Holding Company LLC and EFIH Finance Inc., (B) Granting Liens and Providing Superpriority Administrative Expense Claims, (C) Approving the Use of Cash Collateral by Energy Future Intermediate Holding Company LLC and EFIH Finance Inc., (D) Authorizing the EFIH First Lien Repayment, (E) Authorizing Issuance of Roll-Up Debt to the Extent Authorized by the Settlement Orders, and (F) Modifying the Automatic Stay* [D.I. 3856].

186. "*EFIH First Lien Intercreditor Action*" means the pending appeal by the EFIH First Lien Notes Trustee against the EFIH Second Lien Notes Trustee for turnover and other relief (*Delaware Trust Company, as Indenture Trustee v. Computershare Trust Company, N.A.* , et al., No. 16-cv-461 (D. Del.)

187. "*EFIH First Lien Makewhole Claims*" means the Makewhole Claims in respect of the EFIH First Lien Notes.

188. "*EFIH First Lien Note Claim*" means any Secured Claim derived from or based upon the EFIH First Lien Notes (including, for the avoidance of doubt, any Claim by a Holder of an EFIH First Lien Note Claim or the EFIH First Lien Notes Trustee based upon or under the EFIH Collateral Trust Agreement).

189. "*EFIH First Lien Note Indentures*" means, collectively: (a) the EFIH First Lien 2017 Note Indenture; and (b) the EFIH First Lien 2020 Note Indenture.

190. "*EFIH First Lien Notes*" means, collectively: (a) the EFIH First Lien 2017 Notes; and (b) the EFIH First Lien 2020 Notes (and the EFIH First Lien 2017 Note Indenture and the EFIH First Lien 2020 Note Indenture).

191. "*EFIH First Lien Notes Trustee*" means Delaware Trust Company, as successor indenture trustee to BNY.

192. "*EFIH First Lien Principal Settlement*" means that certain settlement approved by the EFIH First Lien Principal Settlement Order.

193. "*EFIH First Lien Principal Settlement Order*" means the *Order Approving EFIH First Lien Settlement* [D.I. 858].

194. "*EFIH Intercreditor Litigation*" means the litigation commenced by the EFIH First Lien Notes Trustee against the EFIH Second Lien Notes Trustee for turnover and other relief, *Delaware Trust Company, as Indenture Trustee* v. *Computershare Trust Company, N.A., et al*., Adv. Pro. Np. 14-50410-CSS (Bankr. D. Del.) and any pending appeals related thereto.

195. "*EFIH Professional Fee Escrow Account*" means an escrow account established and funded pursuant to Article II.A.2(b) of the Plan for Professional Fee Claims allocated to the EFIH Debtors or the Reorganized EFIH Debtors pursuant to pursuant to Article II.A.2(d) of the Plan.

196. "*EFIH Professional Fee Reserve Amount*" means the total amount of Professional Fee Claims estimated to be allocated to the EFIH Debtors or the Reorganized EFIH Debtors in accordance with Article II.A.2(c) of the Plan.

197. "*EFIH Second Lien Makewhole Claims*" means the Makewhole Claims in respect of the EFIH Second Lien Notes.

198. "*EFIH Second Lien Note Claim*" means any Secured Claim derived from or based upon the EFIH Second Lien Notes (including, for the avoidance of doubt, any Claim by a Holder of an EFIH Second Lien Note Claim or the EFIH Second Lien Notes Trustee based upon or under the EFIH Collateral Trust Agreement).

199. "*EFIH Second Lien Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated April 25, 2011, by and among the EFIH Debtors, as issuers, and the EFIH Second Lien Notes Trustee.

200. "*EFIH Second Lien Notes*" means, collectively: (a) the 11.0% senior secured second lien notes due October 1, 2021 (the "EFIH Second Lien 11.0% Notes"); and (b) the 11.75% senior secured second lien notes due March 1, 2022 (the "EFIH Second Lien 11.75% Notes"), issued by the EFIH Debtors pursuant to the EFIH Second Lien Note Indenture (and the EFIH Second Lien Note Indenture).

201. "*EFIH Second Lien Notes Trustee*" means Computershare Trust, as successor indenture trustee to BNY.

202. "*EFIH Second Lien Note Repayment Amount*" means an amount in Cash sufficient to repay all outstanding EFIH Second Lien Note Claims in accordance with, and to the extent provided in, Article III.B.20 of the Plan, excluding any amounts paid on account of EFIH Second Lien Note Claims as set forth in Article III.B.20(b)(iii) and (iv).

203. "*EFIH Second Lien Partial Repayment*" means the partial repayment of EFIH Second Lien Notes, in the amount of up to $750 million, effectuated pursuant to the *Order (A) Authorizing Partial Repayment of EFIH Second Lien Notes; (B) Approving EFIH DIP Consent; and (C) Authorizing Consent Fee* [D.I. 3855].

204. "*EFIH Senior Toggle Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated December 5, 2012, by and among the EFIH Debtors, as issuers, and the EFIH Unsecured Notes Trustee.

205. "*EFIH Senior Toggle Notes*" means the 11.25%/12.25% senior unsecured notes due December 1, 2018, issued by the EFIH Debtors pursuant to the EFIH Senior Toggle Note Indenture.

206. "*EFIH Settlement Agreement*" means that certain settlement agreement to be approved pursuant to the Settlement Approval Order by and among the EFH/EFIH Debtors, the Supporting EFIH Unsecured Creditors, the Supporting EFIH First Lien Creditors, and the Supporting EFIH Second Lien Creditors (each as defined therein).

207. "*EFIH Supporting Unsecured Creditors*" means the holders or investment advisors or managers of discretionary accounts of beneficial holders that hold, or direct the vote of, EFIH Unsecured Note Claims that are party to the EFIH Unsecured Creditor Plan Support Agreement.

208. "*EFIH Unexchanged Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated November 16, 2009, by and among the EFIH Debtors, as issuers, and the EFIH Unsecured Notes Trustee.

209. "*EFIH Unexchanged Notes*" means the 9.75% unsecured notes due October 15, 2019, issued by the EFIH Debtors pursuant to the EFIH Unexchanged Note Indenture.

210. "*EFIH Unsecured Creditor Cash Pool*" means (a) the balance, if any, of any Cash held by EFIH after giving effect to all other transactions and distributions that are contemplated by the Plan or the Merger Agreement to occur on, before, or after the EFH Effective Date, including the funding of the EFIH Claims Reserve in accordance with the Plan and EFH Confirmation Order; and (b) any other amounts payable to Holders of Claims entitled to distributions from the EFIH Unsecured Creditor Cash Pool as expressly provided in the Plan.

211. "*EFIH Unsecured Creditor Equity Pool*" means (a) any Reorganized EFH Class B Common Stock, which shall, on the EFH Effective Date, convert to the right to receive the NextEra Class B Common Stock, and any NextEra Class B Common Stock, as applicable, payable to Holders of Allowed Class B5 and Allowed Class B6 Claims in accordance with Article IV.B.9(b) of the Plan, and (b) any other amounts payable to Holders of Claims entitled to distributions from the EFIH Unsecured Creditor Equity Pool as expressly provided in the Plan and the Reorganized EFH Stock Issuance Procedures.

212. "*EFIH Unsecured Creditor Plan Support Agreement*" means that certain plan support agreement, as amended or modified on January 19, 2017, entered into by the EFH Debtors, the EFIH Debtors, the EFIH Unsecured Notes Trustee, and the EFIH Supporting Unsecured Creditors, on January 2, 2017.

213. "*EFIH Unsecured Creditor Recovery Pool*" means, collectively, the EFIH Unsecured Creditor Equity Pool and the EFIH Unsecured Creditor Cash Pool.

214. "*EFIH Unsecured Note Claim*" means any Claim derived from or based upon the EFIH Unsecured Notes.

215. "*EFIH Unsecured Note Indentures*" means, collectively: (a) the EFIH Senior Toggle Note Indenture; and (b) the EFIH Unexchanged Note Indenture.

216. "*EFIH Unsecured Notes*" means, collectively: (a) the EFIH Senior Toggle Notes; and (b) the EFIH Unexchanged Notes.

217. "*EFIH Unsecured Notes Trustee*" means UMB Bank, N.A., as successor trustee to BNY.

218. "*EFIH Unsecured Notes Trustee Fees and Expenses*" means the fees and expenses of the EFIH Unsecured Notes Trustee incurred as of the EFH Effective Date, including the EFIH Base Payment Amount.

219. "*Employment Agreements*" means all existing employment agreements by and between any employee of the Debtors and a Debtor, each of which shall be assumed and assigned to Reorganized TCEH Debtors on the TCEH Effective Date.

220. "*Entity*" has the meaning set forth in section 101(15) of the Bankruptcy Code.

221. "*Environmental Action*" means the pending case of *United States v. Luminant Generation Company LLC*, et al., 3:13-cv-3236-K (N.D. Tex.).

222. "*Environmental Law*" means all federal, state and local statutes, regulations, ordinances and similar provisions having the force or effect of law, all judicial and administrative orders, agreements and determinations and all common law concerning pollution or protection of the environment, or environmental impacts on human health and safety, including, without limitation, the Atomic Energy Act; the Comprehensive Environmental Response, Compensation, and Liability Act; the Clean Water Act; the Clean Air Act; the Emergency Planning and Community Right-to-Know Act; the Federal Insecticide, Fungicide, and Rodenticide Act; the Nuclear Waste Policy Act; the Resource Conservation and Recovery Act; the Safe Drinking Water Act; the Surface Mining Control and Reclamation Act; the Toxic Substances Control Act; and any state or local equivalents.

223. "*EPA Settlement Amount*" means $1,000,000.00, as set forth in the order approving that certain Stipulation and Settlement Agreement, dated as of December 1, 2015, by and among EFH Corp., TCEH, EFCH, the United States on behalf of the U.S. Environmental Protection Agency, certain Holders of TCEH First Lien Claims, the Original Plan Sponsors, and the TCEH Committee [D.I. 7204].

224. "*Equity Investment*" means the equity investments to be made pursuant to the Merger, including the Plan Sponsor Investment.

225. "*ERISA*" means the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001-1461 as amended, (2006 V. Supp. 2011), and the regulations promulgated thereunder.

226. "*Estate*" means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

227. "*Estimated Company Cash Amount*" means the "Estimated Company Cash Amount" as defined in the Merger Agreement.

228. "*Exchange Agent*" means "Exchange Agent," as such term is defined in the Merger Agreement.

229. "*Exculpated Parties*" means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) the Committees and each of their respective members; and (c) with respect to each of the foregoing, such Entity and its current and former Affiliates, and such Entity's and its current and former Affiliates' current and former equity holders (regardless of whether such interests are held directly or indirectly), subsidiaries, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such.

230. "*Executive Severance Policy*" means the Energy Future Holdings Corp. Executive Change in Control Policy, effective as of May 20, 2005, as amended on December 23, 2008 and December 20, 2010, and in effect as of the date of Filing of the Plan.

231. "*Executory Contract*" means a contract to which one or more of the Debtors is a party and that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

232. "*FCC*" means the Federal Communications Commission.

233. "*Federal Judgment Rate*" means the rate of interest calculated pursuant to the provisions of 28 U.S.C. § 1961, which shall be a rate equal to the weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, as of the Petition Date, which rate was 0.11%, compounded annually.

234. "*Fee Committee*" means that certain fee review committee appointed pursuant to the *Stipulation and Consent Order Appointing a Fee Committee* [D.I. 1891].

235. "*FERC*" means the Federal Energy Regulatory Commission.

236. "*File*," "*Filed*," or "*Filing*" means file, filed, or filing in the Chapter 11 Cases with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases, including with respect to a Proof of Claim or Proof of Interest, the Claims and Noticing Agent.

237. "*Final Order*" means (a) an order or judgment of the Bankruptcy Court, as entered on the docket in any Chapter 11 Case (or any related adversary proceeding or contested matter) or the docket of any other court of competent jurisdiction, or (b) an order or judgment of any other court having jurisdiction over any appeal from (or petition seeking certiorari or other review of) any order or judgment entered by the Bankruptcy Court (or any other court of competent jurisdiction, including in an appeal taken) in any Chapter 11 Case (or any related adversary proceeding or contested matter), in each case that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired according to applicable law and no appeal or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice; *provided, however*, that the possibility a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or the Local Bankruptcy Rules of the Bankruptcy Court, may be filed relating to such order shall not prevent such order from being a Final Order.

238. "*Fundamental Opinions*" shall include:

(a) the following opinions of nationally recognized tax counsel or a Big Four accounting firm (who shall be permitted to rely upon reasonable representations, including a representation that the Debtors have no plan or intention at the time of the Distribution[2] that is inconsistent with the Spin-Off Intended Tax Treatment), in substance reasonably acceptable to the TCEH Supporting First Lien Creditors and the Plan Sponsor, at a "should" level:

(i) Taking into account the Merger, the Contribution, Reorganized TCEH Conversion, and Distribution should meet the requirements of Sections 368(a)(1)(G), 355, and 356 of the Internal Revenue Code.

(ii) EFH should not recognize gain for U.S. federal income tax purposes as a result of the Contribution or the Reorganized TCEH Conversion other than gain recognized pursuant to the transfer of assets to the Preferred Stock Entity and the Spin-Off Preferred Stock Sale.

(iii) EFH should recognize no gain or loss for U.S. federal income tax purposes upon the Distribution.

(b) the following opinions of nationally recognized tax counsel or a Big Four accounting firm (who shall be permitted to rely upon reasonable representations, including a representation that the Debtors have no plan or intention at the time of the Distribution that is inconsistent with the Spin-Off Intended Tax Treatment), in substance reasonably acceptable to the TCEH Supporting First Lien Creditors and the Plan Sponsor, at a "will" level:

(i) Section 355(g) will not apply to the Reorganized TCEH Spin-Off.

(ii) Each of the EFH SAG and the Spinco SAG will be engaged in the active conduct of a trade or business (within the meaning of section 355(b)) immediately after the Reorganized TCEH Spin-Off.

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2 Capitalized terms in this definition that are not defined herein shall have the meanings given such terms in the request submitted to the IRS for the Private Letter Ruling and all other IRS Submissions; *provided, however,* that nothing herein shall require the public disclosure of the IRS Submissions.

239. "*Future Interest Claims*" means certain Claims asserted by Holders of EFIH Second Lien Notes for interest, such that to the extent that funds distributed to the EFIH Second Lien Notes Trustee prior to the full resolution of all issues arising from the EFIH Intercreditor Litigation are required to be held by any party for any reason, it is the view of the EFIH Second Lien Notes Trustee interest shall continue to accrue on any funds which cannot be distributed to the Holders of EFIH Second Lien Notes due to the pendency of the EFIH Intercreditor Litigation.

240. "*General Administrative Claim*" means any Administrative Claim, other than a Professional Fee Claim.

241. "*General Unsecured Claim Against EFCH*" means any Unsecured Claim against EFCH that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, including the EFCH 2037 Note Claims, but excluding: (a) Administrative Claims against EFCH; (b) Priority Tax Claims against EFCH; (c) Intercompany Claims against EFCH; (d) Other Priority Claims against EFCH; and (e) DIP Claims.

242. "*General Unsecured Claim Against EFH Corp.*" means any Unsecured Claim against EFH Corp. that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, including the EFH Series N Note Claims, but excluding: (a) Legacy General Unsecured Claims Against the EFH Debtors; (b) EFH Legacy Note Claims; (c) EFH Unexchanged Note Claims; (d) EFH LBO Note Primary Claims; (e) EFH Swap Claims; (f) EFH Non-Qualified Benefit Claims; (g) the TCEH Settlement Claim; (h) Tex-La Guaranty Claims; (i) Administrative Claims against EFH Corp.; (j) Priority Tax Claims against EFH Corp.; (k) Intercompany Claims against EFH Corp.; (l) Other Priority Claims against EFH Corp.; and (m) EFIH First Lien DIP Claims.

243. "*General Unsecured Claim Against the EFH Debtors Other Than EFH Corp.*" means any Unsecured Claim against one or more of the EFH Debtors (other than EFH Corp.) that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, but excluding: (a) Legacy General Unsecured Claims Against the EFH Debtors; (b) EFH Non-Qualified Benefit Claims; (c) Administrative Claims against the EFH Debtors other than EFH Corp.; (d) Priority Tax Claims against the EFH Debtors other than EFH Corp.; (e) Intercompany Claims against the EFH Debtors other than EFH Corp.; (f) Other Priority Claims against the EFH Debtors other than EFH Corp.; and (g) EFIH First Lien DIP Claims.

244. "*General Unsecured Claim Against the EFH Shared Services Debtors*" means any Unsecured Claim against one or more of the EFH Shared Services Debtors that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, excluding: (a) Administrative Claims against the EFH Shared Services Debtors; (c) Priority Tax Claims against the EFH Shared Services Debtors; (d) Intercompany Claims against the EFH Shared Services Debtors; (e) Other Priority Claims against the EFH Shared Services Debtors; and (f) DIP Claims.

245. "*General Unsecured Claim Against the EFIH Debtors*" means any Unsecured Claim against one or more of the EFIH Debtors that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, including the EFIH Unsecured Note Claims and any Unsecured Claims derived from or based upon the EFIH First Lien Notes or EFIH Second Lien Notes, but excluding: (a) EFH LBO Note Guaranty Claims; (b) Administrative Claims against the EFIH Debtors; (c) Priority Tax Claims against the EFIH Debtors; (d) Intercompany Claims against the EFIH Debtors; (e) Other Priority Claims against the EFIH Debtors; and (f) EFIH First Lien DIP Claims.

246. "*General Unsecured Claim Against the TCEH Debtors Other Than EFCH*" means any Unsecured Claim against one or more of the TCEH Debtors other than EFCH that is not otherwise paid in full pursuant to an order of the Bankruptcy Court, including the Legacy General Unsecured Claims Against the TCEH Debtors, but excluding: (a) TCEH Unsecured Debt Claims; (b) Administrative Claims against the TCEH Debtors Other Than EFCH; (c) Priority Tax Claims against the TCEH Debtors Other Than EFCH; (d) Intercompany Claims against the TCEH Debtors Other Than EFCH; (e) Other Priority Claims against the TCEH Debtors Other Than EFCH; and (f) DIP Claims.

247. "*Governmental Unit*" has the meaning set forth in section 101(27) of the Bankruptcy Code.

248. "*Holder*" means an Entity holding a Claim or an Interest, as applicable.

249. "*HSR Act*" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

250. "*Impaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

251. "*Incremental Amendment Agreement*" means that certain Incremental Amendment No. 1, dated as January 4, 2013, by and among the Incremental 2012 Term Lenders (as defined therein), EFCH, TCEH, the Credit Parties (as defined therein) party thereto, and Citibank, N.A., as administrative and collateral agent.

252. "*Indemnification Obligations*" means each of the Debtors' indemnification obligations in place as of the Effective Date, whether in the bylaws, certificates of incorporation or formation, limited liability company agreements, other organizational or formation documents, board resolutions, management or indemnification agreements, or employment or other contracts, for their current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other professionals and agents of the Debtors, as applicable.

253. "*Indenture Trustees*" means, collectively: (a) the EFH Notes Trustee; (b) the EFCH 2037 Notes Trustee; (c) the EFIH First Lien Notes Trustee; (d) the EFIH Second Lien Notes Trustee; (e) the EFIH Unsecured Notes Trustee; (f) the TCEH First Lien Notes Trustee; (g) the TCEH Second Lien Notes Trustee; (h) the TCEH Unsecured Notes Trustee; (i) the PCRB Trustee; (j) the EFH Series N Notes Trustee; and (k) the TCEH Second Lien Notes Collateral Agent.

254. "*Initial Plan*" means the *Joint Plan of Reorganization of Energy Future Holdings Corp., et al., Pursuant to Chapter 11 of the United States Bankruptcy Code* [D.I. 4142], dated April 14, 2015.

255. "*Initial Supporting Creditor*" means "Initial Supporting Creditor," as defined in the EFIH Unsecured Plan Support Agreement.

256. "*Insurance Policies*" means any insurance policies, insurance settlement agreements, coverage-in-place agreements, or other agreements relating to the provision of insurance entered into by or issued to or for the benefit of any of the Debtors or their predecessors.

257. "*Intercompany Claim*" means a Claim or Cause of Action by EFH Corp. or any direct or indirect subsidiary of EFH Corp. against EFH Corp. or any direct or indirect subsidiary of EFH Corp.

258. "*Interest*" means any equity security (as defined in section 101(16) of the Bankruptcy Code) in any Debtor and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Entity.

259. "*Interim Compensation Order*" means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [D.I. 2066].

260. "*Internal Revenue Code*" means the Internal Revenue Code of 1986, as amended.

261. "*Investor Rights Agreement*" means that certain Investor Rights Agreement, dated as of November 5, 2008, by and among Oncor and certain of its direct and indirect equityholders, including EFH Corp. and TTI.

262. "*IPO Conversion Plan*" means the plan attached as an exhibit to the Merger Agreement, as may be modified, amended or supplemented in accordance with the Merger Agreement.

263. "*IRS*" means the Internal Revenue Service.

264. "*IRS Submissions*" means all submissions to the IRS in connection with the Private Letter Ruling and the request for the Supplemental Ruling.

265. "*Judicial Code*" means title 28 of the United States Code, 28 U.S.C. §§ 1-4001.

266. "*Legacy General Unsecured Claim Against the EFH Debtors*" means any Claim against the EFH Debtors derived from or based upon liabilities based on asbestos or, to the extent set forth in the Merger Agreement or on Schedule 6.6(a) to the Company Disclosure Letter, qualified post-employment benefits relating to discontinued operations of the EFH Debtors.

267. "*Legacy General Unsecured Claim Against the TCEH Debtors*" means any Claim against the TCEH Debtors derived from or based upon liabilities based on asbestos or qualified post-employment benefits relating to the TCEH Debtors.

268. "*Liability Management Program*" means the various transactions, including debt buybacks, new debt issuances, debt exchanges, debt payoffs, intercompany debt forgiveness, dividends, and maturity extensions, by EFH Corp. and its direct and indirect subsidiaries, and restructuring of such Entities' debt obligations completed before the Petition Date, as described in the 2009-2013 SEC filings of EFH Corp., EFIH, EFIH Finance, and TCEH.

269. "*Lien*" has the meaning set forth in section 101(37) of the Bankruptcy Code.

270. "*Litigation Letters*" means, collectively: (a) the TCEH Committee Litigation Letters; and (b) the TCEH Unsecured Group Litigation Letter.

271. "*Luminant*" means Luminant Holding Company LLC and its direct and indirect Debtor subsidiaries.

272. "*Luminant Makewhole Settlement*" means those transactions in settlement of Luminant's obligations to Oncor under the Tax and Interest Makewhole Agreements, by which EFIH purchased Luminant's obligations from Oncor in August 2012, and Luminant paid EFIH the same respective amount in September 2012.

273. "*Makewhole Claim*" means any Claim, whether secured or unsecured, derived from or based upon makewhole, applicable premium, redemption premium, or other similar payment provisions provided for by the applicable indenture or other agreement calculated as of the EFH Effective Date (or in the case of the EFIH First Lien Notes, the closing date of the EFIH First Lien DIP Facility, and in the case of EFIH Second Lien Notes, the closing date of the EFIH Second Lien Partial Repayment, with respect to the amount repaid at such time) or any other alleged premiums, fees, or Claims relating to the repayment of the principal balance of any notes, including any Claims for damages, or other relief arising from the repayment, prior to the respective stated maturity or call date, of the principal balance of any notes or any denial of any right to rescind any acceleration of such notes.

274. "*Makewhole Litigation Oversight Committee*" means the committee, including the Pre-Effective Date Makewhole Litigation Oversight Committee, that shall oversee the litigation and/or settlement of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims on behalf of the EFIH Debtors if the Settlement Approval Order is not entered, consistent with the terms and conditions set forth in the Plan and as set forth in greater detail in the Amended Plan Supplement.

275. "*Makewhole Stock Reserve*" means the account that shall hold the Reorganized EFH Class B Common Stock, which shall convert to the right to receive NextEra Class B Common Stock in accordance with the Merger Agreement, or the NextEra Class B Common Stock, as applicable, pending the final resolution of all Makewhole Claims, and related claims, in accordance with the Reorganized EFH Stock Issuance Procedures.

276. "*Management Agreement*" means that certain management agreement, dated as of October 10, 2007, by and among EFH Corp., TEF, Kohlberg Kravis Roberts & Co. L.P., TPG Capital, L.P., Goldman, Sachs & Co., and Lehman Brothers Inc.

277. "*Merger*" means that certain merger on the EFH Effective Date of Reorganized EFH with and into Merger Sub in a transaction intended to qualify as a tax-free reorganization under section 368(a) of the Internal Revenue Code, with Merger Sub continuing as the surviving entity.

278. "*Merger Agreement*" means that certain Agreement and Plan of Merger, dated as of July 29, 2016, by and among NextEra, Merger Sub, EFH Corp., and EFIH, as amended by Amendment No. 1 to Agreement and Plan of Merger, dated as of September 18, 2016, and as may be amended, supplemented, or otherwise modified from time to time in accordance therewith, including all exhibits and schedules attached thereto, which shall be included in the Plan Supplement.

279. "*Merger Closing*" means "Closing," as that term is defined in the Merger Agreement.

280. "*Merger Effective Time*" means "Effective Time," as that term is defined in the Merger Agreement.

281. "*Merger Sub*" means EFH Merger Co., LLC, a Delaware limited liability company wholly owned by NextEra, with whom and into which Reorganized EFH will merge.

282. "*Merger Sub Cash Amount*" means the Cash to be delivered by Merger Sub to the EFH/EFIH Distribution Account at the Merger Closing in accordance with the Merger Agreement, which, for the avoidance of doubt, shall exclude the EFIH Second Lien Note Repayment Amount.

283. "*Merger Sub Account*" means a segregated, restricted account, and invested and disbursed in accordance with that certain escrow agreement, dated as of the EFH Effective Date, between Merger Sub and U.S. Bank National Association, and used solely to satisfy Allowed Legacy General Unsecured Claims Against the EFH Debtors that are based on asbestos claims and related costs, including court costs, expert witness costs, attorneys' fees, the cost to procure insurance and all other related costs from time to time during the fifty year term of the escrow agreement and, to the extent any balance (including accrued interest, if any) remains at the end of such term, such balance shall only be paid over to a charity specified in accordance with the terms of such escrow agreement.

284. "*Minority Interest Acquisition*" means the acquisition by Merger Sub, NextEra, or an Affiliate of NextEra of (a) the Oncor Minority Interest in one or more privately negotiated transactions with TTI or Oncor Management or (b) the portion of the Oncor Minority Interest held by TTI pursuant to the drag-along rights set forth in Section 3.3 of the Investor Rights Agreement.

285. "*MLOC Account*" means the interest-bearing escrow account, if any, segregated within the EFH/EFIH Distribution Account, governed by an escrow agreement reasonably acceptable to the Debtors, the EFH Plan Administrator Board, and the Initial Supporting Creditors containing funds in an amount reasonably determined by the Initial Supporting Creditors or the Makewhole Litigation Oversight Committee, in consultation with the Debtors, to be sufficient to satisfy reasonable and documented fees and expenses incurred on and after the EFH Confirmation Date by the Makewhole Litigation Oversight Committee (including, for the avoidance of doubt, the fees and expenses of its professionals) and established pursuant to the Reserve Order; *provided, however,* the MLOC Account will not include the value of cash at EFH Corp. and may only be funded to the extent there are any funds remaining after the EFIH Claims Reserve and the Post-Effective Date Administrative Account are funded and any payments required pursuant to the Post-Closing Audit are made in accordance with the Plan.

286. "*New Boards*" means, collectively: (a) the Reorganized TCEH Board; and (b) the New EFH/EFIH Board.

287. "*New EFH/EFIH Board*" means the board of directors or managers, if any, of the Merger Sub and Reorganized EFIH, as applicable, on and after the EFH Effective Date, in each case to be appointed by the Plan Sponsor.

288. "*New Employee Agreements/Arrangements*" means the agreements or other arrangements entered into by the 18 members of the Debtors' management team who are considered "insiders" but who are not party to an Employment Agreement as of the date of the Plan Support Agreement to be adopted by Reorganized TCEH on the TCEH Effective Date and which shall include the applicable terms set forth in Section 10(o) of the Plan Support Agreement and shall otherwise be substantially in the form included in the Plan Supplement and reasonably acceptable to the TCEH Supporting First Lien Creditors (in consultation with the TCEH Committee); *provided, however*, that none of the EFH Debtors, Reorganized EFH Debtors, EFIH Debtors, Reorganized EFIH Debtors, or Plan Sponsor shall have any liability with respect thereto.

289. "*New Organizational Documents*" means such certificates or articles of incorporation of formation, by-laws, limited liability company agreements, or other applicable formation documents of each of the Reorganized Debtors, as applicable, the form of which shall be included in the Plan Supplement; *provided* that (a) any New Organizational Document with respect to any Reorganized EFH Debtor or any Reorganized EFIH Debtor shall be in form and substance acceptable to the Plan Sponsor and (b) any New Organizational Document with respect to any Reorganized TCEH Debtor or any Reorganized Shared Services Debtor shall be in form and substance acceptable to the TCEH Supporting First Lien Creditors.

290. "*New Reorganized TCEH Debt*" means the instruments or other indebtedness to be issued by Reorganized TCEH on the TCEH Effective Date prior to the Reorganized TCEH Conversion pursuant to the Exit Facility Agreement (as defined in the TCEH DIP Credit Agreement) evidencing an obligation to Holders of Allowed TCEH DIP Claims.

291. "*New Reorganized TCEH Debt Documents*" means the documents necessary to effectuate the New Reorganized TCEH Debt, which shall be included in the Plan Supplement.

292. "*NextEra*" means NextEra Energy, Inc., a Florida corporation.

293. "*NextEra Common Stock*" means the NextEra Class A Common Stock and the NextEra Class B Common Stock.

294. "*NextEra Common Stock Investment*" means the NextEra Class A Common Stock Investment and the NextEra Class B Common Stock Investment.

295. "*NextEra Class A Common Stock*" means the shares of NextEra Common Stock issued in connection with the NextEra Class A Common Stock Investment.

296. "*NextEra Class A Common Stock Investment*" means the shares of NextEra Common Stock entitled to be received by the holder of the Reorganized EFH Class A Common Stock upon its conversion at the Merger Effective Time in accordance with the Merger Agreement.

297. "*NextEra Class B Common Stock*" means the shares of NextEra Common Stock to be issued in connection with the NextEra Class B Common Stock Investment.

298. "*NextEra Class B Common Stock Investment*" means the shares of NextEra Common Stock entitled to be received by the holder of the Reorganized EFH Class B Common Stock upon its conversion at the Merger Effective Time in accordance with the Merger Agreement.

299. "*Non-EFH Debtor Intercompany Claim*" means any Claim, other than the TCEH Settlement Claim, by any direct or indirect subsidiary of EFH Corp. (other than an EFH Debtor) against an EFH Debtor, including any Claims derived from or based upon EFH Legacy Notes held by EFIH.

300. "*Non-EFH Shared Services Debtor Intercompany Claim*" means any Claim by EFH. Corp. or any direct or indirect subsidiary of EFH Corp. (other than an EFH Shared Services Debtor) against an EFH Shared Services Debtor.

301. "*Non-EFIH Debtor Intercompany Claim*" means any Claim by EFH Corp. or any direct or indirect subsidiary of EFH Corp. (other than an EFIH Debtor) against an EFIH Debtor.

302. "*Non-TCEH Debtor Intercompany Claim*" means any Claim by EFH Corp. or any direct or indirect subsidiary of EFH Corp. (other than a TCEH Debtor) against a TCEH Debtor, including any Claim derived from or based upon the TCEH Credit Agreement, the TCEH First Lien Notes, or TCEH Unsecured Notes held by EFH Corp. and EFIH.

303. "*NRC*" means the United States Nuclear Regulatory Commission.

304. "*Nuclear Decommissioning Obligations*" means the Debtors' funding obligations related to a nuclear decommissioning trust that will be used to fund the decommissioning of the Comanche Peak nuclear power plant, as required by the United States Department of Energy.

305. "*Oak Grove Promissory Note*" means that certain Promissory Note, dated December 22, 2010, by and among Oak Grove Power Company LLC, as issuer, and North American Coal Royalty Company, as holder, and John W. Harris, as trustee, with face amount of $7,472,500 due in annual installments through December 22, 2017, which note is secured by all coal, lignite, and other near-surface minerals on and under certain real property in Robertson County, Texas.

306. "*Oak Grove Promissory Note Claim*" means any Claim derived from or based upon the Oak Grove Promissory Note.

307. "*Oncor*" means Oncor Holdings and its direct and indirect subsidiaries.

308. "*Oncor Electric*" means Oncor Electric Delivery Company LLC.

309. "*Oncor Holdings*" means Oncor Electric Delivery Holdings Company LLC.

310. "*Oncor Letter Agreement*" means that certain letter agreement to be entered into contemporaneously with the Merger Agreement, by and among NextEra, Merger Sub, Oncor Electric, and Oncor Holdings, pursuant to which, among other things, each of Oncor Electric and Oncor Holdings will agree to take and not to take certain actions in furtherance of the transactions contemplated by the Merger Agreement, which shall be included in the Plan Supplement.

311. "*Oncor Management*" means Oncor Management Investment LLC.

312. "*Oncor Minority Interest*" means the minority interests in Oncor Electric held by TTI and Oncor Management.

313. "*Oncor Tax Sharing Agreement*" means that certain Amended and Restated Tax Sharing Agreement, dated as of November 5, 2008, by and among EFH Corp., Oncor Holdings, Oncor Electric, TTI, and Oncor Management.

314. "*OpCo*" means TEX Operations Company LLC, a Delaware limited liability company.

315. "*Ordinary Course Professional Order*" means the *Order Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business* [D.I. 765].

316. "*Original Confirmed Plan*" means the *Sixth Amended Joint Plan of Reorganization of Energy Future Holdings Corp.*, et al., *Pursuant to Chapter 11 of the Bankruptcy Code* [D.I. 7235].

317. "*Original Plan Sponsors*" means "Plan Sponsors," as such term was defined in the Original Confirmed Plan.

318. "*Original Plan Supplement*" means the *Plan Supplement for the Joint Plan of Reorganization of Energy Future Holdings Corp., et al., Pursuant to Chapter 11 of the Bankruptcy Code* [D.I. 6544], and any amendments and modifications thereto, including D.I. 7191 and D.I. 7866.

319. "*Other Priority Claims*" means any Claim, other than an Administrative Claim, a DIP Claim, or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

320. "*Other Secured Claim Against the EFH Debtors*" means any Secured Claim against any of the EFH Debtors, excluding DIP Claims.

321. "*Other Secured Claim Against the EFH Shared Services Debtors*" means any Secured Claim against any of the EFH Shared Services Debtors, excluding DIP Claims.

322. "*Other Secured Claim Against the EFIH Debtors*" means any Secured Claim against any of the EFIH Debtors, excluding: (a) EFIH First Lien Note Claims, if any; (b) EFIH Second Lien Note Claims; and (c) DIP Claims.

323. "*Other Secured Claim Against the TCEH Debtors*" means any Secured Claim against any of the TCEH Debtors, including the Oak Grove Promissory Note Claims and Tex-La Obligations, but excluding: (a) TCEH First Lien Secured Claims; and (b) DIP Claims.

324. "*OV2*" means Ovation Acquisition II, L.L.C., a Delaware limited liability company.

325. "*Parent Disclosure Letter*" means "Parent Disclosure Letter" as such term is defined in the Merger Agreement.

326. "*PBGC*" means the Pension Benefit Guaranty Corporation, a wholly-owned United States government corporation, and an agency of the United States created by ERISA.

327. "*PCRB Claim*" means any Claim derived from or based upon the PCRBs, excluding the Repurchased PCRBs, including any Claims and Causes of Action held by the PCRB Trustee, including for fees and expenses, related to the PCRBs.

328. "*PCRBs*" means the pollution control revenue refunding bonds and pollution control revenue bonds outstanding from time to time, including: (a) 7.70% Fixed Series 1999C due March 1, 2032; (b) 7.70% Fixed Series 1999A due April 1, 2033; (c) 6.30% Fixed Series 2003B due July 1, 2032; (d) 6.75% Fixed Series 2003C due October 1, 2038; (e) 5.40% Fixed Series 2003D due October 1, 2029; (f) 5.40% Fixed Series 1994A due May 1, 2029; (g) 5.00% Fixed Series 2006 due March 1, 2041; (h) 8.25% Fixed Series 2001A Due October 1, 2030; (i) 8/25% Fixed Series 2001D-1 due May 1, 2033; (j) 6.45% Fixed Series 2000A due June 1, 2021; (k) 5.80% Fixed Series 2003A due July 1, 2022; (l) 6.15% Fixed Series 2003B due August 1, 2022; (m) 5.20% Fixed Series 2001C due May 1, 2028; (n) 6.25% Fixed Series 2000A due May 1, 2028; (o) Series 1994B due May 1, 2029 (variable rate); (p) Series 1995A due April 1, 2030 (variable rate); (q) Series 1995B due June 1, 2030 (variable rate); (r) Series 2001B due May 1, 2029 (variable rate); (s) Series 2001C due May 1, 2036 (15% ceiling); (t) Floating Taxable Series 2001I due December 1, 2036; (u) Floating Series 2002A due May 1, 2037; (v) Series 2003A due April 1, 2038 (15% ceiling); (w) Series 1999B due September 1, 2034 (15% ceiling); (x) Floating Series 2001D-2 due May 1, 2033; (y) Series 2001A due May 1, 2022 (15% ceiling); (z) Series 2001B due May 1, 2030 (15% ceiling); and (aa) Series 2001A due May 1, 2027 (variable rate), to which, among others, the PCRB Trustee is party.

329. "*PCRB Trustee*" means BNYM, as indenture trustee for the PCRBs.

330. "*Pension Plans*" means the two single-employer defined benefit plans insured by the PBGC and covered by Title IV of ERISA, 29 U.S.C. §§ 1301-1461, including (a) the plan sponsored by EFH Corp., and (b) the plan sponsored by Oncor Electric.

331. "*Periodic Distribution Date*" means, unless otherwise ordered by the Bankruptcy Court, the first Business Day that is 120 days after the Effective Date, and, for the first year thereafter, the first Business Day that is 120 days after the immediately preceding Periodic Distribution Date. After one year following the Effective Date, the Periodic Distribution Date will occur on the first Business Day that is 180 days after the immediately preceding Periodic Distribution Date, unless and until otherwise ordered by the Bankruptcy Court.

332. "*Petition Date*" means April 29, 2014, the date on which the Debtors commenced the Chapter 11 Cases.

333. "*PIK Settlement*" means the transactions contemplated by the EFIH Unsecured Creditor Plan Support Agreement.

334. "*Plan*" means this *Eighth Amended Joint Plan of Reorganization of Energy Future Holdings Corp.*, et al., *Pursuant to Chapter 11 of the Bankruptcy Code*, including the Plan Supplement.

335. "*Plan Sponsor*" means NextEra, acting through its wholly-owned subsidiary, NextEra Energy Capital Holdings, Inc., the beneficial owner of approximately $45 million principal amount of EFIH Senior Toggle Notes and a creditor and party in interest in the Chapter 11 Cases, unless and until such time as the Merger Agreement shall have been terminated in accordance with its terms and without consummation of the Merger. For the avoidance of doubt, upon the termination of the Merger Agreement, any consent rights of the Plan Sponsor set forth in this Plan shall be inoperative.

336. "*Plan Sponsor Cash Amount*" means collectively, (a) the Merger Sub Cash Amount; (b) the EFIH First Lien DIP Repayment Amount; and (c) the EFIH Second Lien Note Repayment Amount.

337. "*Plan Sponsor Investment*" means, collectively: (a) the Plan Sponsor Cash Amount; and (b) the NextEra Common Stock Investment.

338. "*Plan Sponsor Plan Support Agreement*" means that certain Alternative E-Side Restructuring Agreement, dated as of July 29, 2016, by and among the Plan Sponsor, the EFH Debtors, the EFIH Debtors, and certain Holders of Claims Against the EFH Debtors and EFIH Debtors, as amended on September 19, 2016 and as may be amended, supplemented or otherwise modified from time to time in accordance therewith.

339. "*Plan Sponsor PSA Order*" means the *Order (A) Authorizing Entry Into the Merger Agreement, (B) Approving the Termination Fee, and (C) Authorizing Entry Into and Performance Under the Plan Support Agreement* [D. I. 9584], entered by the Bankruptcy Court on September 19, 2016.

340. "*Plan Supplement*" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan Filed by the Debtors on November 10, 2016 [D.I. 10101], February 7, 2017 [D.I. 10780], and February 14, 2017 [D.I. 10827], as may be further amended, modified, or supplemented from time to time, subject to the consent of the Plan Sponsor, in advance of the hearing to consider confirmation of the Plan as it relates to the EFH/EFIH Debtors, comprised of, among other documents, the following, if any and as applicable: (a) New Organizational Documents; (b) the Rejected Executory Contract and Unexpired Lease List; (c) the Assumed Executory Contract and Unexpired Lease List (which shall include the Employment Agreements and provide that such Employment Agreements are assigned to Reorganized TCEH on the TCEH Effective Date); (d) a list of retained Causes of Action; (e) the Reorganized TCEH Debtor Management Incentive Plan; (f) the New Employee Agreements/Arrangements; (g) the Reorganized TCEH Registration Rights Agreement; (h) the identity of the members of the New Boards and management for the Reorganized Debtors; (i) the New Reorganized TCEH Debt Documents; (j) the Merger Agreement; (k) the Tax Matters Agreement; (l) the Transition Services Agreement; (m) the Reorganized TCEH Shareholders' Agreement; (n) the Oncor Letter Agreement; (o) the Separation Agreement; (p) the Spin-Off Tax Receivable Agreement or the Taxable Separation Tax Receivable Agreement (as applicable); (q) the Amended and Restated Split Participant Agreement; (r) the Taxable Separation Memorandum; (s) the TRA Information Form; and (t) the Reorganized EFH Stock Issuance Procedures. Any reference to the Plan Supplement in the Plan shall include each of the documents identified above as (a) through (t), as applicable. Other than with respect to the assumption and assignment of the Employment Agreements as set forth herein, the

documents that comprise the Plan Supplement shall be: (i) subject to any consent or consultation rights provided hereunder and thereunder, including as provided in the definitions of the relevant documents; and (ii) in form and substance reasonably acceptable (or, to the extent otherwise provided hereunder or thereunder, including as provided in the applicable definitions of the applicable documents, acceptable) to the Plan Sponsor, the TCEH Supporting First Lien Creditors, and the DIP Agents. The Parties entitled to amend the documents contained in the Plan Supplement shall be entitled to amend such documents in accordance with their respective terms and Article X of the Plan through and including the Effective Date. The Plan Supplement shall include all the amendments thereto, subject to the consent of the Plan Sponsor as set forth in the Plan Sponsor Plan Support Agreement and the Plan, including the Amended Plan Supplement.

341. "*Plan Support Agreement*" means that certain Plan Support Agreement, dated as of August 9, 2015 (as amended on September 11, 2015, October 27, 2015, and November 12, 2015, and as may be amended, supplemented, or otherwise modified from time to time in accordance therewith), by and among the Debtors, the Original Plan Sponsors, the TCEH Supporting First Lien Creditors, the TCEH First Lien Agent, the TCEH Supporting Second Lien Creditors, the TCEH Committee, and certain other Entities, including all exhibits and schedules attached thereto.

342. "*Post-Closing Audit*" means the "Post-Closing Audit" as defined in the Merger Agreement.

343. "*Post-Effective Date Administrative Account*" means the interest-bearing escrow account segregated within the EFH/EFIH Distribution Account, if any, pursuant to the EFIH Unsecured Creditor Plan Support Agreement, governed by an escrow agreement reasonably acceptable to the Debtors, the Plan Sponsor, the EFH Plan Administrator Board, and the Initial Supporting Creditors containing funds in an amount reasonably acceptable to the Debtors and EFH Plan Administrator Board, in consultation with the Initial Supporting Creditors, sufficient to satisfy reasonable and documented fees and expenses incurred on and after the EFH Effective Date by (i) the Debtors and the EFH Plan Administrator Board, arising from or related to any and all litigation, proceedings, and settlements relating to the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims and (ii) the Plan Sponsor, in an amount not to exceed $200,000, arising from responding to third-party discovery in connection with litigation and proceedings relating to the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims. The Post-Effective Date Administrative Account shall be funded, if necessary, pursuant to the Reserve Order (and all parties' rights are preserved with respect to the size, duration, and relative priority of the Post-Effective Date Administrative Account with respect to the remaining segregated accounts within the EFH/EFIH Distribution Account); *provided, however*, that the Post-Effective Date Administrative Account shall be funded, if applicable, from amounts that would otherwise be funded to the EFH/EFIH Distribution Account pursuant to the terms of the Plan or Merger Agreement (but excluding the EFIH Claims Reserve, the value of Cash on hand at EFH Corp. as of the EFH Effective Date, and the Makewhole Stock Reserve) *provided, further, however*, that nothing herein shall prevent the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, or the EFIH Unsecured Notes Trustee from seeking entry of a Subsequent Reserve Order authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following the entry of the Reserve Order.

344. "*Pre-Effective Date Makewhole Litigation Oversight Committee*" means the Makewhole Litigation Oversight Committee upon the EFH Confirmation Date, if any, and prior to the EFH Effective Date, which shall be comprised of four representatives, all of whom shall be Unconflicted Initial Supporting Creditors.

345. "*Preferred Stock Entity*" means, as part of the Spin-Off, the new Entity pursuant to which certain assets and liabilities will be transferred as part of the Spin-Off Preferred Stock Sale, it being understood that, if the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, the Preferred Stock Entity will undertake the Preferred Stock Entity Conversion on the TCEH Effective Date.

346. "*Preferred Stock Entity Conversion*" means, as part of the Spin-Off, the conversion of the Preferred Stock Entity from a Delaware limited liability company to a Delaware corporation on the TCEH Effective Date, immediately following the Contribution and immediately prior to the Spin-Off Preferred Stock Sale.

347. "*Priority Tax Claim*" means the Claims of Governmental Units of the type specified in section 507(a)(8) of the Bankruptcy Code.

348. "*Private Letter Ruling*" means the private letter ruling issued by the IRS to EFH Corp. on July 28, 2016.

349. "*Pro Rata*" means the proportion that the amount of an Allowed Claim or Allowed Interest in a particular Class bears to the aggregate amount of the Allowed Claims or Allowed Interests in that Class, or the proportion of the Allowed Claims or Allowed Interests in a particular Class and other Classes entitled to share in the same recovery as such Claim or Interest under the Plan; *provided, however,* that if the Settlement Approval Order is entered, "Pro Rata" with respect to the EFIH First Lien Note Claims shall mean Pro Rata within each of the EFIH First Lien 10.0% Notes, the EFIH First Lien 10.5% Notes, and the EFIH First Lien 6.875% Notes in accordance with the EFIH Settlement Agreement.

350. "*Professional*" means an Entity, excluding those Entities entitled to compensation pursuant to the Ordinary Course Professional Order: (a) retained pursuant to a Bankruptcy Court order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Effective Date, pursuant to sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code; *provided, however*, that each of the professionals employed by the DIP Agents shall not be "Professionals" for the purposes of the Plan.

351. "*Professional Fee Claims*" means all Administrative Claims for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Effective Date to the extent such fees and expenses have not been paid pursuant to the Interim Compensation Order or any other order of the Bankruptcy Court. To the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional's requested fees and expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

352. "*Professional Fee Escrow Account*" means the TCEH Professional Fee Escrow Account, the EFIH Professional Fee Escrow Account, and the EFH Professional Fee Escrow Account, as applicable.

353. "*Professional Fee Escrow Agents*" means each escrow agent for the applicable Professional Fee Escrow Account appointed pursuant Article II.A.2(b) of the Plan and the escrow agreements entered into pursuant thereto.

354. "*Proof of Claim*" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

355. "*Proof of Interest*" means a proof of Interest Filed against any of the Debtors in the Chapter 11 Cases.

356. "*PUC*" means the Public Utility Commission of Texas.

357. "*PUC Approval*" means "PUCT Approval," as such term is defined in the Merger Agreement.

358. "*RCT*" means the Railroad Commission of Texas.

359. "*Redemption Date*" means June 19, 2014, the date on which the EFIH Debtors redeemed the EFIH First Lien Notes.

360. "*Refinanced TCEH DIP Facility*" means the TCEH Debtors' debtor-in-possession financing facility, as approved on a final basis pursuant to the *Final Order (A) Approving Postpetition Financing For Texas Competitive Electric Holdings Company LLC and Certain of Its Debtor Affiliates, (B) Granting Liens and*

Providing Superpriority Administrative Expense Claims, and (C) Modifying the Automatic Stay [D.I. 856], and refinanced pursuant to the TCEH DIP Order.

361. "*Reinstate*," "*Reinstated*," or "*Reinstatement*" means with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code.

362. "*Rejected Executory Contract or Unexpired Lease*" means any EFH/EFIH Rejected Executory Contract or Unexpired Lease or any TCEH Rejected Executory Contract or Unexpired Lease.

363. "*Rejected Executory Contract and Unexpired Lease List*" means, as applicable, the EFH/EFIH Rejected Executory Contract and Unexpired Lease List or the TCEH Rejected Executory Contract and Unexpired Lease List.

364. "*Released Parties*" means collectively, and in each case only in its capacity as such: (a) the EFH/EFIH Plan Supporters; (b) Merger Sub; (c) Holders of TCEH First Lien Claims; (d) Holders of TCEH Second Lien Note Claims; (e) Holders of TCEH Unsecured Note Claims; (f) Holders of EFH Legacy Note Claims; (g) Holders of EFH Unexchanged Note Claims; (h) Holders of EFH LBO Note Primary Claims; (i) Holders of EFIH Unsecured Note Claims; (j) Holders of EFH LBO Note Guaranty Claims; (k) the DIP Lenders; (l) the TCEH First Lien Agent; (m) the Indenture Trustees other than the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee; (n) the Dealer Managers; (o) TEF; (p) Texas Holdings; (q) Oncor; (r) funds and accounts managed or advised by Kohlberg Kravis Roberts & Co., L.P., TPG Capital, L.P. or Goldman, Sachs & Co. that hold direct or indirect interests in Texas Holdings, TEF, or EFH Corp.; (s) the Committees and each of their respective members; (t) Holders of General Unsecured Claims Against the TCEH Debtors Other Than EFCH; (u) Holders of General Unsecured Claims Against EFCH; (v) Holders of General Unsecured Claims Against the EFIH Debtors; (w) Holders of General Unsecured Claims Against EFH Corp.; (x) Holders of General Unsecured Claims Against the EFH Debtors Other Than EFH Corp.; (y) Holders of General Unsecured Claims Against the EFH Shared Services Debtors; (z) the Original Plan Sponsors; (aa) OV2; (bb) with respect to each of the Debtors, the Reorganized Debtors, and each of the foregoing Entities in clauses (a) through (aa), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; and (cc) the DTC; *provided, however*, that any Holder of a Claim or Interest that opts out of the releases contained in the Plan shall not be a "Released Party;" *provided, further, however* that the EFIH First Lien Notes Trustee, all Holders of Claims derived from or based on the EFIH First Lien Notes, the EFIH Second Lien Notes Trustee, and all Holders of Claims derived from or based on the EFIH Second Lien Notes shall be Released Parties if and only if the Settlement Approval Order is entered; *provided, further, however* that the EFIH First Lien Notes Trustee, all Holders of Claims derived from or based on the EFIH First Lien Notes, the EFIH Second Lien Notes Trustee, and all Holders of Claims derived from or based on the EFIH Second Lien Notes shall be Released Parties as amongst each other to the extent set forth in the EFH Confirmation Order.

365. "*Releasing Parties*" means collectively, and in each case only in its capacity as such: (a) the EFH/EFIH Plan Supporters; (b) Merger Sub; (c) Holders of TCEH First Lien Claims; (d) Holders of TCEH Second Lien Note Claims; (e) Holders of TCEH Unsecured Note Claims; (f) Holders of EFH Legacy Note Claims; (g) Holders of EFH Unexchanged Note Claims; (h) Holders of EFH LBO Note Primary Claims; (i) Holders of EFIH Unsecured Note Claims; (j) Holders of EFH LBO Note Guaranty Claims; (k) the DIP Lenders; (l) the TCEH First Lien Agent; (m) the Indenture Trustees other than the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee; (n) the Dealer Managers; (o) TEF; (p) Texas Holdings; (q) Oncor; (r) funds and accounts managed or advised by Kohlberg Kravis Roberts & Co., L.P., TPG Capital, L.P. or Goldman, Sachs & Co. that hold direct or indirect interests in Texas Holdings, TEF, or EFH Corp.; (s) the Committees and each of their respective members; (t) Holders of General Unsecured Claims Against the TCEH Debtors Other Than EFCH; (u) Holders of General Unsecured Claims Against EFCH; (v) Holders of General Unsecured Claims Against the EFIH Debtors; (w) Holders of General Unsecured Claims Against EFH Corp.; (x) Holders of General Unsecured Claims Against the EFH Debtors Other Than EFH Corp.; (y) Holders of General Unsecured Claims Against the EFH Shared Services Debtors; (z) all Holders of Claims and Interests that are deemed to accept the Plan; (aa) all Holders of Claims and

Interests who vote to accept the Plan; (bb) all Holders in voting Classes who abstain from voting on the Plan and who do not opt out of the releases provided by the Plan; (cc) OV2; (dd) the Original Plan Sponsors; (ee) with respect to each of the Debtors, the Reorganized Debtors, and each of the foregoing Entities in clauses (a) through (dd), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; and (ff) all Holders of Claims and Interests, solely with respect to releases of all Holders of Interests in EFH Corp. and their current and former Affiliates, and such Entities' and their Affiliates' current and former equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and their current and former officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such; *provided, further, however* that the EFIH First Lien Notes Trustee, all Holders of Claims derived from or based on the EFIH First Lien Notes, the EFIH Second Lien Notes Trustee, and all Holders of Claims derived from or based on the EFIH Second Lien Notes shall be Releasing Parties if and only if the Settlement Approval Order is entered; *provided, further, however* that the EFIH First Lien Notes Trustee, all Holders of Claims derived from or based on the EFIH First Lien Notes, the EFIH Second Lien Notes Trustee, and all Holders of Claims derived from or based on the EFIH Second Lien Notes shall be Releasing Parties as amongst each other to the extent set forth in the EFH Confirmation Order.

366. *"Reorganized Debtor"* means any Debtor as reorganized pursuant to and under the Plan or any successor thereto, by merger, consolidation, or otherwise, including Merger Sub, on or after the Effective Date.

367. *"Reorganized EFH"* means EFH Corp. on and after the EFH Effective Date, or any successor thereto, including Merger Sub, by merger, consolidation, or otherwise, unless otherwise indicated in the Plan.

368. *"Reorganized EFH Common Stock"* means the Reorganized EFH Class A Common Stock and the Reorganized EFH Class B Common Stock.

369. *"Reorganized EFH Class A Common Stock"* means one new validly issued, fully paid and nonassessable share of Class A common stock, no par value, of Reorganized EFH to be issued and distributed under and in accordance with the Plan.

370. *"Reorganized EFH Class B Common Stock"* means one new validly issued, fully paid and nonassessable share of Class B common stock, no par value, of Reorganized EFH to be issued and distributed under and in accordance with the Plan.

371. *"Reorganized EFH Debtors"* means the EFH Debtors, other than the EFH Shared Services Debtors, as reorganized pursuant to and under the Plan, or any successor thereto, by merger, consolidation, or otherwise, including Merger Sub, on or after the EFH Effective Date.

372. *"Reorganized EFH Shared Services Debtors"* means the EFH Shared Services Debtors, as reorganized pursuant to and under the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the TCEH Effective Date.

373. *"Reorganized EFH Stock Issuance Procedures"* means the set of procedures and methodologies that was filed as part of the Plan Supplement to address, among other things, the amount of Reorganized EFH Common Stock the Debtors anticipate to be issued for the benefit of Holders of Claims and the timing of such issuance, including with respect to the Makewhole Stock Reserve, which procedures and methodologies may be amended from time to time to account for adjustments necessary to ensure the satisfaction of certain continuity of interest requirements.

374. *"Reorganized EFIH"* means EFIH, or any successor thereto, by merger, consolidation, or otherwise, on and after the EFH Effective Date.

375. "*Reorganized EFIH Debtors*" means the EFIH Debtors as reorganized pursuant to and under the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the EFH Effective Date.

376. "*Reorganized EFIH Membership Interests*" means the new membership interests in Reorganized EFIH, if any, to be issued on the EFH Effective Date.

377. "*Reorganized TCEH*" means either (a) if the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, the new Entity pursuant to which certain assets and liabilities will be transferred as part of the Contribution and the stock of which will be distributed as part of the Distribution, it being understood that Reorganized TCEH will undertake the Reorganized TCEH Conversion on the TCEH Effective Date, or (b) the new Entity, the common stock of which will be distributed to Holders of TCEH First Lien Claims pursuant to the Taxable Separation.

378. "*Reorganized TCEH Board*" means the board of directors or managers of Reorganized TCEH on and after the TCEH Effective Date to be appointed by the TCEH Supporting First Lien Creditors in consultation with TCEH.

379. "*Reorganized TCEH Common Stock*" means the 450,000,000 shares of common stock in Reorganized TCEH to be issued and distributed in accordance with the Plan.

380. "*Reorganized TCEH Conversion*" means, as part of the Spin-Off, the conversion of Reorganized TCEH from a Delaware limited liability company into a Delaware corporation on the TCEH Effective Date, immediately following the Contribution and immediately prior to the Distribution.

381. "*Reorganized TCEH Debtor Management Incentive Plan*" means the management incentive plan to be implemented with respect to Reorganized TCEH on the TCEH Effective Date, the terms of which shall be consistent with the Plan Support Agreement, in form and substance acceptable to Reorganized TCEH and the TCEH Supporting First Lien Creditors, and substantially in the form to be included in the Plan Supplement.

382. "*Reorganized TCEH Debtors*" means the TCEH Debtors as reorganized pursuant to and under the Plan, or any successor thereto, by merger, consolidation, or otherwise, and including the Reorganized EFH Shared Services Debtors, on or after the TCEH Effective Date.

383. "*Reorganized TCEH Registration Rights Agreement*" means the registration rights agreement that shall provide registration rights to certain Holders of Reorganized TCEH Common Stock, the material terms of which shall be included in the Plan Supplement.

384. "*Reorganized TCEH Shareholders' Agreement*" means the one or more shareholders' agreements, if any, that will govern certain matters related to the governance of Reorganized TCEH, which shall be included in the Plan Supplement.

385. "*Reorganized TCEH Sub Preferred Stock*" means, if the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, the new contingent-voting preferred stock of the Preferred Stock Entity issued pursuant to the Spin-Off Preferred Stock Sale.

386. "*Replacement EFIH First Lien*" means the first-priority Lien on the EFIH Claims Reserve granted to the EFIH First Lien Notes Trustee pursuant to Article III.B.19(b) of the Plan.

387. "*Replacement EFIH Second Lien*" means the Lien on the EFIH Claims Reserve granted to the EFIH Second Lien Notes Trustee pursuant to Article III.B.20(b) of the Plan.

388. "*Repurchased PCRBs*" means the PCRBs repurchased by TCEH and held in a custody account.

389. "*Reserve Hearing*" means the hearing to be held in front of the Bankruptcy Court as expeditiously as possible following denial, if any, of the Settlement Approval Order.

390. "*Reserve Objections*" means all objections of the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee regarding the amount of funding, duration, and terms of the EFIH Claims Reserve to be adjudicated, if necessary, at the Reserve Hearing prior to entry of the Reserve Order.

391. "*Reserve Order*" means any order or judgment of the Bankruptcy Court (or any order or judgment of any other court having jurisdiction over any appeal from any order or judgment of the Bankruptcy Court) adjudicating the Reserve Objections.

392. "*Restructuring Transactions*" means those mergers, amalgamations, consolidations, arrangements, continuances, restructurings, transfers, conversions, dispositions, liquidations, dissolutions, or other corporate transactions that the Debtors, the Plan Sponsor, and the TCEH Supporting First Lien Creditors reasonably determine to be necessary or desirable to implement the Plan, including, as applicable, the Taxable Separation or, if the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, the Spin-Off, Equity Investment, Merger, and other transactions contemplated by the Merger Agreement.

393. "*Rural Utilities Service*" means the agency of the United States Department of Agriculture tasked with providing public utilities to rural areas in the United States through public-private partnerships.

394. "*Schedules*" means the schedules of assets and liabilities, schedules of Executory Contracts or Unexpired Leases, and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the official bankruptcy forms, and the Bankruptcy Rules.

395. "*SEC*" means the Securities and Exchange Commission.

396. "*Secured*" means when referring to a Claim: (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor's interest in the Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) Allowed pursuant to the Plan or separate order of the Bankruptcy Court as a secured claim.

397. "*Securities Act*" means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, together with the rules and regulations promulgated thereunder, as amended.

398. "*Security*" or "*Securities*" has the meaning set forth in section 2(a)(1) of the Securities Act.

399. "*Separation Agreement*" means an agreement to be entered into on or before the TCEH Effective Date to, among other things, effectuate the Spin-Off or the Taxable Separation and address the transfer by the EFH Debtors and EFIH Debtors of certain assets, liabilities, and equity interests related to the TCEH Debtors' operations, including with respect to the EFH Shared Services Debtors, by and among Reorganized TCEH, OpCo and EFH Corp., in form and substance reasonably acceptable to the parties thereto, and acceptable to the Plan Sponsor and the TCEH Supporting First Lien Creditors, which shall be included in the Plan Supplement.

400. "*Settlement*" means the compromise and settlement by and among the parties to the Settlement Agreement, including the Debtors and their respective Estates, of (a) all Non-EFH Debtor Intercompany Claims, Non-EFIH Debtor Intercompany Claims, Non-TCEH Debtor Intercompany Claims, and the TCEH Settlement Claim, other than ordinary course Debtor Intercompany Claims incurred pursuant to, and in accordance with, Paragraph 10 of the Cash Management Order, (b) claims and Causes of Action against Holders of TCEH First Lien Claims and the TCEH First Lien Agent, (c) claims and Causes of Action against the Holders of EFH Interests and certain related Entities, and (d) claims and Causes of Action against any of the Debtors' directors, managers, officers, and other related Entities, as set forth in the Settlement Agreement.

401. "*Settlement Agreement*" means that certain Settlement Agreement by and among the Debtors and certain Holders of Claims and Interests, as approved in the Settlement Order.

402. "*Settlement Agreement Professional Fees*" means those "Professional Fees," as such term is defined in the Settlement Order, actually paid pursuant to the Settlement Order.

403. "*Settlement Approval Motion*" means the motion to approve the EFIH Settlement Agreement.

404. "*Settlement Approval Order*" means the order of the Bankruptcy Court approving the EFIH Settlement Agreement in a manner consistent with its terms, which order has not been stayed and, to the extent not waived in the order, as to which the applicable stay period has expired. With respect to the EFIH First Lien Settlement (as defined in the EFIH Settlement Agreement), the Settlement Approval Order shall refer to the order of the Bankruptcy Court approving the EFIH First Lien Settlement. With respect to the EFIH Second Lien Settlement (as defined in the EFIH Settlement Agreement), the Settlement Approval Order shall refer to the order of the Bankruptcy Court approving the EFIH Second Lien Settlement. For the avoidance of doubt, none of the Plan Sponsor, Merger Sub, or the Reorganized Debtors shall have or incur any liability pursuant to the Settlement Approval Order, and any payment obligations of such parties shall be strictly as provided in the Merger Agreement, the Plan, and the EFH Confirmation Order.

405. "*Settlement Order*" means the *Order Granting the Motion of Energy Future Holdings Corp., et al., to Approve a Settlement of Litigation Claims and Authorize the Debtors to Enter into and Perform Under the Settlement Agreement* [D.I. 7243].

406. "*Shared Services*" means those shared services provided to EFH Corp. and its direct and indirect subsidiaries, including by or through EFH Corporate Services and/or pursuant to any service-level agreement or shared services agreements.

407. "*Spin-Off*" means, if the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, certain transactions required to achieve and preserve the Spin-Off Intended Tax Treatment, including the Contribution, the Reorganized TCEH Conversion, and the Distribution.

408. "*Spin-Off Conditions*" means (a) entry of the Approval Order by the Bankruptcy Court; (b) that the Debtors shall have performed their commitments, covenants and other obligations with respect to the "Preferred Stock Sale" as set forth on Exhibit G to the Plan Support Agreement, as modified consistent with the Tax Matters Agreement; and (c) the satisfaction or waiver, pursuant to the terms set forth in Article IX.E, of the conditions set forth in Article IX.C.8.

409. "*Spin-Off Conditions Termination Date*" means the earlier of (a) November 1, 2016; and (b) the date upon which one or more of the Spin-Off Conditions becomes incapable of being satisfied, as determined by each of: (i) the TCEH Supporting First Lien Creditors; (ii) the TCEH Debtors; and (iii) the Plan Sponsor (each acting in their sole reasonable discretion).

410. "*Spin-Off Intended Tax Treatment*" means (a) the qualification of the Contribution, the Reorganized TCEH Conversion and the Distribution as a "reorganization" within the meaning of sections 368(a)(1)(G), 355, and 356 of the Internal Revenue Code, and (b) the qualification of the contribution described in clause (a) of the definition of the Spin-Off Preferred Stock Sale as a taxable sale of assets to the Preferred Stock Entity pursuant to section 1001 of the Internal Revenue Code resulting in the Basis Step-Up.

411. "*Spin-Off Preferred Stock Sale*" means, as part of the Spin-Off: (a) following the Preferred Stock Entity Conversion, but before the Reorganized TCEH Conversion, the contribution by Reorganized TCEH of the equity in the Contributed TCEH Debtors (or, potentially, certain assets or joint interests in certain TCEH Assets as agreed upon by EFH Corp. and the TCEH Supporting First Lien Creditors, in accordance with the Plan Support Agreement, as applicable), to the Preferred Stock Entity (such contribution to the Preferred Stock Entity of such equity and, potentially such assets, in an amount that is expected to result in the Basis Step-Up) in exchange for the Preferred Stock Entity's (i) common stock and (ii) the Reorganized TCEH Sub Preferred Stock; (b) immediately thereafter, and pursuant to a prearranged and binding agreement, the sale by Reorganized TCEH of all of the Reorganized TCEH Sub Preferred Stock to one or more third party investors in exchange for Cash; *provided, however*, that Holders of TCEH First Lien Claims shall not be permitted to purchase the Reorganized TCEH Sub

Preferred Stock; and (c) the distribution of such Cash by Reorganized TCEH to TCEH to fund recoveries under the Plan.

412. "*Spin-Off Tax Receivable Agreement*" means the tax receivable agreement or similar arrangement, if any, under which Reorganized TCEH (or one or more of its subsidiaries) shall agree to make payments in respect of Reorganized TCEH's (or its subsidiaries') specified tax items, to be entered into, at the TCEH Supporting First Lien Creditors' election, on the TCEH Effective Date immediately following the Spin-Off, by Reorganized TCEH (or one or more of its subsidiaries), the material terms and conditions of which shall be (a) as proposed by the TCEH Supporting First Lien Creditors (subject to any modifications as consented to by the TCEH First Lien Creditors and the TCEH Debtors, such consent not to be unreasonably withheld, delayed or conditioned) and (b) included in the Plan Supplement.

413. "*Spin-Off TRA Rights*" means the rights to receive payments under (and otherwise share in the benefits of) the Spin-Off Tax Receivable Agreement (if any), whether such rights are structured as a separate instrument issued by Reorganized TCEH (or one or more of its subsidiaries) pursuant to the Spin-Off Tax Receivable Agreement, an equity interest in an entity that is a party to the Spin-Off Tax Receivable Agreement, or otherwise.

414. "*Standing Motions*" means, collectively: (a) the TCEH Committee Standing Motion; (b) the TCEH Unsecured Group Standing Motion; and (c) the EFH/EFIH Committee Standing Motion.

415. "*Subsequent Reserve Order*" shall mean any order of the Bankruptcy Court or any other court of competent jurisdiction (including any appellate court) adjudicating the EFIH Claims Reserve after entry of the Reserve Order.

416. "*Supplemental Rulings*" means "Supplemental Rulings," as such term is defined in the Merger Agreement.

417. "*Supporting EFIH First Lien Creditors*" means the holders or investment advisors or managers of discretionary funds or accounts of beneficial holders that hold, or direct the vote of, Claims against the EFIH Debtors under the EFIH First Lien Notes (solely in such capacity) that are party or that become party to the EFIH Settlement Agreement.

418. "*Supporting EFIH Second Lien Creditors*" means the holders or investment advisors or managers of discretionary funds or accounts of beneficial holders that hold, or direct the vote of, Claims against the EFIH Debtors under the EFIH Second Lien Notes (solely in such capacity) that are party or that become party to the EFIH Settlement Agreement

419. "*Taxable Separation*" means the transactions required or advisable to cause the TCEH Debtors to directly or indirectly transfer all of its assets to Reorganized TCEH (or one or more of its subsidiaries) in a transaction that will be treated as a taxable sale or exchange pursuant to section 1001 of the Internal Revenue Code and not (in whole or in part) as a tax-free transaction (under section 368 of the Internal Revenue Code or otherwise), which may include such steps as (a) the formation of Reorganized TCEH and one or more subsidiaries by a designee of the TCEH Supporting First Lien Creditors; (b) subject to clause (c), the transfer of TCEH's assets to an indirect subsidiary of Reorganized TCEH in exchange for Claims transferred to such indirect subsidiary; (c) the transfer of a portion of the TCEH Debtors' assets to an indirect subsidiary of Reorganized TCEH in exchange for preferred stock of Reorganized TCEH (or one or more of its subsidiaries), subject to a pre-existing binding commitment to sell such preferred stock to third-party investors for Cash; and/or (d) any other reasonable methodology proposed by the TCEH Supporting First Lien Creditors. The Taxable Separation shall be in form and substance as proposed by the TCEH Supporting First Lien Creditors (subject to any modifications as consented to by the TCEH Supporting First Lien Creditors and the Debtors, such consent not to be unreasonably withheld, delayed or conditioned) and shall be described in more detail in the Taxable Separation Memorandum.

420. "*Taxable Separation Memorandum*" means the restructuring steps memorandum describing the Taxable Separation, which shall be acceptable in form and substance to the TCEH Supporting First Lien Creditors and included in the Plan Supplement.

421. "*Taxable Separation Tax Receivable Agreement*" means the tax receivable agreement or similar arrangement, if any, under which Reorganized TCEH (or one or more of its subsidiaries) shall agree to make payments in respect of Reorganized TCEH's (or its subsidiaries') specified tax items, to be entered into, at the request of the TCEH Supporting First Lien Creditors, on the TCEH Effective Date, the material terms and conditions of which shall be (i) as proposed by the TCEH Supporting First Lien Creditors (subject to any modifications as consented to by the TCEH First Lien Creditors and the TCEH Debtors, such consent not to be unreasonably withheld, delayed or conditioned), and (ii) included in the Plan Supplement.

422. "*Taxable Separation TRA Rights*" means the rights to receive payments under (and otherwise share in the benefits of) the Taxable Separation Tax Receivable Agreement (if any), whether such rights are structured as a separate instrument issued by Reorganized TCEH (or one or more of its subsidiaries), an equity interest in an entity that is a party to the Taxable Separation Tax Receivable Agreement, or otherwise.

423. "*Tax and Interest Makewhole Agreements*" means, collectively: (a) that certain Tax Make-Whole Agreement, dated as of January 1, 2002, by and among Oncor Electric and TXU Generation Company LP; (b) that certain Interest Make-Whole Agreement, dated as of January 1, 2002, by and among Oncor Electric and TXU Generation Company LP; and (c) that certain Interest Make Whole Agreement, dated as of January 1, 2004, by and among TXU Electric Delivery Company and TXU Generation Company LP.

424. "*Taxing Units*" means Somervell County, Somervell County Water Improvement District, Glen Rose ISD, Somervell Hospital District, Nolan County, Wes Texas Groundwater, Nolan County Hospital District, Sweetwater ISD, City of Sweetwater, and Blackwell ISD.

425. "*Tax Matters Agreement*" means the tax matters agreement to be entered into on or prior to the TCEH Effective Date by and among EFH Corp., Reorganized TCEH, EFIH, EFIH Finance, and Merger Sub, effective upon the Distribution, which shall govern the rights and obligations of each party with respect to certain tax matters, which agreement shall be in form and substance acceptable to the Debtors, the TCEH Supporting First Lien Creditors, and the Plan Sponsor; *provided*, that the form of Tax Matters Agreement filed on August 16, 2016 [D.I. 9305] (along with any amendments thereto agreed upon by the Debtors, the TCEH Supporting First Lien Creditors, and the Plan Sponsor) shall be deemed to be in form and substance acceptable to the Debtors, the TCEH Supporting First Lien Creditors, and the Plan Sponsor.

426. "*Tax Sharing Agreements*" means, collectively: (a) the Competitive Tax Sharing Agreement; (b) any formal or informal, written or unwritten tax sharing agreement among substantially the same parties that are parties to the Competitive Tax Sharing Agreement; and (c) the Oncor Tax Sharing Agreement.

427. "*TCEH*" means Texas Competitive Electric Holdings Company LLC, a Delaware limited liability company.

428. "*TCEH 2012 Incremental Term Loans*" means the TCEH First Lien Claims deemed to have been incurred pursuant to Section 1 of the Incremental Amendment Agreement.

429. "*TCEH 2015 Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, for the TCEH 2015 Notes, dated as of October 31, 2007, by and among TCEH and TCEH Finance, Inc., as the issuers; EFCH and certain TCEH subsidiaries as guarantors; and the TCEH Unsecured Notes Trustee.

430. "*TCEH 2015 Notes*" means the 10.25% fixed senior notes due November 1, 2015, issued by TCEH and TCEH Finance pursuant to the TCEH 2015 Note Indenture.

431. "*TCEH Assumed Executory Contracts and Unexpired Leases*" means those Executory Contracts and Unexpired Leases to be assumed by the Reorganized TCEH Debtors, including as set forth on the TCEH Assumed Executory Contract and Unexpired Lease List.

432. "*TCEH Assumed Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases to be assumed (with proposed cure amounts), as determined by the Debtors or the Reorganized Debtors in consultation with the Plan Sponsor and the TCEH Supporting First Lien Creditors, as applicable, as reflected in the Original Plan Supplement, and as may be further amended or modified by inclusion in the Plan Supplement.

433. "*TCEH Assets*" means, collectively: (a) all of TCEH's interests in its subsidiaries (excluding the stock of TCEH Finance) and (b) (i) all of the EFH Debtors' equity interests in the EFH Shared Services Debtors, EFH Properties Company, and Basic Resources, Inc. and (ii) the Acquired TCEH Assets identified in the Separation Agreement.

434. "*TCEH Cash Payment*" means $550,000,000.00 less (a) the Settlement Agreement Professional Fees; (b) (i) the EFH Committee Settlement Payment Amount, if known as of the TCEH Effective Date or (ii) if the EFH Committee Settlement Payment Amount is not known as of the TCEH Effective Date, $9,450,000 placed in the EFH Committee Settlement Escrow; and (c) the EPA Settlement Amount.

435. "*TCEH Committee*" means the statutory committee of unsecured creditors of the TCEH Debtors and EFH Corporate Services appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee on May 13, 2014, the membership of which may be reconstituted from time to time.

436. "*TCEH Committee Litigation Letters*" means those certain letters, dated as of March 31, 2015 and April 30, 2015, from the TCEH Committee to the Debtors identifying alleged Claims and Causes of Action that the TCEH Committee may seek standing to pursue.

437. "*TCEH Committee Standing Motion*" means the *Motion of Official Committee of TCEH Unsecured Creditors for Entry of an Order Granting Exclusive Standing and Authority to Commence, Prosecute, and Settle Certain Claims for Declaratory Judgment, Avoidance and Recovery of Liens, Security Interests, Obligations, Fees, and Interest Payments, and Disallowance of Claims* [D.I. 3593].

438. "*TCEH Confirmation Date*" means the date upon which the Bankruptcy Court enters the TCEH Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

439. "*TCEH Confirmation Order*" means the order of the Bankruptcy Court confirming the Plan with respect to the TCEH Debtors and the EFH Shared Services Debtors pursuant to section 1129 of the Bankruptcy Code, which shall be in form and substance reasonably acceptable to the TCEH DIP Agent and the TCEH Supporting First Lien Creditors.

440. "*TCEH Credit Agreement*" means the Credit Agreement, dated as of October 10, 2007, as amended, by and among TCEH, as borrower, EFCH and certain TCEH subsidiaries, as guarantors, the lending institutions party from time to time thereto, the TCEH First Lien Agent, and the other parties thereto.

441. "*TCEH Credit Agreement Claim*" means any Claims derived from or based upon the TCEH Credit Agreement, including the term loan, revolver, letter of credit, and commodity collateral posting facilities, and guaranty Claims with respect to EFCH.

442. "*TCEH Credit Amendment*" means that certain Amendment No. 2 to the TCEH Credit Agreement, dated as of April 7, 2011, among TCEH, as borrower, EFCH, the undersigned lenders party to the TCEH Credit Agreement, Citibank, N.A., as administrative and collateral agent, and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs Credit Partners L.P., and Morgan Stanley Senior Funding, Inc., as amendment arrangers.

443. "*TCEH Debtor Intercompany Claim*" means, collectively: (a) any Claim by a TCEH Debtor against another TCEH Debtor; and (b) any Claim derived from or based upon the Repurchased PCRBs.

444. "*TCEH Debtors*" means, collectively: (a) EFCH; (b) TCEH; and (c) TCEH's directly and indirectly owned subsidiaries listed on **Exhibit A** to the Plan.

445. "*TCEH Deficiency Recipient Claims*" means, collectively: (a) the TCEH Unsecured Note Claims; (b) the TCEH Second Lien Note Claims; (c) the Allowed General Unsecured Claims Against the TCEH Debtors Other Than EFCH; and (d) the PCRB Claims.

446. "*TCEH DIP Agent*" means Deutsche Bank AG New York Branch, or its duly appointed successor, in its capacity as administrative agent and collateral agent for the TCEH DIP Facility.

447. "*TCEH DIP Claim*" means any Claim held by the TCEH DIP Agent or TCEH DIP Lenders arising under or related to the TCEH DIP Facility, including all principal, interest, default interest, commitment fees, exit fees, expenses, costs, and other charges provided for thereunder.

448. "*TCEH DIP Collateral*" means the "DIP Collateral," as defined in the TCEH DIP Order.

449. "*TCEH DIP Contingent Obligations*" means the "Contingent Obligations," as defined in the TCEH DIP Credit Agreement, including any and all expense reimbursement obligations of the Debtors that are contingent as of the TCEH Effective Date.

450. "*TCEH DIP Credit Agreement*" means the Senior Secured Superpriority Debtor-in-Possession Credit Agreement, dated as of August 4, 2016, as amended, supplemented, or modified from time to time, among EFCH, TCEH, the banks, financial institutions, and other lenders from time to time party thereto, the TCEH DIP Agent, and the other agents and entities party thereto, collectively with the "DIP Documents," as defined in the TCEH DIP Order.

451. "*TCEH DIP Facility*" means the TCEH Debtors' $4.25 billion senior secured superpriority debtor-in-possession financing facility, as evidenced by the TCEH DIP Credit Agreement and approved pursuant to the TCEH DIP Order.

452. "*TCEH DIP L/C*" means any letter of credit issued under the TCEH DIP Credit Agreement.

453. "*TCEH DIP L/C Issuer*" means the issuer of a TCEH DIP L/C.

454. "*TCEH DIP Lenders*" means the TCEH DIP Agent, the TCEH DIP L/C Issuers, and the banks, financial institutions, and other lenders party to the TCEH DIP Credit Agreement from time to time.

455. "*TCEH DIP Order*" means the *Amended Order (A) Approving Postpetition Financing For Texas Competitive Electric Holdings Company LLC and Certain of Its Debtor Affiliates, (B) Granting Liens and Providing Superpriority Administrative Expense Claims, (C) Authorizing Refinancing of Secured Post-Petition Debt, and (D) Modifying the Automatic Stay* [D.I. 8831].

456. "*TCEH DIP Secured Cash Management Banks*" means the "Secured Cash Management Banks," as defined in the TCEH DIP Order.

457. "*TCEH DIP Secured Cash Management Obligations*" means the "Secured Cash Management Obligations," as defined in the TCEH DIP Order.

458. "*TCEH DIP Secured Hedge Banks*" means the "Secured Hedge Banks," as defined in the TCEH DIP Order.

459. "*TCEH DIP Secured Hedge Obligations*" means the "Secured Hedge Obligations," as defined in the TCEH DIP Order.

460. "*TCEH Disclosure Statement*" means the *Third Amended Disclosure Statement for the Second Amended Joint Plan of Reorganization of Energy Future Holdings Corp., et al., Pursuant to Chapter 11 of the Bankruptcy Code as it Applies to the TCEH Debtors and EFH Shared Services Debtors*, dated June 16, 2016 [D.I. 8747].

461. "*TCEH Disclosure Statement Order*" means the *Order (A) Approving the Disclosure Statement of the TCEH Debtors and the EFH Shared Services Debtors, (B) Establishing the TCEH Voting Record Date, Voting Deadline, and Other Dates, (C) Approving Procedures for Soliciting, Receiving, and Tabulating Votes on the Plan and for Filing Objections to the Plan as to the TCEH Debtors and the EFH Shared Services Debtors, and (D) Approving the Manner and Forms of Notice and Other Related Documents* [D.I. 8761].

462. "*TCEH Effective Date*" means, with respect to the Plan, unless otherwise agreed to by (a) the TCEH Debtors and EFH Shared Services Debtors, including the TCEH Debtors and EFH Shared Services Debtors acting at the direction of the applicable Disinterested Directors and Managers with respect to Conflict Matters, and (b) the TCEH Supporting First Lien Creditors, the first Business Day after the TCEH Confirmation Date on which: (i) no stay of the TCEH Confirmation Order is in effect; and (ii) all conditions precedent to the TCEH Effective Date specified in Article IX.C have been satisfied or waived (in accordance with Article IX.E); *provided, however*, that the TCEH Effective Date shall not occur prior to the EFH Effective Date without the prior written consent of the TCEH Supporting First Lien Creditors.

463. "*TCEH Finance*" means TCEH Finance, Inc., a Delaware corporation.

464. "*TCEH First Lien Ad Hoc Committee*" means the ad hoc committee of certain unaffiliated Holders of TCEH First Lien Claims that is represented by, *inter alia*, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Millstein & Co., L.P.

465. "*TCEH First Lien Administrative Agent*" means Wilmington Trust, N.A., solely in its capacity as successor administrative agent to Citibank, N.A. under the TCEH Credit Agreement.

466. "*TCEH First Lien Agent*" means, collectively, the TCEH First Lien Administrative Agent and the TCEH First Lien Collateral Agent and, where applicable, the former administrative agent, the former swingline lender, each former revolving letter of credit issuer, each former and current deposit letter of credit issuer, and the former collateral agent under the TCEH Credit Agreement.

467. "*TCEH First Lien Claims*" means, collectively: (a) the TCEH Credit Agreement Claims; (b) the TCEH First Lien Note Claims; (c) the TCEH First Lien Interest Rate Swap Claims; and (d) the TCEH First Lien Commodity Hedge Claims.

468. "*TCEH First Lien Collateral Agent*" means Wilmington Trust, N.A., solely in its capacity as successor collateral agent to Citibank, N.A. under the TCEH First Lien Intercreditor Agreement.

469. "*TCEH First Lien Commodity Hedge Claim*" means any Claim derived from or based upon the TCEH First Lien Commodity Hedges.

470. "*TCEH First Lien Commodity Hedges*" means the commodity hedges entered into by TCEH and secured by a first lien on the same collateral as the TCEH Credit Agreement Claims and the TCEH First Lien Note Claims.

471. "*TCEH First Lien Creditor Adequate Protection Payment Allocation Dispute*" means the issue raised by the TCEH First Lien Notes Trustee and/or certain Holders of TCEH First Lien Note Claims that, pursuant to section 510(a) of the Bankruptcy Code or otherwise pursuant to applicable law, the Adequate Protection Payments (as defined in the Cash Collateral Order) under the Cash Collateral Order must be allocated among the

Holders of TCEH First Lien Claims pursuant to the Postpetition Interest Allocation Calculation (as defined in the Cash Collateral Order); *provided, however,* that nothing in this definition shall limit any claims or defenses to such issue.

472. "*TCEH First Lien Creditor Adequate Protection Payment Allocation Order*" means a Final Order resolving with prejudice the TCEH First Lien Creditor Adequate Protection Payment Allocation Dispute.

473. "*TCEH First Lien Creditor Allocation Disputes*" means, collectively: (a) the TCEH First Lien Creditor Adequate Protection Payment Allocation Dispute; and (b) the TCEH First Lien Creditor Plan Distribution Allocation Dispute. For the avoidance of doubt, the TCEH First Lien Creditor Allocation Disputes shall not include the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute.

474. "*TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute*" means the issues raised in the action captioned Marathon Asset Management, LP, v. Wilmington Trust, N.A., (Index No. 651669/2015), that was originally filed by Marathon Asset Management, LP in New York State Supreme Court on May 14, 2015, or any successor action, adversary proceeding, contested matter, or other litigation proceeding in which any claim or Cause of Action is asserted that the Holders of Deposit L/C Loans (as defined in the TCEH Credit Agreement) have a priority security interest, as compared to other Holders of TCEH First Lien Secured Claims, in certain Cash deposited in the Deposit L/C Loan Collateral Account (as defined in the TCEH Credit Agreement); *provided, however,* that nothing in this definition shall limit any claims or defenses to such issues.

475. "*TCEH First Lien Creditor Distributions*" means any and all of the distributions set forth in Article III.B.29(c).

476. "*TCEH First Lien Creditor Petition Date Allocated Claim Amounts*" means the Allowed amounts of such Claims as of the Petition Date as set forth in the Plan.

477. "*TCEH First Lien Creditor Plan Distribution Allocation Dispute*" means the issue raised by the TCEH First Lien Notes Trustee and/or certain Holders of TCEH First Lien Note Claims that, pursuant to section 510(a) of the Bankruptcy Code or otherwise pursuant to applicable law, the TCEH First Lien Creditor Distributions should be allocated among the Holders of TCEH First Lien Claims on a basis other than Pro Rata based upon the Allowed amounts of such Claims as of the Petition Date; *provided, however,* that nothing in this definition shall limit any claims or defenses to such issue.

478. "*TCEH First Lien Creditor Plan Distribution Allocation Order*" means a Final Order resolving with prejudice the TCEH First Lien Creditor Plan Distribution Allocation Dispute, which allocations may be based on the TCEH First Lien Creditor Petition Date Allocated Claim Amounts, the TCEH First Lien Creditor Postpetition Interest Allocated Claim Amounts, or as otherwise provided in such Final Order.

479. "*TCEH First Lien Creditor Postpetition Interest Allocated Claim Amounts*" means the Allowed amounts of such Claims plus postpetition interest calculated at the rate set forth in each of the applicable governing contracts from the Petition Date until the TCEH Effective Date.

480. "*TCEH First Lien Deficiency Claim*" means any TCEH First Lien Claim that is not a TCEH First Lien Secured Claim.

481. "*TCEH First Lien Intercreditor Agreement*" means that certain Amended and Restated Collateral Agency and Intercreditor Agreement, dated as of October 10, 2007, as amended and restated from time to time, by and among TCEH, EFCH, the TCEH First Lien Agent, and the other parties thereto.

482. "*TCEH First Lien Interest Rate Swap Claim*" means any Claim derived from or based upon the TCEH First Lien Interest Rate Swaps.

483. "*TCEH First Lien Interest Rate Swaps*" means the interest rate swaps entered into by TCEH and secured by a first lien on the same collateral as the TCEH Credit Agreement Claims and the TCEH First Lien Note Claims.

484. "*TCEH First Lien Note Claim*" means any Claim derived from or based upon the TCEH First Lien Notes, excluding any Claim derived from or based upon the TCEH First Lien Notes held by EFH Corp.

485. "*TCEH First Lien Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated April 19, 2011, among TCEH and TCEH Finance, as issuers, EFCH and certain of TCEH's subsidiaries, as guarantors, and the TCEH First Lien Notes Trustee.

486. "*TCEH First Lien Note Intercreditor Action*" means the action captioned *Delaware Trust Company* v. *Wilmington Trust, N.A.* (Index No. 650792/2015), that was originally filed by the TCEH First Lien Notes Trustee in New York State Supreme Court on March 13, 2015, and any successor action, adversary proceeding, contested matter, or other litigation proceeding in which any claim or Cause of Action is asserted that property or assets distributed to Holders of TCEH First Lien Claims should be allocated among such Holders taking into account the accrual of postpetition interest on such claims despite the fact that pursuant to section 502(b) of the Bankruptcy Code interest ceased to accrue against the Debtors on the TCEH First Lien Claims as of the Petition Date; *provided, however*, that nothing in this definition shall limit any claims or defenses to such arguments.

487. "*TCEH First Lien Notes*" means the 11.50% fixed senior secured notes due October 1, 2020, issued by TCEH and TCEH Finance pursuant to the TCEH First Lien Note Indenture.

488. "*TCEH First Lien Notes Trustee*" means Delaware Trust Company, as successor trustee to BNY.

489. "*TCEH First Lien Secured Claim*" means any TCEH First Lien Claim that is Secured.

490. "*TCEH Intercompany Notes*" means, collectively: (a) that certain intercompany promissory note for principal and interest payments, dated as of October 10, 2007, as amended and restated, by and among EFH Corp., as maker, and TCEH, as payee; (b) that certain intercompany promissory note for SG&A, dated as of October 10, 2007, as amended and restated, by and among EFH Corp., as maker, and TCEH, as payee; and (c) that certain intercompany promissory note, dated as of February 22, 2010, as amended and restated, by and among TCEH, as maker, and EFH Corp., as payee.

491. "*TCEH L/C*" means any letter of credit issued under the TCEH Credit Agreement.

492. "*TCEH L/C Issuer*" means the issuer of a TCEH L/C.

493. "*TCEH Professional Fee Escrow Account*" means an escrow account established and funded pursuant to Article II.A.2(b) of the Plan for Professional Fee Claims allocated to the TCEH Debtors or the Reorganized TCEH Debtors pursuant to pursuant to Article II.A.2(d) of the Plan.

494. "*TCEH Professional Fee Reserve Amount*" means the total amount of Professional Fee Claims estimated to be allocated to the TCEH Debtors or the Reorganized TCEH Debtors in accordance with Article II.A.2(c) of the Plan.

495. "*TCEH Rejected Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases to be rejected pursuant to the Plan, as determined by the TCEH Debtors or the Reorganized TCEH Debtors with the consent of the TCEH Supporting First Lien Creditors, as reflected in the Original Plan Supplement and as may be further amended or modified by inclusion in the Plan Supplement.

496. "*TCEH Second Lien Consortium*" means that certain Ad Hoc Consortium of Holders of TCEH Second Lien Notes.

497. "*TCEH Second Lien Intercreditor Agreement*" means that certain Second Lien Intercreditor Agreement, dated as of October 6, 2010, as amended and restated from time to time, by and among TCEH, EFCH, the TCEH First Lien Agent, the TCEH Second Lien Notes Trustee, and the other parties thereto.

498. "*TCEH Second Lien Note Claim*" means any Claim derived from or based upon the TCEH Second Lien Notes.

499. "*TCEH Second Lien Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated October 6, 2010, by and among TCEH and TCEH Finance, as issuers, EFCH and certain of TCEH's subsidiaries, as guarantors, the TCEH Second Lien Notes Trustee, and the TCEH Second Lien Notes Collateral Agent.

500. "*TCEH Second Lien Notes*" means the 15.0% fixed senior secured second lien notes and the 15.0% fixed senior secured second lien notes, Series B, due April 1, 2021, issued by TCEH and TCEH Finance pursuant to the TCEH Second Lien Note Indenture.

501. "*TCEH Second Lien Notes Collateral Agent*" means BNYMTC, as collateral agent.

502. "*TCEH Second Lien Notes Trustee*" means Wilmington Savings Fund Society, as successor trustee to BNY.

503. "*TCEH Senior Toggle Notes*" means the 10.50%/11.25% senior toggle notes due November 1, 2016, issued by TCEH and TCEH Finance pursuant to the TCEH Senior Toggle Note Indenture.

504. "*TCEH Senior Toggle Note Indenture*" means that certain Indenture, as amended or supplemented from time to time, dated December 6, 2007, by and among TCEH and TCEH Finance, Inc., as issuers, EFCH and certain TCEH subsidiaries, as guarantors, and the TCEH Unsecured Notes Trustee.

505. "*TCEH Settlement Claim*" means the Unsecured Claim of TCEH against EFH Corp. Allowed in the amount of $700 million pursuant to the Settlement Agreement.

506. "*TCEH Settlement Claim Turnover Distributions*" means the recovery, proceeds, or distributions, if any, that TCEH receives on account of the TCEH Settlement Claim and that it is required to assign or otherwise turn over to Holders of EFH Beneficiary Claims pursuant to the terms and conditions of Section 4 of the EFH/EFIH Committee Settlement. The TCEH Settlement Claim Turnover Distributions shall not exceed, in the aggregate, $37.8 million.

507. "*TCEH Supporting First Lien Creditors*" means those Holders of TCEH First Lien Claims that are members of the TCEH First Lien Ad Hoc Committee and that are parties to the Plan Support Agreement (which shall not include the TCEH First Lien Agent); *provided* that where consent, waiver, or approval of the TCEH Supporting First Lien Creditors is required under the Plan, the TCEH Supporting First Lien Creditors shall mean at least five unaffiliated TCEH Supporting First Lien Creditors holding in the aggregate at least 50.1% in aggregate principal amount of TCEH First Lien Claims held by all TCEH Supporting First Lien Creditors.

508. "*TCEH Supporting Second Lien Creditors*" means those Holders of TCEH Second Lien Note Claims party to the Plan Support Agreement.

509. "*TCEH Supporting Unsecured Creditors*" means those Holders of TCEH Unsecured Note Claims party to the Plan Support Agreement.

510. "*TCEH Unsecured Ad Hoc Group*" means that certain Ad Hoc Group of TCEH Unsecured Noteholders made up of Holders of TCEH Unsecured Notes.

511. "*TCEH Unsecured Debt Claims*" means, collectively: (a) the TCEH First Lien Deficiency Claims; (b) the TCEH Second Lien Note Claims; (c) the TCEH Unsecured Note Claims; and (d) the PCRB Claims.

512. "*TCEH Unsecured Group Litigation Letter*" means that certain letter, dated as of April 30, 2015, from the TCEH Unsecured Ad Hoc Group to the Debtors identifying Claims and Causes of Action that the TCEH Unsecured Ad Hoc Group may seek standing to pursue.

513. "*TCEH Unsecured Group Standing Motion*" means the *Motion of the Ad Hoc Group of TCEH Unsecured Noteholders for Entry of an Order Granting Standing and Authority to Commence, Prosecute, and Settle Certain Claims for Declaratory Judgment, Avoidance and Recovery of Liens, Security Interests, Obligations, Fees, and Interest Payments, and Disallowance of Claims* [D.I. 3603].

514. "*TCEH Unsecured Note Claim*" means any Claim derived from or based upon the TCEH Unsecured Notes, excluding any Claim derived from or based upon the TCEH Unsecured Notes held by EFH Corp. or EFIH.

515. "*TCEH Unsecured Notes*" means, collectively: (a) the TCEH 2015 Notes; and (b) the TCEH Senior Toggle Notes.

516. "*TCEH Unsecured Notes Trustee*" means Law Debenture Trust Company of New York, as successor trustee to BNY.

517. "*TEF*" means Texas Energy Future Capital Holdings LLC, a Delaware limited liability company and the general partner of Texas Holdings.

518. "*Terminated Restructuring Support Agreement*" means that certain Restructuring Support and Lock-Up Agreement, dated as of April 29, 2014, by and among EFH Corp, EFIH, EFH Corporate Services, EFIH Finance, the TCEH Debtors, and certain Holders of Claims and Interests, including all exhibits and schedules attached thereto, and terminated as of July 24, 2014 [D.I. 1697].

519. "*Tex-La*" means the Tex-La Electric Cooperative of Texas, Inc.

520. "*Tex-La 2019 Obligations*" means the payment obligations of EFCH under the terms of the Tex-La Assumption Agreement with respect to the 9.58% fixed notes due 2019 issued by Tex-La in the outstanding principal amount of $35 million.

521. "*Tex-La 2021 Obligations*" means the payment obligations of EFCH under the terms of the Tex-La Assumption Agreement with respect to the 8.254% fixed notes due 2021 issued by Tex-La in the outstanding principal amount of $37 million.

522. "*Tex-La Assumption Agreement*" means that certain Assumption Agreement, dated February 1, 1990 by and among EFCH, Tex-La, and the U.S. acting through the Administrator of the Rural Utilities Service, whereby EFCH agreed to assume certain outstanding indebtedness of Tex-La that is guaranteed by the Rural Utilities Service.

523. "*Tex-La Guaranty Claim*" means any Claim against EFH Corp. derived from or based upon the Tex-La Obligations.

524. "*Tex-La Obligations*" means, collectively: (a) the Tex-La 2019 Obligations; and (b) the Tex-La 2020 Obligations.

525. "*Texas Holdings*" means Texas Energy Future Holdings Limited Partnership, a Texas limited partnership, which holds substantially all of the outstanding Interests in EFH Corp.

526. "*Threshold Supporting Creditors*" means the Supporting Creditors collectively holding legal or beneficial interests in no less than 66 2/3% of the aggregate principal amount of EFIH Unsecured Note Claim, as of the date that the EFIH Unsecured Creditor Plan Support Agreement was executed, that executed and delivered the EFIH Unsecured Creditor Plan Support Agreement.

527. "*TRA Information Form*" means the information form that Holders of Allowed TCEH First Lien Secured Claims must complete and timely submit to receive the Spin-Off TRA Rights (if any) or the Taxable Separation TRA Rights (if any), as applicable, which shall be reasonably acceptable in form and substance to the TCEH Supporting First Lien Creditors and included in the Plan Supplement.

528. "*Transaction Agreements*" means, collectively, (a) the Merger Agreement; (b) the New Reorganized TCEH Debt Documents; (c) the Tax Matters Agreement; (d) the Transition Services Agreement; (e) the Separation Agreement; (f) the Taxable Separation Tax Receivable Agreement (if any); (g) the Spin-Off Tax Receivable Agreement (if any); (h) the Amended and Restated Split Participant Agreement; and (i) related agreements and commitment letters.

529. "*Transition Services Agreement*" means the transition services agreement, if any, to be entered into between Reorganized TCEH and EFH Corp on or before the TCEH Effective Date, in form and substance reasonably acceptable to each of the parties thereto, the Plan Sponsor, and the TCEH Supporting First Lien Creditors, as applicable, addressing the Shared Services and any other transition services reasonably necessary to the continued operation of Reorganized EFIH, Reorganized EFH (or EFH Corp., as applicable), and Oncor, which shall be included in the Plan Supplement.

530. "*Trustee Indemnification Claims*" means the secured indemnification claims that each of the EFIH First Lien Notes Trustee and EFIH Second Lien Notes Trustee assert that they have against the Debtors and which the EFIH First Lien Notes Trustee and EFIH Second Lien Notes Trustee assert that must survive the EFH Effective Date for any loss, damage, claims, liabilities or expenses (including professional fees) incurred in connection with performance of their respective duties as trustees (including in connection with the Makewhole Claims, the EFIH Intercreditor Litigation or taking any actions with regard to distributions).

531. "*TTI*" means Texas Transmission Investment LLC, a Delaware limited liability company.

532. "*Unexpired Lease*" means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

533. "*Unimpaired*" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

534. "*Unconflicted Initial Supporting Creditor*" means an Initial Supporting Creditor or a representative thereof that does not hold, or have any interests in, the EFIH First Lien Notes or EFIH Second Lien Notes.

535. "*U.S.*" means the United States of America.

536. "*Unsecured Claim*" means any Claim that is not a Secured Claim.

537. "*U.S. Trustee*" means the Office of the U.S. Trustee for Region 3.

B. Rules of Interpretation.

For the purposes of the Plan:

(1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; *provided* that

no document shall be deemed to be substantially in such form or substantially on such terms if any variation from such terms has any substantive legal or economic effect on any party;

(3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented; *provided* that any such amendment, modification, or supplement is made in accordance with the terms of the Plan and the terms governing any applicable document, schedule, or exhibit, including any consent right in favor of the Plan Sponsor, the TCEH Supporting First Lien Creditors, the EFH Debtors, the Reorganized EFH Debtors, the EFIH Debtors or the Reorganized EFIH Debtors.

(4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns;

(5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto;

(6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement;

(7) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan;

(8) subject to the provisions of any contract, certificate of incorporation, or similar formation document or agreement, by-law, instrument, release, or other agreement or document entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules;

(9) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan;

(10) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply;

(11) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be;

(12) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system;

(13) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated;

(14) any immaterial effectuating provisions may be interpreted by the Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity; *provided, however*, that no effectuating provision shall be immaterial or deemed immaterial if it has any substantive legal or economic effect on any party;

(15) except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or to the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

C. Computation of Time.

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to

the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day. Except as otherwise provided herein, in the Merger Agreement, in the Plan Sponsor Plan Support Agreement, or in the EFIH Unsecured Creditor Plan Support Agreement, as applicable, any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

D. Governing Law.

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control); *provided*, *however*, that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, shall be governed by the laws of the state of incorporation or formation of the relevant Debtor or Reorganized Debtor, as applicable.

E. Reference to Monetary Figures.

All references in the Plan to monetary figures shall refer to currency of the U.S., unless otherwise expressly provided.

ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP CLAIMS, AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests.

A. Administrative Claims.

1. General Administrative Claims.

Except as specified in this Article II, unless the Holder of an Allowed General Administrative Claim and the Debtors or the Reorganized Debtors, as applicable, agree to less favorable treatment, each Holder of an Allowed General Administrative Claim will receive, in full satisfaction of its General Administrative Claim, Cash equal to the amount of such Allowed General Administrative Claim either: (a) on the Effective Date; (b) if the General Administrative Claim is not Allowed as of the Effective Date, 60 days after the date on which an order allowing such General Administrative Claim becomes a Final Order, or as soon thereafter as reasonably practicable; or (c) if the Allowed General Administrative Claim is based on a liability incurred by the Debtors in the ordinary course of their business after the Petition Date, pursuant to the terms and conditions of the particular transaction or agreement giving rise to such Allowed General Administrative Claim, without any further action by the Holders of such Allowed General Administrative Claim, and without any further notice to or action, order, or approval of the Bankruptcy Court.

Requests for payment of General Administrative Claims must be Filed and served on the Debtors or the Reorganized Debtors, as applicable, no later than the Administrative Claims Bar Date applicable to the Debtor against whom the General Administrative Claim is asserted pursuant to the procedures specified in the Confirmation Order and the notice of the Effective Date. Holders of General Administrative Claims that are required to File and serve a request for payment of such General Administrative Claims by the Administrative Claims Bar Date that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such General Administrative Claims against the Debtors, the Reorganized Debtors, or their respective property and such General Administrative Claims shall be deemed forever discharged and released as of the Effective Date. Any requests for payment of General Administrative Claims that are not properly Filed and served by the Administrative Claims Bar Date shall not appear on the Claims Register and shall be disallowed automatically without the need for further action by the Debtors or the Reorganized Debtors or further order of the Bankruptcy Court. To the extent this Article II.A.1 conflicts with Article XII.C of the Plan with respect to fees and

expenses payable under section 1930(a) of the Judicial Code, including fees and expenses payable to the U.S. Trustee, Article XII.C of the Plan shall govern.

2. Professional Compensation.

(a) Final Fee Applications.

All final requests for payment of Professional Fee Claims, including the Professional Fee Claims incurred during the period from the Petition Date through the Effective Date, must be Filed and served on the Debtors, or Reorganized Debtors, and, with respect to fees incurred for the benefit of the EFH/EFIH Debtors, the EFH Plan Administrator Board, as applicable, no later than the Administrative Claims Bar Date. All such final requests will be subject to approval by the Bankruptcy Court after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court in the Chapter 11 Cases, including the Interim Compensation Order, and once approved by the Bankruptcy Court, promptly paid from the Professional Fee Escrow Account up to its full Allowed amount.

(b) Professional Fee Escrow Accounts.

On the TCEH Effective Date, the Reorganized TCEH Debtors shall establish and fund the TCEH Professional Fee Escrow Account with Cash equal to the TCEH Professional Fee Reserve Amount. On the EFH Effective Date, the EFH Debtors and the EFIH Debtors shall establish and fund the EFH Professional Fee Escrow Account and the EFIH Professional Fee Escrow Account, respectively, with Cash equal to the EFH Professional Fee Reserve Amount and the EFIH Professional Fee Reserve Amount, respectively.

Upon the establishment of the applicable Professional Fee Escrow Account, the Reorganized TCEH Debtors, the EFIH Debtors, and the EFH Debtors shall select a Professional Fee Escrow Agent for the applicable Professional Fee Escrow Account to administer payments to and from such Professional Fee Escrow Account in accordance with the Plan and shall enter into escrow agreements providing for administration of such payments in accordance with the Plan.

The Professional Fee Escrow Accounts shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals from the applicable Professional Fee Escrow Account when such Professional Fee Claims are Allowed by a Final Order.

(c) Professional Fee Reserve Amount.

Professionals shall estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date and shall deliver such estimate to the Debtors no later than five days before the Effective Date; *provided, however*, that such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of Filed Professional Fee Claims. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional.

The total amount estimated pursuant to this section shall: (a) as estimated to be allocated to the TCEH Debtors or the Reorganized TCEH Debtors in accordance with Article II.A.2(d) of the Plan, comprise the TCEH Professional Fee Reserve Amount; (b) as estimated to be allocated to the EFH Debtors or the Reorganized EFH Debtors in accordance with Article II.A.2(d) of the Plan, comprise the EFH Professional Fee Reserve Amount; and (c) as estimated to be allocated to the EFIH Debtors or the Reorganized EFH Debtors in accordance with Article II.A.2(d) of the Plan, comprise the EFIH Professional Fee Reserve Amount.

(d) Allocation of Professional Fee Claims.

Allowed Direct Professional Fee Claims shall be allocated to, and paid from, the applicable Professional Fee Escrow Account. Allowed Collective Professional Fee Claims shall be allocated to, and paid from, the

applicable Professional Fee Escrow Account in the same proportion that the amount of Allowed Direct Professional Fee Claims incurred by such Professional for such Debtor bears to the total amount of Allowed Direct Professional Fee Claims incurred by such Professional for all of the Debtors.

(e) Post-Effective Date Fees and Expenses.

When all Allowed amounts owing to Professionals have been paid in full from the applicable Professional Fee Escrow Account, any remaining amount in such Professional Fee Escrow Account shall be disbursed as follows without any further action or order of the Bankruptcy Court: (a) from the TCEH Professional Fee Account, to the Reorganized TCEH Debtors; (b) from the EFH Professional Fee Account, to the EFH/EFIH Distribution Account, on account of the EFH Creditor Recovery Pool; and (c) from the EFIH Professional Fee Account, to the EFH/EFIH Distribution Account, on account of the EFIH Unsecured Creditor Recovery Pool.

If the amount in any Professional Fee Escrow Account is insufficient to fund payment in full of all Allowed amounts owing to Professionals, the deficiency shall be promptly funded to the applicable Professional Fee Escrow Account as follows without any further action or order of the Bankruptcy Court: (a) as to the TCEH Debtors or the Reorganized TCEH Debtors, by the Reorganized TCEH Debtors; (b) as to the EFH Debtors, from the EFH/EFIH Distribution Account, on account of the EFH Creditor Recovery Pool; and (c) as to the EFIH Debtors, from the EFH/EFIH Distribution Account, on account of the EFIH Unsecured Creditor Recovery Pool.

Upon the Effective Dates, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors or Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court; *provided, however*, that, for the avoidance of doubt, the Reorganized EFH Debtors and the Reorganized EFIH Debtors shall not be liable or otherwise responsible for the payment of any Professional Fee Claims.

B. DIP Claims.

1. TCEH DIP Claims.

The TCEH DIP Claims shall be Allowed in the full amount due and owing under the TCEH DIP Credit Agreement and TCEH DIP Order, including all principal, interest, default interest, commitment fees, exit fees, expenses, costs, and other charges provided for thereunder. On the TCEH Effective Date, except to the extent that a Holder of an Allowed TCEH DIP Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, each Allowed TCEH DIP Claim, each such Holder shall either (a) receive payment in full in Cash on the TCEH Effective Date; (b) be satisfied by converting such Claims into New Reorganized TCEH Debt on a dollar-for-dollar basis in accordance with the terms of the New Reorganized TCEH Debt Documents; or (c) such other treatment as Reorganized TCEH and the applicable Holder of the TCEH DIP Claim shall agree.

For the avoidance of doubt, none of the EFH Debtors, Reorganized EFH Debtors, EFIH Debtors, or Reorganized EFIH Debtors shall be obligated in any respect with respect to any TCEH DIP Claims, any TCEH DIP L/C, any TCEH DIP Secured Hedge Obligation, any TCEH DIP Secured Cash Management Obligation, or any TCEH DIP Contingent Obligation.

2. EFIH First Lien DIP Claims.

The EFIH First Lien DIP Claims shall be Allowed in the full amount due and owing under the EFIH First Lien DIP Credit Agreement, including all principal, accrued and accruing postpetition interest, costs, fees, and expenses. On the EFH Effective Date, except to the extent that a Holder of an Allowed EFIH First Lien DIP Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, each Allowed EFIH First Lien DIP Claim, each such Holder shall receive payment in full in Cash by or on behalf of EFIH on the EFH Effective Date; *provided that:*

(a) in respect of any EFIH DIP Secured Hedge Obligation that is outstanding on the EFH Effective Date, at the option of Reorganized EFIH, (i) such EFIH DIP Secured Hedge Obligation shall be secured by a first priority Lien on the EFIH First Lien DIP Collateral on terms and conditions as Reorganized EFIH and the applicable EFIH DIP Secured Hedge Bank shall agree, (ii) such EFIH DIP Secured Hedge Obligation shall be repaid in full in Cash on the EFH Effective Date, or (iii) such other treatment shall have been provided with respect to such EFIH DIP Secured Hedge Obligation as Reorganized EFIH and the applicable EFIH DIP Secured Hedge Bank shall agree;

(b) in respect of any EFIH DIP Secured Cash Management Obligation that is outstanding on the EFH Effective Date, at the option of Reorganized EFIH, (i) such EFIH DIP Secured Cash Management Obligation shall be secured by a first priority Lien on the EFIH First Lien DIP Collateral on terms and conditions as the Debtors and the applicable EFIH DIP Secured Cash Management Bank shall agree, (ii) such EFIH DIP Secured Cash Management Obligation shall be repaid in full in Cash on the EFH Effective Date, or (iii) such other treatment shall have been provided with respect to such EFIH DIP Secured Cash Management Obligation as Reorganized EFIH and the applicable EFIH DIP Secured Cash Management Bank shall agree; and

(c) the EFIH First Lien DIP Contingent Obligations (including any and all expense reimbursement obligations of the EFIH Debtors that are contingent as of the EFH Effective Date) shall survive the EFH Effective Date on an unsecured basis, shall be paid by the applicable Reorganized Debtors as and when due under the EFIH First Lien DIP Credit Agreement, and shall not be discharged or released pursuant to the Plan and EFH Confirmation Order; *provided* that such surviving EFIH First Lien DIP Contingent Obligations shall not exceed $10 million.

For the avoidance of doubt, none of the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, or Reorganized EFH Shared Services Debtors shall be obligated in any respect with respect to any EFIH First Lien DIP Claims, any EFIH DIP Secured Hedge Obligation, EFIH DIP Secured Cash Management Obligation, or any EFIH First Lien DIP Contingent Obligation.

C. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code and, for the avoidance of doubt, Holders of Allowed Priority Tax Claims will receive interest on such Allowed Priority Tax Claims after the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code. For the avoidance of doubt, all payments in respect of Allowed Priority Tax Claims shall be made by the EFH Plan Administrator Board solely from the EFH/EFIH Distribution Account.

ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Classification of Claims and Interests.

Claims and Interests, except for Administrative Claims, DIP Claims, and Priority Tax Claims, are classified in the Classes set forth in this Article III. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest also is classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied before the applicable Effective Date. The Debtors reserve the right to assert that the treatment provided to Holders of Claims and Interests pursuant to Article III.B of the Plan renders such Holders Unimpaired.

1. Class Identification for the EFH Debtors.

The Plan constitutes a separate chapter 11 plan of reorganization for each EFH Debtor, each of which shall include the classifications set forth below. Subject to Article III.D of the Plan, to the extent that a Class contains Claims or Interests only with respect to one or more particular EFH Debtors, such Class applies solely to such EFH Debtor.

The following chart represents the classification of Claims and Interests for each EFH Debtor pursuant to the Plan.

Class	Claims and Interests	Status	Voting Rights
Class A1	Other Secured Claims Against the EFH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class A2	Other Priority Claims Against the EFH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class A3	Legacy General Unsecured Claims Against the EFH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class A4	EFH Legacy Note Claims	Impaired	Entitled to Vote
Class A5	EFH Unexchanged Note Claims	Impaired	Entitled to Vote
Class A6	EFH LBO Note Primary Claims	Impaired	Entitled to Vote
Class A7	EFH Swap Claims	Impaired	Entitled to Vote
Class A8	EFH Non-Qualified Benefit Claims	Impaired	Entitled to Vote
Class A9	General Unsecured Claims Against EFH Corp.	Impaired	Entitled to Vote
Class A10	General Unsecured Claims Against the EFH Debtors Other Than EFH Corp.	Impaired	Entitled to Vote
Class A11	Tex-La Guaranty Claims	Impaired	Entitled to Vote
Class A12	TCEH Settlement Claim	Impaired	Entitled to Vote
Class A13	EFH Debtor Intercompany Claims	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class A14	Non-EFH Debtor Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class A15	Interests in EFH Debtors Other Than EFH Corp.	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class A16	Interests in EFH Corp.	Impaired	Not Entitled to Vote (Deemed to Reject)

2.Class Identification for the EFIH Debtors.

The Plan constitutes a separate chapter 11 plan of reorganization for each EFIH Debtor, each of which shall include the classifications set forth below. Subject to Article III.D of the Plan, to the extent that a Class contains Claims or Interests only with respect to one or more particular EFIH Debtors, such Class applies solely such EFIH Debtor.

The following chart represents the classification of Claims and Interests for each EFIH Debtor pursuant to the Plan.

Class	Claims and Interests	Status	Voting Rights
Class B1	Other Secured Claims Against the EFIH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)

Class	Claims and Interests	Status	Voting Rights
Class B2	Other Priority Claims Against the EFIH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class B3	EFIH First Lien Note Claims	Impaired	Entitled to Vote
Class B4	EFIH Second Lien Note Claims	Impaired	Entitled to Vote
Class B5	EFH LBO Note Guaranty Claims	Impaired	Entitled to Vote
Class B6	General Unsecured Claims Against the EFIH Debtors	Impaired	Entitled to Vote
Class B7	EFIH Debtor Intercompany Claims	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class B8	Non-EFIH Debtor Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class B9	Interest in EFIH	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class B10	Interests in EFIH Finance	Impaired	Not Entitled to Vote (Deemed to Reject)

3.Class Identification for the TCEH Debtors.

The Plan constitutes a separate chapter 11 plan of reorganization for each TCEH Debtor, each of which shall include the classifications set forth below. Subject to Article III.D of the Plan, to the extent that a Class contains Claims or Interests only with respect to one or more particular TCEH Debtors, such Class applies solely to such TCEH Debtor.

The following chart represents the classification of Claims and Interests for each TCEH Debtor pursuant to the Plan.

Class	Claims and Interests	Status	Voting Rights
Class C1	Other Secured Claims Against the TCEH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class C2	Other Priority Claims Against the TCEH Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class C3	TCEH First Lien Secured Claims	Impaired	Entitled to Vote
Class C4	TCEH Unsecured Debt Claims	Impaired	Entitled to Vote
Class C5	General Unsecured Claims Against the TCEH Debtors Other Than EFCH	Impaired	Entitled to Vote
Class C6	General Unsecured Claims Against EFCH	Impaired	Not Entitled to Vote (Deemed to Reject)
Class C7	TCEH Debtor Intercompany Claims	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class C8	Non-TCEH Debtor Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class C9	Interests in TCEH Debtors Other Than TCEH and EFCH	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class C10	Interests in TCEH and EFCH	Impaired	Not Entitled to Vote (Deemed to Reject)

4.Class Identification for the EFH Shared Services Debtors.

The Plan constitutes a separate chapter 11 plan of reorganization for each EFH Shared Services Debtor, each of which shall include the classifications set forth below. Subject to Article III.D of the Plan, to the extent that a

Class contains Claims or Interests only with respect to one or more particular EFH Shared Services Debtors, such Class applies solely such EFH Shared Services Debtor.

The following chart represents the classification of Claims and Interests for each EFH Shared Services Debtor pursuant to the Plan.

Class	Claims and Interests	Status	Voting Rights
Class D1	Other Secured Claims Against the EFH Shared Services Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class D2	Other Priority Claims Against the EFH Shared Services Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class D3	General Unsecured Claims Against the EFH Shared Services Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class D4	EFH Shared Services Debtor Intercompany Claims	Unimpaired/ Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
Class D5	Non-EFH Shared Services Debtor Intercompany Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class D6	Interests in EFH Shared Services Debtors	Unimpaired	Not Entitled to Vote (Deemed to Accept)

B.Treatment of Claims and Interests.

To the extent a Class contains Allowed Claims or Allowed Interests with respect to any Debtor, the classification of Allowed Claims and Allowed Interests is specified below.

1. Class A1 - Other Secured Claims Against the EFH Debtors.

   (a) *Classification*: Class A1 consists of Other Secured Claims Against the EFH Debtors.

   (b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A1, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A1, each such Holder shall receive, at the option of the applicable EFH Debtor(s) with the consent of the Plan Sponsor, either:

      (i) payment in full in Cash and payment of any interest required under section 506(b) and section 1129(b)(2)(i)(II) of the Bankruptcy Code;

      (ii) delivery of collateral securing any such Claim and payment of any interest required under section 506(b) and section 1129(b)(2)(i)(II) of the Bankruptcy Code;

      (iii) Reinstatement of such Claim; or

      (iv) other treatment rendering such Claim Unimpaired.

   (c) *Voting:* Class A1 is Unimpaired under the Plan. Holders of Claims in Class A1 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

2. Class A2 - Other Priority Claims Against the EFH Debtors.

   (a) *Classification*: Class A2 consists of Other Priority Claims Against the EFH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A2, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A2, each such Holder shall receive, at the option of the applicable EFH Debtor(s) with the consent of the Plan Sponsor, either:

(i) payment in full in Cash; or

(ii) other treatment rendering such Claim Unimpaired.

(c) *Voting*: Class A2 is Unimpaired under the Plan. Holders of Claims in Class A2 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

3. Class A3 - Legacy General Unsecured Claims Against the EFH Debtors.

(a) *Classification*: Class A3 consists of Legacy General Unsecured Claims Against the EFH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A3, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A3, each such Holder shall receive Reinstatement of such Claim on the EFH Effective Date.

(c) *Voting:* Class A3 is Unimpaired under the Plan. Holders of Claims in Class A3 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

4. Class A4 - EFH Legacy Note Claims.

(a) *Classification*: Class A4 consists of EFH Legacy Note Claims.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), and a Holder of a Class A4 Claim, as Class A4 Claims, the EFH Legacy Note Claims are Allowed in an amount equal to the sum of: (i) the principal amount outstanding, plus accrued but unpaid prepetition interest, under the EFH Legacy Note Indentures; and (ii) the amount of any other Claims (but in any case excluding any postpetition interest or Makewhole Claims) under the EFH Legacy Notes or EFH Legacy Note Indentures, if and to the extent such Claims are Allowed before the EFH Effective Date.

(c) *Treatment:* Except to the extent that a Holder of an Allowed Claim in Class A4, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A4, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool.

(d) *Voting:* Class A4 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A4 are entitled to vote to accept or reject the Plan.

5. Class A5 - EFH Unexchanged Note Claims.

(a) *Classification*: Class A5 consists of EFH Unexchanged Note Claims.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor, and a Holder of a Class A5 Claim, as Class A5 Claims, the EFH Unexchanged Note Claims are Allowed in an amount equal to the sum of: (i) the principal amount outstanding, plus accrued but unpaid prepetition interest, under the EFH 2019 Note Indenture and EFH 2020 Note Indenture, as applicable; and (ii) the amount of any other Claims (but in any case excluding any postpetition interest or Makewhole Claims) under the EFH Unexchanged Notes or EFH Unexchanged Notes Indentures, if and to the extent such Claims are Allowed, whether Allowed before, on, or after the EFH Effective Date.

(c) *Treatment*: Except to the extent that a Holder, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), of an Allowed Claim in Class A5 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A5, each such Holder shall receive, up to the Allowed amount of its Claim:

(i) its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool; and

(ii) if the Class A5 Claims constitute EFH Beneficiary Claims, and solely to the extent of any portion of its Allowed Claim that is not paid in full pursuant to the preceding clause, its Pro Rata share of up to $5.8 million of the TCEH Settlement Claim Turnover Distributions, if any.

(d) *Voting:* Class A5 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A5 are entitled to vote to accept or reject the Plan; *provided, however*, that Class A5 must vote consistent with the Voting Indication to receive distributions, if any, under clause (c)(ii) above.

6. Class A6 - EFH LBO Note Primary Claims.

(a) *Classification*: Class A6 consists of EFH LBO Note Primary Claims.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor, and a Holder of a Class A6 Claim, as Class A6 Claims, the EFH LBO Note Primary Claims are Allowed in an amount equal to the sum of: (i) the principal amount outstanding, plus accrued but unpaid prepetition interest, under the EFH LBO Note Indenture; and (ii) the amount of any other Claims (but in any case excluding any postpetition interest or Makewhole Claims) under the EFH LBO Notes or EFH LBO Note Indenture, if and to the extent such Claims are Allowed before the EFH Effective Date.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A6, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A6, each such Holder shall receive, up to Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH

Creditor Recovery Pool; *provided, however*, that in no event shall a Holder of an Allowed Claim in Class A6 receive more than a single satisfaction of such Allowed Claim, including any recovery received on account of an Allowed Claim in Class B5.

(d) *Voting:* Class A6 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A6 are entitled to vote to accept or reject the Plan.

7. Class A7 - EFH Swap Claims.

(a) *Classification*: Class A7 consists of EFH Swap Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A7, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A7, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool.

(c) *Voting:* Class A7 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A7 are entitled to vote to accept or reject the Plan.

8. Class A8 - EFH Non-Qualified Benefit Claims.

(a) *Classification*: Class A8 consists of EFH Non-Qualified Benefit Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A8, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A8, each such Holder shall receive, up to the Allowed amount of its Claim:

(i) its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool; and

(ii) if the Class A8 Claims constitute EFH Beneficiary Claims, and solely to the extent of any portion of its Allowed Claim that is not paid in full pursuant to the preceding clause, its Pro Rata share of up to $30 million in Cash on account of the TCEH Settlement Claim Turnover Distributions, if any.

(c) *Voting:* Class A8 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A8 are entitled to vote to accept or reject the Plan; *provided, however*, that Class A8 must vote consistent with the Voting Indication to receive distributions, if any, under clause (b)(ii) above.

9. Class A9 - General Unsecured Claims Against EFH Corp.

(a) *Classification*: Class A9 consists of General Unsecured Claims Against EFH Corp.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A9, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A9, each such Holder shall receive, up to the Allowed amount of its Claim:

(i) its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool; and

(ii) if the Class A9 Claims constitute EFH Beneficiary Claims, and solely to the extent of any portion of its Allowed Claim that is not paid in full pursuant to the preceding clause, its Pro Rata share of up to $2 million of the TCEH Settlement Claim Turnover Distributions, if any.

(c) *Voting:* Class A9 is Impaired under the Plan. Therefore, Holders of allowed Claims in Class A9 are entitled to vote to accept or reject the Plan; *provided, however*, that Class A9 must vote consistent with the Voting Indication to receive distributions, if any, under clause (b)(ii) above.

10. Class A10 - General Unsecured Claims Against the EFH Debtors Other Than EFH Corp.

(a) *Classification*: Class A10 consists of General Unsecured Claims Against the EFH Debtors Other Than EFH Corp.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A10, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A10, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool.

(c) *Voting:* Class A10 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A10 are entitled to vote to accept or reject the Plan.

11. Class A11 - Tex-La Guaranty Claims.

(a) *Classification*: Class A11 consists of the Tex-La Guaranty Claims.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class A11, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class A11, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool; *provided, however*, that in no event shall a Holder of an Allowed Class A11 Claim receive more than a full recovery on account of its Claim, including any recovery as an Allowed Class C1 Claim.

(c) *Voting:* Class A11 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class A11 are entitled to vote to accept or reject the Plan.

12. Class A12 - TCEH Settlement Claim.

(a) *Classification*: Class A12 consists of the TCEH Settlement Claim.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor, and the TCEH Supporting First Lien Creditors, the TCEH Settlement Claim is Allowed in the amount of $700 million.

(c) *Treatment*: Except to the extent that the TCEH Supporting First Lien Creditors, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agree to a less favorable treatment of the TCEH Settlement Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for the TCEH Settlement Claim, TCEH or Reorganized TCEH, as applicable, shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of EFH Corp. Claims) of the EFH Creditor Recovery Pool *less* any TCEH Settlement Claim Tumover Distributions; *provided, however,* that such recoveries shall be distributed directly to the Holders of Allowed Class C3 Claims, as set forth in Article III.B.29, and TCEH or Reorganized TCEH, as applicable, shall never have control, possession, title, or ownership of the recovery for any purpose (except that Reorganized TCEH may nominally hold the right to receive recoveries under the TCEH Settlement Claim but the Holders of Allowed TCEH First Lien Secured Claims will hold all legal and equitable entitlement to receive recoveries under the TCEH Settlement Claim).

(d) *Voting:* Class A12 is Impaired under the Plan. Therefore, the TCEH Supporting First Lien Creditors are entitled to vote to accept or reject the Plan on behalf of TCEH.

13. Class A13 - EFH Debtor Intercompany Claims.

(a) *Classification*: Class A13 consists of EFH Debtor Intercompany Claims.

(b) *Treatment*: EFH Debtor Intercompany Claims shall be, at the option of the EFH Debtors with the consent of the Plan Sponsor, either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Claims;

provided, however, that Class A13 Claims of EFH Corp., LSGT Gas Company LLC, EECI, Inc., EEC Holdings, Inc., and LSGT SACROC, Inc. against one or more of EFH Corp., LSGT Gas Company LLC, EECI, Inc., EEC Holdings, Inc., and LSGT SACROC, Inc. shall be Reinstated.

(c) *Voting*: Holders of Claims in Class A13 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

14. Class A14 - Non-EFH Debtor Intercompany Claims.

(a) *Classification*: Class A14 consists of Non-EFH Debtor Intercompany Claims.

(b) *Treatment*: Non-EFH Debtor Intercompany Claims shall be canceled and released without any distribution on account of such Claims.

(c) *Voting*: Class A14 is Impaired under the Plan. Holders of Claims in Class A14 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

15. Class A15 - Interests in the EFH Debtors Other Than EFH Corp.

(a) *Classification*: Class A15 consists of Interests in the EFH Debtors Other Than EFH Corp.

(b) *Treatment*: Interests in the EFH Debtors Other Than EFH Corp. shall be, at the option of the EFH Debtors with the consent of the Plan Sponsor, either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Interests;

provided, however, that Interests in Debtors LSGT Gas Company LLC, EECI, Inc., EEC Holdings, Inc., and LSGT SACROC, Inc. shall be Reinstated.

(c) *Voting*: Holders of Interests in Class A15 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

16. Class A16 - Interests in EFH Corp.

(a) *Classification*: Class A16 consists of Interests in EFH Corp.

(b) *Treatment*: Interests in EFH Corp. shall be canceled and released without any distribution on account of such Interests.

(c) *Voting*: Class A16 is Impaired under the Plan. Holders of Interests in Class A16 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

17. Class B1 - Other Secured Claims Against the EFIH Debtors.

(a) *Classification*: Class B1 consists of Other Secured Claims Against the EFIH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B1, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class B1, each such Holder shall receive, at the option of the applicable EFIH Debtor(s) with the consent of the Plan Sponsor, either:

(i) payment in full in Cash;

(ii) delivery of collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code;

(iii) Reinstatement of such Claim; or

(iv) other treatment rendering such Claim Unimpaired.

(c) *Voting:* Class B1 is Unimpaired under the Plan. Holders of Claims in Class B1 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject

the Plan.

18. Class B2 - Other Priority Claims Against the EFIH Debtors.

(a) *Classification*: Class B2 consists of Other Priority Claims Against the EFIH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B2, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class B2, each such Holder shall receive, at the option of the applicable EFIH Debtor(s) with the consent of the Plan Sponsor, either:

(i) payment in full in Cash; or

(ii) other treatment rendering such Claim Unimpaired.

(c) *Voting*: Class B2 is Unimpaired under the Plan. Holders of Claims in Class B2 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

19. Class B3 - EFIH First Lien Note Claims.

(a) *Classification:* Class B3 consists of EFIH First Lien Note Claims, if any.

(b) *Allowance*: As Class B3 Claims, the EFIH First Lien Note Claims are Allowed in an amount equal to the sum of:

(i) any accrued but unpaid prepetition interest (including any Additional Interest and interest on interest) at the applicable rate set forth in, and calculated in accordance with, the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement, as applicable;

(ii) any accrued but unpaid postpetition interest (including any Additional Interest and interest on interest) at the applicable rate set forth in, and calculated in accordance with, the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement, as applicable, through the closing date of the EFIH First Lien DIP Facility (excluding interest on interest, which shall be through the EFH Effective Date);

(iii) subject to any review / allowance process ordered by the Court pursuant to the Reserve Order (if the Settlement Approval Order is not entered) all reasonable and documented fees and expenses and indemnification claims, (and interest thereon, including Additional Interest and interest on interest, to the extent provided for by the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement, in each case if and solely to the extent allowed by a court of competent jurisdiction, whether entered before, on, or after the EFH Effective Date), whether incurred or accruing before, on, or after the EFH Effective Date, including those reasonable and documented fees and expenses and indemnification claims incurred in connection with any appeal, remand, or other litigation of any Makewhole Claims, (a) that (with respect only to such fees,

expenses and claims incurred prior to the EFH Effective Date) are allowed under section 506(b) of the Bankruptcy Code and (b) that are owed under the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement; and

(iv) if and solely to the extent allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date, the amount of any other Claims, including any Makewhole Claims, and interest thereon, including, for the avoidance of doubt, any Additional Interest and interest on interest (whether accruing before, on or after the EFH Effective Date, at the applicable rate, and as calculated in accordance with the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement, as applicable, or otherwise, if and solely to the extent such Claims are held to be allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date);

provided, however, that on the EFH Effective Date, the EFIH First Lien Notes Trustee shall be granted the Replacement EFIH First Lien on the EFIH Claims Reserve, which Replacement EFIH First Lien shall not be released until all EFIH First Lien Note Claims have either been (i) Allowed (whether before, on, or after the EFH Effective Date) and paid in full (to the extent Allowed), including all interest thereon solely to the extent allowed by a court of competent jurisdiction pursuant to a Final Order whether entered before, on, or after the EFH Effective Date, in Cash or (ii) disallowed by Final Order, and which Replacement EFIH First Lien shall have priority over the Replacement EFIH Second Lien on the EFIH Claims Reserve. For the avoidance of doubt, the Replacement EFIH First Lien shall not apply to the Makewhole Stock Reserve or the stock therein, and in no circumstance shall Holders of EFIH First Lien Note Claims be entitled to such stock. Furthermore, except as provided otherwise in the EFH Confirmation Order and in any Reserve Order, notwithstanding the grant of the Replacement EFIH First Lien, nothing herein shall prevent the Makewhole Litigation Oversight Committee or the EFIH Unsecured Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following entry of the Reserve Order. The Replacement EFIH First Lien shall include the following terms (to be set forth in the Reserve Order and/or such other agreements and instruments as the EFIH First Lien Notes Trustee may agree, each in form and substance reasonably acceptable to the EFIH First Lien Notes Trustee and acceptable to the Plan Sponsor):

- On the EFH Effective Date, the EFIH Debtors shall grant the EFIH First Lien Notes Trustee a perfected, first-priority security interest in and Lien upon the EFIH Claims Reserve and on all Cash and any other assets deposited at any time (whether on or after the EFH Effective Date) in the EFIH Claims Reserve and all proceeds thereof. The EFIH First Lien Notes Trustee shall have control of the EFIH Claims Reserve (and all assets therein and all proceeds thereof) pursuant to such arrangements as may be necessary or appropriate under applicable law (including a control agreement and/or maintaining any bank account in which EFIH Claims Reserve funds are deposited with the EFIH First Lien Notes Trustee or with a bank that agrees to enter into a subordination agreement in favor of the EFIH First Lien Notes Trustee) to ensure that the Replacement EFIH First Lien will remain properly perfected at all times on and after the EFH Effective Date and that no other entity (including any bank or securities intermediary) will obtain any security interest in, Lien upon, or setoff right with respect to, the EFIH Claims Reserve (or any assets therein or any proceeds thereof), other than the Replacement EFIH Second Lien granted

pursuant to Article III.B.20 of this Plan.

- Except solely for the Replacement EFIH Second Lien, no security interest or Lien shall be granted at any time on or after the EFIH Effective Date in or upon the EFIH Claims Reserve (or any Cash or other assets therein or any proceeds thereof). The Replacement EFIH First Lien shall be a senior lien with priority over the Replacement EFIH Second Lien, and the EFIH First Lien Notes Trustee and Holders of EFIH First Lien Note Claims shall have priority in right of payment over the EFIH Second Lien Notes Trustee and Holders of EFIH Second Lien Note Claims from the EFIH Claims Reserve.

- The EFIH Claims Reserve shall be invested in a manner consistent with section 345 of the Bankruptcy Code, and all investment decisions with respect of the EFIH Claims Reserve shall be subject to prior written consent of the EFIH First Lien Notes Trustee.

- The EFIH Collateral Trust Agreement shall govern the rights and obligations of the EFIH First Lien Notes Trustee (and Holders of EFIH First Lien Note Claims), on the one hand, and the EFIH Second Lien Notes Trustee (and Holders of EFIH Second Lien Note Claims), on the other hand, with respect to the EFIH Claims Reserve (and all Cash and other assets therein and any proceeds thereof), which shall be deemed to be Collateral (as such term is defined in the Collateral Trust Agreement) granted to the EFIH First Lien Notes Trustee, in its capacity as Collateral Trustee (as such term is defined in the Collateral Trust Agreement), to secure the payment of the Parity Lien Obligations (as such term is defined in the Collateral Trust Agreement and which term, for the avoidance of doubt, shall be deemed to include the EFIH First Lien Note Claims) and the Junior Lien Obligations (as such term is defined in the Collateral Trust Agreement and which term, for the avoidance of doubt, shall be deemed to include the EFIH Second Lien Note Claims); *provided, however*, none of the foregoing is intended, nor shall be interpreted, to limit the Debtors' ability to distribute the EFIH Second Lien Note Repayment Amount should the Bankruptcy Court authorize such distribution in the EFH Confirmation Order or otherwise.

- If the Settlement Approval Order is not entered on or before the EFH Effective Date, then following the funding of the EFIH Claims Reserve on the EFH Effective Date, there shall be no distributions or disbursements from the EFIH Claims Reserve, except as set forth in subclauses (a)-(c) of the definition of EFIH Claims Reserve, to any entity, account, or reserve (including any Holder of any Claim or Interest, including the EFIH Unsecured Notes Trustee or any Holder of the EFIH Unsecured Notes, or any professional or other representative of any such Holder or Trustee; the EFH Plan Administrator Board or the Makewhole Litigation Oversight Committee or any of their respective professionals or other representatives; or the Post-Effective Date Administrative Account, the MLOC Account, or the EFH/EFIH Distribution Account) until (a) the EFIH Settlement Approval Order is entered or (b) if the relief entered in the EFIH Settlement Approval Motion is denied, entry of the Reserve Order, and pursuant to the terms of the Reserve Order, and without prejudice to the rights of the Makewhole Litigation Oversight Committee or the EFIH Unsecured Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following entry of the Reserve Order. Amounts included in the EFIH Claims Reserve (and any Liens thereon) immediately prior to entry of the

Reserve Order or the Settlement Approval Order shall, subject to the terms of Article VI.A. hereof, be released or distributed into segregated accounts in the EFH/EFIH Distribution Account, to the extent provided in accordance with the Reserve Order or the Settlement Approval Order, as applicable, and only those amounts, if any, remaining in the EFIH Claims Reserve shall be subject to the Replacement Liens granted pursuant to the EFH Confirmation Order, subject to the terms of any Reserve Order.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B3, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld) and the consent of the Initial Supporting Creditors (prior to the appointment of the Makewhole Litigation Oversight Committee) or the Makewhole Litigation Oversight Committee, agrees to a less favorable treatment of its Allowed Claim, each such Holder shall receive, up to the Allowed amount of its Claim, payment in full in Cash.

(d) *Voting*: Class B3 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class B3 are entitled to vote to accept or reject the Plan.

20. Class B4 - EFIH Second Lien Note Claims.

(a) *Classification*: Class B4 consists of EFIH Second Lien Note Claims.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor, and a Holder of a Class B4 Claim, as Class B4 Claims, the EFIH Second Lien Note Claims are Allowed in an amount equal to the sum of:

(i) the principal amount outstanding, plus accrued but unpaid prepetition interest (including any Additional Interest and interest on interest) at the applicable rate set forth in, and calculated in accordance with, the EFIH Second Lien Notes, the EFIH Second Lien Note Indenture, and/or any related agreement, as applicable;

(ii) any accrued but unpaid postpetition interest (including any Additional Interest and interest on interest) on such principal at the applicable rate set forth in, and calculated in accordance with, the EFIH Second Lien Notes, the EFIH Second Lien Note Indenture, and/or any related agreement, as applicable, through the EFH Effective Date;

(iii) subject to any review / allowance process ordered by the Court pursuant to the Reserve Order (if the Settlement Approval Order is not entered), all reasonable and documented fees and expenses and indemnification claims, whether incurred or accruing before, on, or after the EFH Effective Date, including those reasonable and documented fees and expenses and indemnification claims incurred in connection with any appeal, remand, or other litigation of any Makewhole Claims, (a) that (with respect only to such fees, expenses and claims incurred prior to the EFH Effective Date) are allowed under section 506(b) of the Bankruptcy Code and (b) that are owed under the EFIH Second Lien Notes, the EFIH Second Lien Note Indenture, and/or any related agreement (and interest thereon, to the extent provided by such notes, indentures, or agreements solely to the extent allowed by a court of competent jurisdiction, whether entered before, on, or after the EFH Effective Date), as applicable; and

(iv) if and solely to the extent allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date, the amount of any other Claims, including any Makewhole Claims, and interest thereon, including, for the avoidance of doubt, any Additional Interest and

interest on interest (whether accruing before, on or after the EFH Effective Date, as calculated in accordance with the EFIH Second Lien Notes, the EFIH Second Lien Note Indenture, and/or any related agreement, as applicable, or otherwise, if and solely to the extent such Claims are held to be allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date) of the EFIH Second Lien Notes Trustee or Holders of EFIH Second Lien Notes;

provided, however, that on the EFH Effective Date, the EFIH Second Lien Notes Trustee shall be granted the Replacement EFIH Second Lien on the EFIH Claims Reserve, which Replacement EFIH Second Lien shall not be released until all EFIH Second Lien Note Claims have either been (i) Allowed (whether before, on, or after the EFH Effective Date) and paid in full (to the extent Allowed), including all interest thereon solely to the extent allowed by a court of competent jurisdiction pursuant to a Final Order whether entered before, on, or after the EFH Effective Date, in Cash or (ii) disallowed by Final Order, and which Replacement EFIH Second Lien shall be junior in all respects to the Replacement EFIH First Lien on the EFIH Claims Reserve. For the avoidance of doubt, the Replacement EFIH Second Lien shall not apply to the Makewhole Stock Reserve or the stock therein, and in no circumstance shall Holders of EFIH Second Lien Note Claims be entitled to such stock. Furthermore, except as provided otherwise in the EFH Confirmation Order and in any Reserve Order, notwithstanding the grant of the Replacement EFIH Second Lien, nothing herein shall prevent the Makewhole Litigation Oversight Committee or the EFIH Unsecured Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following entry of the Reserve Order. The Replacement EFIH Second Lien shall include the following terms (to be set forth in the Reserve Order and/or such other agreements and instruments as the EFIH Second Lien Notes Trustee may agree, each in form and substance reasonably acceptable to the EFIH Second Lien Notes Trustee and acceptable to the Plan Sponsor):

- On the EFH Effective Date, the EFIH Debtors shall grant the EFIH Second Lien Notes Trustee a perfected, second-priority security interest in and second-priority Lien upon the EFIH Claims Reserve and on all Cash and any other assets deposited at any time (whether on or after the EFH Effective Date) in the EFIH Claims Reserve and all proceeds thereof. The EFIH Second Lien Notes Trustee shall have a second-priority control agreement of the EFIH Claims Reserve (and all assets therein and all proceeds thereof) pursuant to such arrangements as may be necessary or appropriate under applicable law (including a second-priority control agreement and/or maintaining any bank account in which EFIH Claims Reserve funds are deposited with the EFIH Second Lien Notes Trustee or with a bank that agrees to enter into second-priority subordination agreement in favor of the EFIH Second Lien Notes Trustee and subordinate to the EFIH First Lien Notes Trustee subordination agreement) to ensure that the Replacement EFIH Second Lien will remain properly perfected at all times on and after the EFH Effective Date and that no other entity (including any bank or securities intermediary) will obtain any security interest in, Lien upon, or setoff right with respect to, the EFIH Claims Reserve (or any assets therein or any proceeds thereof), other than the Replacement EFIH First Lien, and the Replacement EFIH Second Lien granted pursuant to Article III.B.20 of this Plan.

- Except solely for the Replacement EFIH First Lien (which shall be senior to the Replacement EFIH Second Lien), no security interest or Lien shall be granted at any time on or after the EFIH Effective Date in or upon the EFIH Claims

Reserve (or any Cash or other assets therein or any proceeds thereof).

- The EFIH Claims Reserve shall be invested in a manner consistent with section 345 of the Bankruptcy Code, and all investment decisions with respect of the EFIH Claims Reserve shall be subject to prior written consent of the EFIH First Lien Notes Trustee.

- If the Settlement Approval Order is not entered on or before the EFH Effective Date, then following the funding of the EFIH Claims Reserve on the EFH Effective Date, there shall be no distributions or disbursements from the EFIH Claims Reserve, except as set forth in subclauses (a)-(c) of the definition of EFIH Claims Reserve, to any entity, account, or reserve (including any Holder of any Claim or Interest, including the EFIH Unsecured Notes Trustee or any Holder of the EFIH Unsecured Notes, or any professional or other representative of any such Holder or Trustee; the EFH Plan Administrator Board or the Makewhole Litigation Oversight Committee or any of their respective professionals or other representatives; or the Post-Effective Date Administrative Account, the MLOC Account, or the EFH/EFIH Distribution Account) until (a) the EFIH Settlement Approval Order is entered or (b) if the relief entered in the EFIH Settlement Approval Motion is denied, entry of the Reserve Order, and pursuant to the terms of the Reserve Order, and without prejudice to the rights of the Makewhole Litigation Oversight Committee or the EFIH Unsecured Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following entry of the Reserve Order. Amounts included in the EFIH Claims Reserve (and any Liens thereon) immediately prior to entry of the Reserve Order or the Settlement Approval Order shall, subject to the terms of Article VI.A. hereof, be released or distributed into segregated accounts in the EFH/EFIH Distribution Account, to the extent provided in accordance with the Reserve Order or the Settlement Approval Order, as applicable, and only those amounts, if any, remaining in the EFIH Claims Reserve shall be subject to the Replacement Liens granted pursuant to the EFH Confirmation Order, subject to the terms of any Reserve Order.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B4, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld) and the consent of the Initial Supporting Creditors (prior to the appointment of the Makewhole Litigation Oversight Committee) or the Makewhole Litigation Oversight Committee, agrees to a less favorable treatment of its Allowed Claim, each such Holder shall receive, up to the Allowed amount of its Claim, payment in full in Cash.

(d) *Voting*: Class B4 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class B4 are entitled to vote to accept or reject the Plan.

21. Class B5 - EFH LBO Note Guaranty Claims.

(a) *Classification*: Class B5 consists of EFH LBO Note Guaranty Claims.

(b) *Allowance*: Unless otherwise separately agreed by the Debtors, with the consent of the Plan Sponsor, and a Holder of a Class B5 Claim, as Class B5 Claims, the EFH LBO Note Guaranty Claims are Allowed in an amount equal to the sum of: (i) the principal amount outstanding, plus accrued but unpaid prepetition interest, under the EFH LBO Note Indenture; (ii) accrued postpetition interest on such principal at the Federal

Judgment Rate; and (iii) the amount of any other Claims (but in any case excluding any Makewhole Claims) under the EFH LBO Notes or EFH LBO Note Indentures, if and to the extent such Claims are Allowed, whether Allowed before, on or after the EFH Effective Date.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B5, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class B5, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of Allowed EFH LBO Note Guaranty Claims and Allowed General Unsecured Claims Against the EFIH Debtors) of the EFIH Unsecured Creditor Recovery Pool; *provided, however*, that in no event shall a Holder of an Allowed Claim in Class B5 receive more than a single satisfaction of such Allowed Claim, including any recovery received on account of an Allowed Claim in Class A6.

(d) *Voting:* Class B5 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class B5 are entitled to vote to accept or reject the Plan.

22. Class B6 - General Unsecured Claims Against the EFIH Debtors.

(a) *Classification*: Class B6 consists of General Unsecured Claims Against the EFIH Debtors.

(b) *Allowance*: As Class B6 Claims, the EFIH Unsecured Note Claims are Allowed in an amount equal to the Allowed EFIH General Unsecured Claim.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class B6, with the consent of the Plan Sponsor (such consent not to be unreasonably withheld), agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class B6, each such Holder shall receive, up to the Allowed amount of its Claim, its Pro Rata share (calculated based on the aggregate amount of Allowed EFH LBO Note Guaranty Claims and Allowed General Unsecured Claims Against the EFIH Debtors) of the EFIH Unsecured Creditor Recovery Pool; *provided further* that if Class B6 votes in favor of the Plan, all Holders of EFIH Unsecured Notes Claims will be bound by the terms of the PIK Settlement and all Holders of EFIH Unsecured Notes Claims will be barred from seeking additional recovery on account of any Makewhole Claims or Claims arising in connection with the accrual of postpetition interest.

(d) *Voting:* Class B6 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class B6 are entitled to vote to accept or reject the Plan.

23. Class B7 - EFIH Debtor Intercompany Claims.

(a) *Classification*: Class B7 consists of EFIH Debtor Intercompany Claims.

(b) *Treatment*: EFIH Debtor Intercompany Claims shall be, at the option of the EFIH Debtors with the consent of the Plan Sponsor, either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Claims.

(c) *Voting*: Holders of Claims in Class B7 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

24. Class B8 - Non-EFIH Debtor Intercompany Claims.

(a) *Classification*: Class B8 consists of Non-EFIH Debtor Intercompany Claims.

(b) *Treatment*: Non-EFIH Debtor Intercompany Claims shall be canceled and released without any distribution on account of such Claims.

(c) *Voting*: Class B8 is Impaired under the Plan. Holders of Claims in Class B8 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

25. Class B9 - Interest in EFIH.

(a) *Classification*: Class B9 consists of the Interest in EFIH.

(b) *Treatment*: The Interest in EFIH shall be Reinstated.

(c) *Voting*: Class B9 is Unimpaired under the Plan. The Holder of the Interest in Class B9 is conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holder is not entitled to vote to accept or reject the Plan.

26. Class B10 - Interests in EFIH Finance.

(a) *Classification*: Class B10 consists of Interests in EFIH Finance.

(b) *Treatment*: Interests in EFIH Finance shall be canceled and released without any distribution on account of such Interests.

(c) *Voting*: Class B10 is Impaired under the Plan. Holders of Interests in Class B10 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

27. Class C1 - Other Secured Claims Against the TCEH Debtors.

(a) *Classification*: Class C1 consists of Other Secured Claims Against the TCEH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class C1 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class C1, each such Holder shall receive, at the option of the applicable TCEH Debtor(s) with the consent of the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld), either:

(i) payment in full in Cash and payment of any interest required under section 506(b) and section 1129(b)(2)(i)(II) of the Bankruptcy Code;

(ii) delivery of collateral securing any such Claim and payment of any interest

required under section 506(b) and section 1129(b)(2)(i)(II) of the Bankruptcy Code;

(iii) Reinstatement of such Claim; or

(iv) other treatment rendering such Claim Unimpaired;

provided, however, that the Tex-La Obligations may receive treatment as Allowed Class C1 Claims on or before the TCEH Effective Date with the prior written consent of the TCEH Supporting First Lien Creditors.

(c) *Voting:* Class C1 is Unimpaired under the Plan. Holders of Claims in Class C1 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

28. Class C2 - Other Priority Claims Against the TCEH Debtors.

(a) *Classification*: Class C2 consists of Other Priority Claims Against the TCEH Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class C2 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class C2, each such Holder shall receive, at the option of the applicable TCEH Debtor(s) with the consent of the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld), either:

(i) payment in full in Cash; or

(ii) other treatment rendering such Claim Unimpaired.

(c) *Voting*: Class C2 is Unimpaired under the Plan. Holders of Claims in Class C2 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

29. Class C3 - TCEH First Lien Secured Claims.

(a) *Classification*: Class C3 consists of TCEH First Lien Secured Claims.

(b) *Allowance*: As Class C3 Claims, (i) the TCEH Credit Agreement Claims are Allowed in the amount of $22,863,271,257; (ii) the TCEH First Lien Note Claims are Allowed in the amount of $1,815,965,278; (iii) the TCEH First Lien Swap Claims and TCEH First Lien Commodity Hedge Claims are Allowed in an aggregate amount no less than $1,230,817,606.94; and (iv) any Claims of the TCEH First Lien Administrative Agent, the TCEH First Lien Collateral Agent or the TCEH First Lien Notes Trustee for fees, expenses, or indemnification obligations arising under and pursuant to the TCEH Credit Agreement, the TCEH First Lien Notes Indenture, the TCEH First Lien Interest Rate Swaps, the TCEH First Lien Commodity Hedges, or the TCEH First Lien Intercreditor Agreement, as applicable, are Allowed in an amount to be determined.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class C3 agrees to a less favorable treatment of its Allowed Claim (in a writing executed by such Holder after the Petition Date), in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class C3, subject to Article

III.B.29(d), each such Holder thereof shall receive its Pro Rata share (which, for the avoidance of doubt, shall be based on the Allowed amounts of such Claims as of the Petition Date as set forth in the Plan) of:

(i) If the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2:

A. 100% of the Reorganized TCEH Common Stock (following the Basis Step-Up), subject to dilution after the Distribution only on account of the Reorganized TCEH Debtor Management Incentive Plan;

B. 100% of the (a) TCEH Debtors' Cash on hand and (b) net Cash proceeds from the issuance of the New Reorganized TCEH Debt (or, at the TCEH Supporting First Lien Creditors' election, all or a portion of such New Reorganized TCEH Debt) and the Spin-Off Preferred Stock Sale, in each case after funding any Cash distributions required to be made by the TCEH Debtors under the Plan and providing for adequate post-TCEH Effective Date liquidity for TCEH as determined by the TCEH Debtors with the reasonable consent of the TCEH Supporting First Lien Creditors;

C. the Spin-Off TRA Rights (if any), subject to such Holder's completion and timely submission of the TRA Information Form; and

D. any proceeds from the TCEH Settlement Claim if determined as of the TCEH Effective Date, and to the extent not determined as of the TCEH Effective Date, the right to receive recoveries under the TCEH Settlement Claim; *provided*, that following the TCEH Effective Date, Reorganized TCEH will nominally hold the right to receive recoveries under the TCEH Settlement Claim but the Holders of Allowed TCEH First Lien Secured Claims will hold all legal and equitable entitlement to receive recoveries under the TCEH Settlement Claim.

(ii) If the Taxable Separation is effectuated pursuant to the terms and conditions set forth in Article IV.B.2:

A. 100% of the Reorganized TCEH Common Stock, subject to dilution only on account of the Reorganized TCEH Debtor Management Incentive Plan;

B. 100% of the (1) TCEH Debtors' Cash on hand and (2) the net Cash proceeds from the New Reorganized TCEH Debt (or, at the TCEH Supporting First Lien Creditors' election, all or a portion of such New Reorganized TCEH Debt) and issuance of certain stock or securities in connection with the Taxable Separation, in each case after funding any Cash distributions required to be made by the TCEH Debtors under the Plan and providing for adequate post-TCEH Effective Date liquidity for TCEH as determined by the TCEH Debtors with the reasonable consent of the TCEH Supporting First Lien Creditors;

C. the Taxable Separation TRA Rights (if any), subject to such Holder's completion and timely submission of the TRA Information Form; and

D. any proceeds from the TCEH Settlement Claim if determined as of the TCEH Effective Date, and to the extent not determined as of the TCEH

Effective Date, the right to receive recoveries under the TCEH Settlement Claim; *provided*, that following the TCEH Effective Date, Reorganized TCEH will nominally hold the right to receive recoveries under the TCEH Settlement Claim but the Holders of Allowed TCEH First Lien Secured Claims will hold all legal and equitable entitlement to receive recoveries under the TCEH Settlement Claim.

In addition, on the TCEH Effective Date the TCEH First Lien Agent will be deemed to have delivered, pursuant to Section 5.01 of the TCEH Second Lien Intercreditor Agreement, any notice necessary to cause the automatic release and discharge of any and all Liens on the assets of the TCEH Debtors that secure the repayment of amounts due in respect of the TCEH Second Lien Notes.

(d) *Allocation:* Unless resolved before Confirmation, the TCEH First Lien Notes Trustee and/or the Holders of TCEH First Lien Claims will continue to seek entry of the TCEH First Lien Creditor Plan Distribution Allocation Order resolving the TCEH First Lien Creditor Plan Distribution Allocation Dispute through an adjudication of the TCEH First Lien Note Intercreditor Action or otherwise. If a TCEH First Lien Creditor Plan Distribution Allocation Order is entered prior to the TCEH Effective Date and such order provides that Holders of Allowed Class C3 Claims shall receive the TCEH First Lien Creditor Distributions on a basis other than Pro Rata, then pursuant to section 510(a) of the Bankruptcy Code, any such TCEH First Lien Creditor Distribution that is subject to such TCEH First Lien Creditor Plan Distribution Allocation Order shall be distributed among the Holders of Allowed Class C3 Claims in accordance with such TCEH First Lien Creditor Plan Distribution Allocation Order; *provided, however*, that if a TCEH First Lien Creditor Plan Distribution Allocation Order has not been entered by the TCEH Effective Date, then the TCEH Debtors shall establish a reserve (in an amount to be determined by the TCEH Debtors, with the consent of each of the TCEH First Lien Agent, the TCEH Supporting First Lien Creditors, the TCEH First Lien Notes Trustee, and any other parties to the TCEH First Lien Note Intercreditor Action) solely with respect to any TCEH First Lien Creditor Distributions that remain subject to the TCEH First Lien Creditor Plan Distribution Allocation Dispute, with such reserved amounts to be distributed on a Pro Rata basis after entry of a TCEH First Lien Creditor Plan Distribution Allocation Order, unless and to the extent such order provides that Holders of Allowed Class C3 Claims are entitled to a distribution of any TCEH First Lien Creditor Distributions on a basis other than Pro Rata, in which case, pursuant to section 510(a) of the Bankruptcy Code, any such TCEH First Lien Creditor Distribution that is subject to such TCEH First Lien Creditor Plan Distribution Allocation Order shall be distributed among the Holders of Allowed Class C3 Claims in accordance with such TCEH First Lien Creditor Plan Distribution Allocation Order. Nothing in this Plan shall preclude any party from seeking enforcement of the TCEH First Lien Creditor Adequate Protection Payment Allocation Order or distribution of the Holdback Amount (as defined in the Cash Collateral Order) under the Cash Collateral Order. For the avoidance of doubt, nothing in this Plan shall (i) require any Debtor or any other party (including, without limitation, the TCEH First Lien Administrative Agent, the TCEH First Lien Collateral Agent, or any holder of TCEH First Lien Claims), to establish any reserve with respect to any distributions that are subject to the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute or (ii) impair, prejudice, release, compromise or waive any claims any Holder of Allowed Class C3 Claims may have against one or more other Holders of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) pursuant to the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute.

(e) *Voting*: Class C3 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class C3 are entitled to vote to accept or reject the Plan.

30. Class C4 - TCEH Unsecured Debt Claims.

(a) *Classification*: Class C4 consists of TCEH Unsecured Debt Claims.

(b) *Allowance*: As Class C4 Claims, (i) the TCEH First Lien Deficiency Claims are Allowed in the amount of $13.2 billion; (ii) the TCEH Second Lien Note Claims are Allowed in the amount of $1,648,597,521; (iii) the TCEH Unsecured Note Claims are Allowed in the amount of $5,125,775,323; and (iv) the PCRB Claims are Allowed in the Amount of $881,496,233.

(c) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class C4 agrees to a less favorable treatment of its Allowed Claim, and subject to Article IV.B.12 of the Plan, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class C4, each such Holder shall receive its Pro Rata (calculated based on the aggregate amount of Allowed Class C4 Claims and Allowed Class C5 Claims) share of the TCEH Cash Payment.

(d) *Voting:* Class C4 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class C4 are entitled to vote to accept or reject the Plan.

31. Class C5 - General Unsecured Claims Against the TCEH Debtors Other Than EFCH.

(a) *Classification*: Class C5 consists of General Unsecured Claims Against the TCEH Debtors Other Than EFCH.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class C5 agrees to a less favorable treatment of its Allowed Claim, and subject to Article IV.B.12 of the Plan, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class C5, each such Holder shall receive its Pro Rata (calculated based on the aggregate amount of Allowed Class C4 Claims and Allowed Class C5 Claims) share of the TCEH Cash Payment.

(c) *Voting:* Class C5 is Impaired under the Plan. Therefore, Holders of Allowed Claims in Class C5 are entitled to vote to accept or reject the Plan.

32. Class C6 - General Unsecured Claims Against EFCH.

(a) *Classification*: Class C6 consists of General Unsecured Claims Against EFCH.

(b) *Treatment*: General Unsecured Claims Against EFCH shall be canceled and released without any distribution on account of such Claims.

(c) *Voting:* Class C6 is Impaired under the Plan. Holders of Claims in Class C6 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

33. Class C7 - TCEH Debtor Intercompany Claims.

(a) *Classification*: Class C7 consists of TCEH Debtor Intercompany Claims.

(b) *Treatment*: TCEH Debtor Intercompany Claims shall be, at the option of the

applicable TCEH Debtor(s) with the consent of the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld), either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Claims;

provided, however, that TCEH Debtor Intercompany Claims against each of EFCH, TCEH, or TCEH Finance and any TCEH Debtor Intercompany Claim derived from or based upon the Repurchased PCRBs shall be canceled and released without any distribution on account of such Claims.

(c) *Voting*: Holders of Claims in Class C7 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

34. Class C8 - Non-TCEH Debtor Intercompany Claims.

(a) *Classification*: Class C8 consists of Non-TCEH Debtor Intercompany Claims.

(b) *Treatment*: Non-TCEH Debtor Intercompany Claims shall be canceled and released without any distribution on account of such Claims.

(c) *Voting*: Class C8 is Impaired under the Plan. Holders of Claims in Class C8 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

35. Class C9 - Interests in TCEH Debtors Other Than TCEH and EFCH.

(a) *Classification*: Class C9 consists of Interests in TCEH Debtors Other Than TCEH and EFCH.

(b) *Treatment*: Interests in TCEH Debtors Other Than TCEH and EFCH shall be with the consent of the TCEH Supporting First Lien Creditors, either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Interests.

(c) *Voting*: Holders of Interests in Class C9 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

36. Class C10 - Interests in TCEH and EFCH.

(a) *Classification*: Class C10 consists of Interests in TCEH and EFCH.

(b) *Treatment*: Interests in TCEH and EFCH shall be canceled and released without any distribution on account of such Interests.

(c) *Voting*: Class C10 is Impaired under the Plan. Holders of Interests in Class C10 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the

Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

37. Class D1 - Other Secured Claims Against the EFH Shared Services Debtors.

(a) *Classification*: Class D1 consists of Other Secured Claims Against the EFH Shared Services Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class D1 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class D1, each such Holder shall receive, at the option of the applicable EFH Shared Services Debtor(s) either:

(i) payment in full in Cash;

(ii) delivery of collateral securing any such Claim and payment of any interest required under section 506(b) of the Bankruptcy Code;

(iii) Reinstatement of such Claim; or

(iv) other treatment rendering such Claim Unimpaired.

(c) *Voting:* Class D1 is Unimpaired under the Plan. Holders of Claims in Class D1 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

38. Class D2 - Other Priority Claims Against the EFH Shared Services Debtors.

(a) *Classification*: Class D2 consists of Other Priority Claims Against the EFH Shared Services Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class D2 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class D2, each such Holder shall receive, at the option of the applicable EFH Shared Services Debtor(s), either:

(i) payment in full in Cash; or

(ii) other treatment rendering such Claim Unimpaired.

(c) *Voting*: Class D2 is Unimpaired under the Plan. Holders of Claims in Class D2 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

39. Class D3 - General Unsecured Claims Against the EFH Shared Services Debtors.

(a) *Classification*: Class D3 consists of General Unsecured Claims Against the EFH Shared Services Debtors.

(b) *Treatment*: Except to the extent that a Holder of an Allowed Claim in Class D3 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction,

settlement, release, and discharge of and in exchange for each Allowed Claim in Class D3, each such Holder shall receive, at the option of the applicable EFH Shared Services Debtor(s), either:

(i) payment in full in Cash;

(ii) Reinstatement of such Claim; or

(iii) other treatment rendering such Claim Unimpaired.

(c) *Voting*: Class D3 is Unimpaired under the Plan. Holders of Claims in Class D3 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

40. Class D4 - EFH Shared Services Debtor Intercompany Claims.

(a) *Classification*: Class D4 consists of EFH Shared Services Debtor Intercompany Claims.

(b) *Treatment*: EFH Shared Services Debtor Intercompany Claims shall be, at the option of the applicable EFH Shared Services Debtor(s), either:

(i) Reinstated; or

(ii) canceled and released without any distribution on account of such Claims.

(c) *Voting*: Holders of Claims in Class D4 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

41. Class D5 - Non-EFH Shared Services Debtor Intercompany Claims.

(a) *Classification*: Class D5 consists of Non-EFH Shared Services Debtor Intercompany Claims.

(b) *Treatment*: Non-EFH Shared Services Debtor Intercompany Claims shall be canceled and released without any distribution on account of such Claims.

(c) *Voting*: Class D5 is Impaired under the Plan. Holders of Claims in Class D5 are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

42. Class D6 - Interests in the EFH Shared Services Debtors.

(a) *Classification*: Class D6 consists of Interests in the EFH Shared Services Debtors.

(b) *Treatment*: Interests in the EFH Shared Services Debtors shall be Reinstated.

(c) *Voting*: Holders of Interests in Class D6 are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims.

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

D. *Elimination of Vacant Classes.*

Any Class of Claims or Interests that, as of the commencement of the Confirmation Hearing, does not have at least one Holder of a Claim or Interest that is Allowed in an amount greater than zero for voting purposes pursuant to the Disclosure Statement Order shall be considered vacant, deemed eliminated from the Plan for purposes of voting to accept or reject the Plan, and disregarded for purposes of determining whether the Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to that Class.

E. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by one or more of the Classes entitled to vote pursuant to Article III.B of the Plan. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

F. Controversy Concerning Impairment.

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

G. Subordinated Claims and Interests.

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors or Reorganized Debtors reserve the right to re-classify any Allowed Claim in accordance with any contractual, legal, or equitable subordination relating thereto. Notwithstanding the foregoing, this Plan gives effect to the TCEH First Lien Intercreditor Agreement and no additional changes to the allowance, classification, treatment, or distributions shall be made as a result of the TCEH First Lien Intercreditor Agreement except for any such changes provided for or otherwise consistent with the TCEH First Lien Creditor Plan Distribution Allocation Order as contemplated by Article III.B.29 of the Plan; *provided*, that notwithstanding the foregoing, nothing herein shall impair, prejudice, release, compromise or waive the rights, claims, Causes of Action, defenses or remedies of any Holder of Allowed Class C3 Claims against any other Holder of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) in connection with the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute. Notwithstanding anything to the contrary herein, the TCEH First Lien Agent and the Holders of Allowed TCEH First Lien Claims shall be deemed to have waived any rights under the TCEH Second Lien Intercreditor Agreement to extent such rights would, in any way, impair or diminish the recoveries of the Holders of Allowed TCEH Second Lien Note Claims under this Plan or related documents.

ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN

A. General Settlement of Claims and Interests.

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims and Interests and controversies resolved pursuant to the Plan. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be and shall be final.

B. Restructuring Transactions.

1. Restructuring Transactions.

On the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will effectuate the Restructuring Transactions, and will take any actions as may be necessary or advisable to effect a corporate restructuring of their respective businesses or a corporate restructuring of the overall corporate structure of the Debtors, to the extent provided herein or in the Transaction Agreements. The actions to implement the Restructuring Transactions may include: (a) the execution and delivery of appropriate agreements, including Transaction Agreements, or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, dissolution, or other organizational documents pursuant to applicable state law; and (d) all other actions that the applicable Entities determine to be necessary or advisable, including making filings or recordings that may be required by law in connection with the Plan, in each case with the consent of (such consent not to be unreasonably withheld), and in form and substance reasonably acceptable to, (i) the Plan Sponsor if related to or affecting any EFH Debtor or EFIH Debtor, any Reorganized EFH Debtor, any EFIH Debtor, any Reorganized EFIH Debtor, the Plan Sponsor, or any pre-Merger Affiliate of the Plan Sponsor and (ii) the TCEH Supporting First Lien Creditors if related to or affecting any TCEH Debtor or EFH Shared Services Debtor, any Reorganized TCEH Debtor, any Reorganized EFH Shared Services Debtor, or the TCEH Supporting First Lien Creditors.

The Confirmation Order shall and shall be deemed to, pursuant to both section 1123 and section 363 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions.

2. Manner of TCEH Debtors' Separation from EFH Debtors.

The TCEH Debtors shall be separated from the EFH Debtors pursuant to either the Spin-Off or the Taxable Separation; provided that the Tax Matters Agreement, the Transition Services Agreement, the Amended and Restated Split Participant Agreement, and the Separation Agreement must be in full force and effect and, in each case, be in form and substance acceptable to the Plan Sponsor. If (a) the Spin-Off Conditions are satisfied on or before the Spin-Off Conditions Termination Date and (b) the Spin-Off Conditions remain satisfied as of the TCEH Effective Date, then the TCEH Debtors will effectuate the Spin-Off on the TCEH Effective Date. In all other circumstances, the TCEH Debtors will effectuate the Taxable Separation on the TCEH Effective Date. For the avoidance of doubt, if the Spin-Off Conditions are not satisfied on or before the Spin-Off Conditions Termination Date for any reason, the Plan as it relates to the TCEH Debtors shall automatically be effectuated pursuant to the Taxable Separation; provided that the Tax Matters Agreement, the Transition Services Agreement, the Amended and Restated Split Participant Agreement, and the Separation Agreement must be in full force and effect and, in each case, be in form and substance acceptable to the Plan Sponsor.

(a) Spin-Off. If applicable, the TCEH Debtors will undertake the Spin-Off, as follows:

A. TCEH formed Reorganized TCEH prior to the TCEH Effective Date;

B. on the TCEH Effective Date, except for liabilities assumed by Reorganized TCEH pursuant to the Plan, TCEH shall assume the obligations of its subsidiaries that are TCEH Debtors to make distributions pursuant to and in accordance with the Plan that are to be made after the TCEH Effective Date;

C. pursuant to the Separation Agreement, TCEH and the EFH Debtors will make the Contribution to Reorganized TCEH, in exchange for which TCEH shall receive 100% of the (i) Reorganized TCEH membership interests and (ii) the net Cash proceeds of the New Reorganized TCEH Debt (or, at the TCEH Supporting First Lien Creditors' election, with the consent of the Debtors, all or a portion of such New Reorganized TCEH Debt);

D. immediately following the Contribution, TCEH and Reorganized TCEH shall effectuate the Spin-Off Preferred Stock Sale, including the distribution of the proceeds thereof to TCEH;

E. immediately following the Spin-Off Preferred Stock Sale, Reorganized TCEH shall undertake the Reorganized TCEH Conversion; and

F. following the Reorganized TCEH Conversion, TCEH will make the Distribution, and all Claims against the TCEH Debtors (other than liabilities assumed by Reorganized TCEH pursuant to the Plan) will be cancelled in connection therewith.

(b) Taxable Separation. If applicable, the TCEH Debtors will undertake the Taxable Separation, as set forth in the Taxable Separation Memorandum.

3. TCEH Basis Step-Up.

If the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, pursuant to the Spin-Off Preferred Stock Sale, gain will be triggered in an amount not in excess of, and in order to achieve, the Basis Step-Up.

4. Transition Services Agreement; Separation Agreement; and Amended and Restated Split Participant Agreement.

On the TCEH Effective Date, (a) EFH and TEX Operations Company LLC will enter into the Transition Services Agreement, if requested to do so by the Plan Sponsor or EFH Corp., (b) Reorganized TCEH, the EFH Debtors, and the EFIH Debtors will enter into the Separation Agreement; and (c) Oncor Electric and Reorganized TCEH will enter into the Amended and Restated Split Participant Agreement. After the TCEH Effective Date, the Transition Services Agreement, Separation Agreement, and Amended and Restated Split Participant Agreement shall only be amended or modified (x) in accordance with their respective terms and (y) with the consent of Reorganized TCEH and the Plan Sponsor.

5. IPO Conversion Plan.

If requested by the Plan Sponsor, on the EFH Effective Date, EFH Corp. and EFIH will implement and exercise their rights, if any, as direct or indirect equity holders of Oncor, and take other actions within their reasonable control, to cause Oncor to implement the IPO Conversion Plan.

6. Tax Matters Agreement.

On the TCEH Effective Date, EFH Corp., Reorganized TCEH, and EFIH shall enter into the Tax Matters Agreement. After the TCEH Effective Date, the Tax Matters Agreement shall not be amended or modified in any manner without the written consent of Reorganized TCEH and the Plan Sponsor unless, with respect to the consent of the Plan Sponsor, the Merger Agreement shall have been terminated in accordance with its terms and without consummation of the Merger.

7. Minority Interest Acquisition.

On or before the Effective Date, Merger Sub or an Affiliate thereof may, but shall not be required to, complete the Minority Interest Acquisition. For the avoidance of doubt, implementation and/or consummation of the Minority Interest Acquisition shall not be a condition to Confirmation or the occurrence of the EFH Effective Date.

8. Issuance and Allocation of Reorganized EFH Common Stock.

On the EFH Effective Date, immediately prior to the Merger Effective Time and after the Spin-Off, Reorganized EFH shall issue and deliver the Reorganized EFH Common Stock to the Disbursing Agent to hold on behalf of Holders of Claims or the Makewhole Stock Reserve, as applicable, in accordance with the Reorganized EFH Stock Issuance Procedures. For the avoidance of doubt, all distributions to Holders of Claims against the EFIH Debtors and EFH Debtors shall be made in accordance with the priorities set forth in the Bankruptcy Code.

9. Merger, Merger Consideration, and Other Plan Sponsor Payments.

The Merger shall be effectuated and funded as follows on the EFH Effective Date in accordance with the Merger Agreement:

(a) Reorganized EFH will merge with and into Merger Sub in a tax-free reorganization under section 368(a)(1)(A) of the Internal Revenue Code, with Merger Sub being the surviving entity resulting from the Merger, on the terms and subject to the conditions of the Merger Agreement and pursuant to the Plan and the applicable provisions of Chapter 10 of the Texas Business Organizations Code and the Delaware Limited Liability Company Act. Pursuant to the Merger, Merger Sub shall acquire all assets and liabilities of Reorganized EFH.

(b) The Reorganized EFH Class A Common Stock issued and outstanding immediately prior to the Merger Effective Time shall be converted into the right to receive the NextEra Class A Common Stock Investment at the Merger Effective Time and the Reorganized EFH Class B Common Stock issued and outstanding immediately prior to the Merger Effective Time shall be converted into the right to receive the NextEra Class B Common Stock Investment at the Merger Effective Time, and each of the NextEra Class A Common Stock and the NextEra Class B Common Stock shall be distributed to certain Holders of Claims in accordance with the Plan and the Reorganized EFH Stock Issuance Procedures.

(c) The Plan Sponsor shall, or shall cause an Affiliate of the Plan Sponsor to, deliver to EFIH by wire transfer of immediately available funds the EFIH First Lien DIP Repayment Amount, which shall be used to fund repayment of the EFIH First Lien DIP Claims, or, in lieu of making such wire transfer to EFIH, may transfer by wire transfer of immediately available funds the EFIH First Lien DIP Repayment Amount directly to the EFIH First Lien DIP Agent in accordance with terms of Section 1.3 of the Merger Agreement.

(d) Merger Sub will deliver the Merger Sub Cash Amount by wire transfer of immediately available funds to the EFH Plan Administrator Board for deposit in the EFH/EFIH Distribution Account; *provided, however*, that (a) on the EFH Effective Date, $100,000,000 of the Merger Sub Cash Amount shall be set aside and such amount shall be deposited and held in the Merger Sub Account in accordance with the terms thereof; and (b) if the Settlement Approval Order has not been entered on or before the EFH Effective Date, the EFIH Claims Reserve shall be funded from the EFH/EFIH Distribution Account as set forth in the definition of EFIH Claims Reserve, subject to (1) entry of the Reserve Order, further segregating the funds in the EFIH Claims Reserve into separate funds within the EFH/EFIH Distribution Account, including with respect to the Post-Effective Administrative Account and the MLOC Account, to the extent authorized by the Reserve Order, or (2) entry of the Settlement Approval Order. Amounts included in the EFIH Claims Reserve (and any Liens thereon) immediately prior to entry of the Reserve Order or the Settlement Approval Order shall, subject to the terms of Article VI.A. hereof, be released or distributed into segregated accounts in the EFH/EFIH Distribution Account, to the extent provided in accordance with the Reserve Order or the Settlement Approval Order, as applicable, and only those amounts, if any, remaining in the EFIH Claims Reserve shall be subject to the Replacement Liens granted pursuant to the EFH Confirmation Order, subject to the terms of any Reserve Order.

(e) EFIH will deposit any Cash on hand at EFIH as of the EFH Effective Date by wire transfer of immediately available funds into the EFH/EFIH Distribution Account; *provided, however*, that (a) if the Settlement Order has not been entered on or before the EFH Effective Date, such EFIH Cash shall be funded from the EFH/EFIH Distribution Account into the EFIH Claims Reserve, as set forth in the definition of EFIH Claims Reserve, subject to entry of the Reserve Order, further segregating the funds in the EFIH Claims Reserve (including the EFIH Cash) into separate funds within the EFH/EFIH Distribution Account, including with respect to the Post-Effective Administrative Account and the MLOC Account, to the extent authorized by the Reserve Order. Amounts included in the EFIH Claims Reserve (and any Liens thereon) immediately prior to entry of the Reserve Order or the Settlement Approval Order shall, subject to the terms of Article VI.A. hereof, be released or distributed into segregated accounts in the EFH/EFIH Distribution Account, to the extent provided in accordance with the Reserve Order or the Settlement Approval Order, as applicable, and only those amounts, if any, remaining in the EFIH Claims Reserve shall be subject to the Replacement Liens granted pursuant to the EFH Confirmation Order, subject to the terms of any Reserve Order.

(f) The EFH Plan Administrator Board shall fund payment of the EFIH First Lien Note Claims and EFIH Second Lien Note Claims from the EFH/EFIH Distribution Account on the EFH Effective Date to the extent such Claims are Allowed as of the EFH Effective Date, in accordance with Article III.B.19 and Article III.B.20 of the Plan or the Settlement Approval Order, as applicable; *provided, however*, that if such payments are not made on the EFH Effective Date, they shall be paid by the EFH Plan Administrator Board (a) from the EFH/EFIH Distribution Account, if the Settlement Approval Order has been entered as of the EFH Effective Date and (b) from the EFIH Claims Reserve, if the Settlement Approval Order has not been entered as of the EFH

Effective Date. In the case of (b), the funds in the EFIH Claims Reserve shall remain in the EFIH Claims Reserve until such time either the Settlement Approval Order is entered or a Reserve Order is entered. Notwithstanding the foregoing or anything to the contrary herein, nothing shall prevent the Makewhole Litigation Oversight Committee, the Initial Supporting Creditors, or the EFIH Unsecured Notes Trustee from seeking, after entry of the Reserve Order, if any, entry of a Subsequent Reserve Order from the Court (and the Court entering such order) (i) that the EFIH Claims Reserve is not required to include funds on account of, among other asserted Claims, post-Effective Date interest (including interest on interest and Additional Interest) and post-Effective Date fees and expenses (including interest), and (ii) directing the EFH Plan Administrator Board to release such funds from the EFIH Claims Reserve and make distributions to Holders of Allowed Class B5 and B6 Claims from such released funds.

After the EFH Effective Date, the Auditor shall conduct the Post-Closing Audit in accordance with the Merger Agreement. If the Adjusted Company Cash Amount is greater than the Estimated Company Cash Amount, NextEra shall deliver by wire transfer of immediately available funds to the EFH Plan Administrator Board an amount equal to the difference in such amounts, to be distributed in accordance with the Plan. If the Adjusted Company Cash Amount is less than the Estimated Company Cash Amount, NextEra shall receive, by wire transfer of immediately available funds from the EFH Plan Administrator Board, an amount equal to the difference in such amounts. Upon conclusion of the Post-Closing Audit, the EFH Plan Administrator Board shall direct that an amount of Cash shall be transferred from the EFH/EFIH Distribution Account, including, and notwithstanding anything to the contrary in the Plan, from the EFIH Claims Reserve if sufficient Cash is otherwise unavailable in the EFH/EFIH Distribution Account to (i) the EFH Creditor Recovery Pool equal to the amount, if any, by which the Adjusted Company Cash Amount exceeds the NextEra Class A Common Stock Investment or (ii) NextEra equal to the amount, if any, by which the NextEra Common Stock Investment exceeds the sum of the Adjusted Company Cash Amount and the amount, if any, the Merger Sub Cash Amount was reduced pursuant to Section 1.7(a)(vi) of the Merger Agreement.

For the avoidance of doubt, the provisions in this Article IV.B.9 and the Reorganized EFH Stock Issuance Procedures are intended to ensure the satisfaction of the continuity of interest requirement under sections 355 and 368 of the Internal Revenue Code, and reasonable adjustments shall be made, including by issuing additional shares of NextEra Common Stock (with a corresponding decrease in the Merger Sub Cash Amount), to the extent NextEra reasonably concludes such adjustments are necessary to ensure such satisfaction, and further reasonable adjustments shall be made to the allocation of NextEra Common Stock and the Merger Sub Cash Amount to account for the payment of Cash to the Holders of Allowed EFH Non-Qualified Benefit Claims in accordance with the Plan and the general provisions of this paragraph.

10. Dissolution and Liquidation of Certain Subsidiaries of EFH Corp.

(a) Dissolution and Liquidation of Certain TCEH Debtor Entities.

EFCH, TCEH, TCEH Finance, and such other TCEH Debtor entities (other than the TCEH Debtors being transferred in the Spin-Off and the EFH Shared Services Debtors) as designated by the TCEH Debtors and the TCEH Supporting First Lien Creditors, shall be dissolved and liquidated in accordance with the Plan and applicable law; *provided, however*, that EFCH and TCEH will not be liquidated until the EFH Effective Date, and shall remain subsidiaries of EFH Corp. that are disregarded from EFH Corp. for U.S. federal income tax purposes until such time; *provided, further*, that EFCH and TCEH shall be liquidated no later than immediately prior to the Merger Effective Time (which, for the avoidance of doubt, shall be on the EFH Effective Date as provided above) and, if not liquidated, shall be deemed dissolved immediately prior to the Merger Effective Time without any further court or corporate action, including the filing of any documents with the Secretary of State for any state in which either such Entity is incorporated or any other jurisdiction. For the avoidance of doubt, none of (i) the TCEH First Lien Supporting Creditors (ii) the TCEH Debtors; (iii) the Reorganized TCEH Debtors; (iv) the EFH Shared Services Debtors; (v) the Reorganized EFH Shared Services Debtors, or (vi) with respect to each of the foregoing Entities in clauses (i) through (vi), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such

interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, shall have or incur any liability whatsoever in connection with or as a result of the dissolution or liquidation of any entity, in accordance with the terms of this Article IV.B.10(a).

(b) Dissolution and Liquidation of Certain EFH Debtors and EFIH Debtors.

On or before the EFH Effective Date and before the Merger Effective Time, all EFH Debtors and EFIH Debtors, excluding: (a) EFH Corp.; (b) EFIH; (c) LSGT Gas Company LLC; (d) EECI, Inc., (e) EEC Holdings, Inc.; and (f) LSGT SACROC, Inc., not already disposed of, wound down, or liquidated in accordance with applicable law shall be deemed dissolved without any further court or corporate action, including the filing of any documents with the Secretary of State for any state in which any such subsidiary is incorporated or any other jurisdiction. On the EFH Effective Date, equity interests in EFH Non-Debtors shall be abandoned pursuant to section 554 of the Bankruptcy Code; *provided, however*, that equity interests in EFH Non-Debtor EFH Vermont Insurance Company shall not be abandoned and shall remain outstanding after the EFH Effective Date. For the avoidance of doubt, none of (i) the Plan Sponsor; (ii) Merger Sub; (iii) the EFH Debtors; (iv) the Reorganized EFH Debtors; (v) EFIH; (vi) Reorganized EFIH; (vii) any other entity acquired, directly or indirectly, by the Plan Sponsor pursuant to the terms of, or as a result of, the Plan, the Merger Agreement, or any related agreement, or (viii) with respect to each of the foregoing Entities in clauses (i) through (vii), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, shall have or incur any liability whatsoever in connection with or as a result of the wind-down, disposition, or liquidation of any entity, or the abandonment of the equity interests in any entity, in accordance with the terms of this Article IV.B.10, including, for the avoidance of doubt, the liquidation of EFCH and TCEH in accordance with Article IV.B.10(a).

11. Implementation of the TCEH Settlement.

The TCEH Settlement Claim is in consideration for the terms and conditions embodied in the Plan and the Settlement Agreement, as applicable, including settlement of any prepetition Claim or Cause of Action of the TCEH Debtors against the EFH Debtors, the EFIH Debtors, Oncor, the Holders of Interests in EFH Corp., or their Affiliates, pursuant to Bankruptcy Rule 9019, approved by the Bankruptcy Court.

In addition, on the TCEH Effective Date, and for the purposes of this Plan and the settlements and compromises incorporated herein or contemplated hereby, (a) Holders of Allowed TCEH First Lien Deficiency Claims will waive or be deemed to have waived, and the TCEH First Lien Agent will not take any action to interfere or that is inconsistent with the waiver of, any recovery or distribution on account of (but not voting rights in respect of) such Allowed TCEH First Lien Deficiency Claims (including on account of any recovery or distribution provided for in Article III.B.30) for the benefit of Holders of Allowed TCEH Deficiency Recipient Claims, and (b) all distributions of the TCEH Cash Payment that would otherwise have been distributed to, or for the benefit of, Holders of Allowed TCEH First Lien Deficiency Claims pursuant this Plan (including the distributions provided for in Article III.B.30) will instead be distributed Pro Rata to Holders of Allowed TCEH Deficiency Recipient Claims, such that each Holder of an Allowed TCEH Deficiency Recipient Claim receives a proportion thereof equal to the amount its Allowed TCEH Deficiency Recipient Claim bears to the aggregate amount of all Allowed TCEH Deficiency Recipient Claims; *provided, however,* that in full and final satisfaction, settlement, release, and discharge of all PCRB Claims and Causes of Action related to the PCRBs, PCRB Claims shall be deemed TCEH Deficiency Recipient Claims and Holders of Allowed PCRB Claims shall receive distributions of the TCEH Cash Payment that would otherwise have been distributed to, or for the benefit of, Holders of Allowed TCEH First Lien Deficiency Claims pursuant to this Plan (including the distributions provided for in Article III.B.30) only to the extent necessary to cause the distributions pursuant to this Plan (including the distributions provided for in Article III.B.30) to Holders of Allowed PCRB Claims to equal 54% of the distributions the Holders of Allowed PCRB Claims would have received pursuant to this Plan if the Allowed TCEH First Lien Deficiency Claims had been waived or deemed

to have been waived for the benefit of all Holders of Allowed TCEH Unsecured Debt Claims and Allowed General Unsecured Claims Against the TCEH Debtors Other Than EFCH. For the avoidance of doubt, under no circumstance will any Holder of an Allowed TCEH First Lien Deficiency Claim receive any recovery or distribution on account of such Allowed TCEH First Lien Deficiency Claims under the Plan (including on account of any recovery or distribution provided for in Article III.B.30).

Solely for purposes of allocating the TCEH Cash Payment among the Holders of Allowed TCEH Unsecured Note Claims, Allowed TCEH Second Lien Note Claims, Allowed PCRB Claims, and Allowed General Unsecured Claims Against the TCEH Debtors Other Than EFCH: (a) the Settlement Agreement Professional Fees of the TCEH Unsecured Ad Hoc Group and the TCEH Second Lien Consortium that (i) are actually paid pursuant to Paragraph P of the Settlement Order and (ii) are not subject to or covered by the TCEH Unsecured Notes Trustee's and TCEH Second Lien Notes Trustee's "charging liens," respectively, shall reduce Pro Rata the distributions to all holders of Allowed TCEH Unsecured Note Claims, Allowed TCEH Second Lien Note Claims, Allowed PCRB Claims, and Allowed General Unsecured Claims Against the TCEH Debtors Other Than EFCH based on the amounts of the respective distributions such Holders would otherwise receive but for such reduction and after taking into account the other provisions of this Article IV.B.11; (b) the Settlement Agreement Professional Fees of the TCEH Unsecured Ad Hoc Group and TCEH Unsecured Notes Trustee that (i) are actually paid pursuant to Paragraph P of the Settlement Order and (ii) are subject to or covered by the TCEH Unsecured Note Trustee's "charging lien" shall reduce Pro Rata the distributions to Holders of Allowed TCEH Unsecured Notes Claims based on the amounts of their Allowed Claims; and (c) the Settlement Agreement Professional Fees of the TCEH Second Lien Consortium and TCEH Second Lien Notes Trustee that (i) are actually paid pursuant to Paragraph P and (ii) are subject to or covered by the TCEH Second Lien Notes Trustee's "charging lien," shall reduce Pro Rata the distributions to holders of Allowed TCEH Second Lien Note Claims based on the amounts of their Allowed Claims.

C. Sources of Consideration for Plan Distributions.

Distributions under the Plan with respect to the TCEH Debtors shall be funded with, as applicable: (1) Cash on hand at the TCEH Debtors; (2) the New Reorganized TCEH Debt and/or the Cash proceeds thereof; (3) the Cash proceeds of the Spin-Off Preferred Stock Sale or any sale of stock or securities pursuant to the Taxable Separation; (4) the Reorganized TCEH Common Stock; and (5) the Spin-Off TRA Rights (if any) or Taxable Separation TRA Rights (if any).

The Reorganized EFH Debtors and the Reorganized EFIH Debtors shall fund distributions under the Plan, as applicable, with: (1) Cash on hand at EFH Corp. and EFIH; (2) the Plan Sponsor Cash Amount (which, for the avoidance of doubt, shall not be reduced or increased pursuant to the PIK Settlement and for the avoidance of doubt shall be calculated in accordance with the terms set forth in the Merger Agreement); (3) the Reorganized EFH Common Stock, including such stock in the Makewhole Stock Reserve (which Reorganized EFH Common Stock shall convert into the right to receive NextEra Common Stock at the Merger Effective Time). Distributions under the Plan with respect to the EFH Shared Services Debtors shall be funded with Cash on hand at the EFH Shared Services Debtors. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth herein applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. The issuance of certain securities in connection with the Plan, including the Reorganized TCEH Common Stock and the Reorganized EFH Common Stock, will be exempt from SEC registration to the fullest extent permitted by law.

1. Cash on Hand at the TCEH Debtors.

TCEH shall use Cash on hand at the TCEH Debtors to fund distributions to certain Holders of Claims against the TCEH Debtors in accordance with the Plan.

2. New Reorganized TCEH Debt.

Before the Reorganized TCEH Conversion, OpCo shall enter into the New Reorganized TCEH Debt Documents and incur the New Reorganized TCEH Debt, *provided, however*, that if the Taxable Separation is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, OpCo shall enter into the New

Reorganized TCEH Debt Documents and incur the New Reorganized TCEH Debt on the TCEH Effective Date. Confirmation shall constitute approval of the New Reorganized TCEH Debt Documents (including the transactions contemplated thereby, and all actions to be undertaken, undertakings to be made, and obligations to be incurred by Reorganized TCEH in connection therewith), and authorization for Reorganized TCEH to enter into and execute the Reorganized TCEH Debt Documents, subject to such modifications as Reorganized TCEH may deem to be reasonably necessary to consummate the Reorganized TCEH Debt Documents.

OpCo will distribute the Cash proceeds of the New Reorganized TCEH Debt (or, at the TCEH Supporting First Lien Creditors' election, all or a portion of such New Reorganized TCEH Debt to TCEH), and TCEH shall use such proceeds (or such New Reorganized TCEH Debt) to fund distributions to certain Holders of Claims against the TCEH Debtors in accordance with the Plan.

3. Reorganized TCEH Common Stock.

Reorganized TCEH shall be authorized to issue 450,000,000 shares of Reorganized TCEH Common Stock, subject to dilution only by the Reorganized TCEH Debtor Management Incentive Plan. Reorganized TCEH shall issue all securities, instruments, certificates, and other documents required to be issued for the Reorganized TCEH Common Stock in respect of Reorganized TCEH or its subsidiaries. All of the shares of Reorganized TCEH Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

Certain Holders of Reorganized TCEH Common Stock shall be parties to the Reorganized TCEH Registration Rights Agreement.

4. Reorganized TCEH Sub Preferred Stock.

If the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, the Reorganized TCEH Debtors shall enter into the Spin-Off Preferred Stock Sale. Under the Spin-Off Preferred Stock Sale, the Preferred Stock Entity will be authorized to issue a certain number of shares of Reorganized TCEH Sub Preferred Stock, the terms of which shall be consistent with the description of the preferred stock contained in the IRS Submissions previously filed by the Debtors (unless otherwise consented to by the Debtors, the Plan Sponsor, and the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld, delayed, or conditioned)). The Preferred Stock Entity shall issue all securities, instruments, certificates, and other documents required to be issued for the Reorganized TCEH Sub Preferred Stock in respect of Reorganized TCEH or its subsidiaries. All of the shares of Reorganized TCEH Sub Preferred Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

Reorganized TCEH will distribute the Cash proceeds from the sale of the Reorganized TCEH Sub Preferred Stock to TCEH prior to the Reorganized TCEH Conversion, and TCEH shall use such proceeds to fund distributions to certain Holders of Allowed Claims against the TCEH Debtors in accordance with the Plan.

5. Reorganized EFH Common Stock.

On the EFH Effective Date, and in accordance with the Reorganized EFH Stock Issuance Procedures, Reorganized EFH shall be authorized to issue the Reorganized EFH Common Stock, which (a) Reorganized EFH Class A Common Stock shall be converted into the right to receive a number of shares of NextEra Class A Common Stock equal to the NextEra Class A Common Stock Investment in accordance with the Merger Agreement and (b) Reorganized EFH Class B Common Stock shall be converted into the right to receive a number of shares of NextEra Class B Common Stock equal to the NextEra Class B Common Stock Investment in accordance with the Merger Agreement.

Reorganized EFH shall issue all securities, instruments, certificates, and other documents required to be issued with respect to the Reorganized EFH Common Stock in respect of Reorganized EFH or its subsidiaries. All of the shares of Reorganized EFH Common Stock issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

6. NextEra Common Stock.

On the EFH Effective Date, in accordance with the Merger Agreement, the Plan Sponsor shall make the NextEra Common Stock Investment and shall be authorized to issue the NextEra Class A Common Stock constituting the NextEra Class A Common Stock Investment and shall be authorized to issue the NextEra Class B Common Stock Investment constituting the NextEra Class B Common Stock; *provided, however*, that the NextEra Common Stock constituting the NextEra Common Stock Investment shall be issued directly by the Plan Sponsor to the Exchange Agent to the extent required by the Merger Agreement. The Plan Sponsor shall issue all securities, instruments, certificates, and other documents required to be issued with respect to the NextEra Common Stock constituting the NextEra Common Stock Investment in respect of the Plan Sponsor or its subsidiaries. All of the shares of NextEra Common Stock issued in connection with the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

7. Cash on Hand at EFH Corp. and EFIH.

Reorganized EFH and Reorganized EFIH shall, through the Disbursing Agent, use Cash on hand at EFH Corp. and EFIH to fund distributions to certain Holders of Allowed Claims against the EFH Debtors and the EFIH Debtors (including, for the avoidance of doubt, using all or a portion of the Cash on hand at EFIH to fund the EFIH Claims Reserve) in accordance with the Plan and the Reorganized EFH Stock Issuance Procedures.

8. Plan Sponsor Cash Amount.

The EFH Debtors and the EFIH Debtors shall use the Plan Sponsor Cash Amount to fund any initial distributions (including, for the avoidance of doubt, the EFIH Claims Reserve) in accordance with the Plan and the EFH Confirmation Order. The EFH Plan Administrator Board shall use any remaining Plan Sponsor Cash Amount to fund the payment of certain fees and distributions to certain Holders of Claims against the EFH Debtors and the EFIH Debtors in accordance with the Plan. The Plan Sponsor Cash Amount shall not be reduced or increased pursuant to the PIK Settlement and for the avoidance of doubt shall be calculated in accordance with the terms set forth in the Merger Agreement.

9. Cash on Hand at EFH Shared Services Debtors.

Any Cash on hand at the EFH Shared Services Debtors as of the TCEH Effective Date shall be used to fund distributions to Holders of Allowed Claims against the EFH Shared Services Debtors in accordance with the terms of the Plan. Any Cash on hand at the EFH Shared Services Debtors that remains on hand after payment in full of all Allowed Claims against the EFH Shared Services Debtors pursuant to the Plan shall be transferred to Reorganized TCEH.

D. Intercompany Account Settlement.

The Debtors and the Reorganized Debtors, as applicable, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, subject to the consent of the Plan Sponsor and the TCEH Supporting First Lien Creditors, as applicable (such consent not to be unreasonably withheld), shall be entitled to transfer funds between and among themselves as they determine to be necessary or advisable to enable the Reorganized Debtors to satisfy their obligations under the Plan; *provided, however*, that (1) the TCEH Debtors shall not transfer funds to a Debtor that is not a TCEH Debtor, and (2) the EFH Debtors and EFIH Debtors shall not transfer funds to a Debtor that is not an EFH Debtor or an EFIH Debtor, respectively, except as otherwise provided elsewhere in the Plan. Except as set forth herein, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Reorganized Debtors' historical intercompany account settlement practices and shall not violate the terms of the Plan.

E. Competitive Tax Sharing Agreement.

On the TCEH Effective Date, the Competitive Tax Sharing Agreement shall automatically terminate as to the parties and all Claims and Causes of Action arising thereunder or in any way related thereto as to the parties shall be forever fully discharged, canceled, and released.

F. Oncor Tax Sharing Agreement.

On the EFH Effective Date, the Oncor Tax Sharing Agreement will be assumed by Reorganized EFH, as such agreement may be amended or assigned in a manner agreed by Oncor, Reorganized EFH, and the Plan Sponsor.

G. Corporate Existence.

Except as otherwise provided in the Plan, including as set forth in Article IV.B.11, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and by-laws (or other formation documents) in effect before the Effective Date, except to the extent such certificate of incorporation and by-laws (or other formation documents) are amended under the Plan or otherwise (consistent with the Merger Agreement, as applicable), and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state or federal law). The Reorganized TCEH Debtors will continue to fund the Nuclear Decommissioning Obligations in the ordinary course of business after the TCEH Effective Date.

H. Vesting of Assets in the Reorganized Debtors.

Except as otherwise provided in the Plan, on the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each applicable Reorganized Debtor or the EFH Plan Administrator Board, as applicable, free and clear of all Liens, Claims, charges, Interests, or other encumbrances. Except as otherwise provided in the Plan, on and after the Effective Date, each of the Reorganized Debtors may operate their business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

I. Cancelation of Existing Securities and Agreements.

Except as otherwise provided in the Plan (including Article III.B.19 and III.B.20), on and after the Effective Date, all notes, instruments, certificates, agreements, indentures, mortgages, security documents, and other documents evidencing Claims or Interests, including Other Secured Claims, TCEH First Lien Secured Claims, EFIH First Lien Note Claims, EFIH Second Lien Note Claims, EFCH 2037 Note Claims, TCEH Second Lien Note Claims, TCEH Unsecured Note Claims, PCRB Claims, EFIH Unsecured Note Claims, EFH Legacy Note Claims, EFH LBO Note Primary Claims, EFH LBO Note Guaranty Claims, EFH Unexchanged Note Claims, EFH Swap Claims, EFH Series N Note Claims, and DIP Claims, shall be deemed canceled, surrendered, and discharged without any need for further action or approval of the Bankruptcy Court or a Holder to take further action with respect to any note(s) or security and the obligations of the Debtors or Reorganized Debtors, as applicable, thereunder or in any way related thereto shall be deemed satisfied in full and discharged, and the Indenture Trustees, the TCEH First Lien Agent, and the DIP Agents shall be released from all duties thereunder; *provided, however*, that (a) Interests in Debtors EFIH, LSGT Gas Company, LLC, EECI, Inc., EEC Holding, Inc., and LSGT SACROC, Inc. shall be Reinstated; and (b) notwithstanding Confirmation or Consummation, any such indenture or agreement that governs the rights of the Holder of a Claim shall, subject to the terms of the Plan and EFIH Settlement Agreement, to the extent the EFIH Settlement Agreement has been approved, continue in effect solely for purposes of:

(1) allowing Holders of Allowed Claims to receive distributions under the Plan and, as to the EFIH First Lien Note Claims and EFIH Second Lien Note Claims, under the EFIH Settlement Agreement attached to the EFH Confirmation Order and the Plan; (2) allowing the Indenture Trustees or such other Disbursing Agent pursuant to the EFH Confirmation Order, the TCEH First Lien Agent, and the Agent to make the distributions in accordance with the Plan (if any), as applicable, and, as to the EFIH First Lien Note Claims and EFIH Second Lien Note Claims under the EFIH Settlement Agreement attached hereto as Exhibit B to the EFH Confirmation Order and the Plan; (3) preserving any rights of the DIP Agents, the TCEH First Lien Agent, or the Indenture Trustees to payment of fees, expenses, and indemnification obligations as against any money or property distributable to the relevant Holders under the Plan as it relates to the EFH Debtors and the EFIH Debtors, the EFIH First Lien DIP Agreement, including any rights to priority of payment and/or to exercise charging liens and, as to the EFIH First Lien Note Claims and EFIH Second Lien Note Claims, under the EFIH Settlement Agreement attached hereto as Exhibit B and the Plan; (4) allowing the Indenture Trustees, TCEH First Lien Agent, and DIP Agents to enforce any obligations owed to each of them under the Plan as it relates to the EFH Debtors and the EFIH Debtors (including any Indenture Trustee's pursuit of, solely in the event the Court does not enter the Settlement Approval Order (as defined in Exhibit B to the EFH Confirmation Order), as to the EFIH First Lien Note Claims and EFIH Second Lien Note Claims, (x) the allowance and payment, pursuant to the Plan and EFH Confirmation Order, of Makewhole Claims or any other Claims, and with respect to which the EFH Debtors and the EFIH Debtors reserve all rights consistent with the EFIH Unsecured Creditor Plan Support Agreement, and (y) the EFIH Intercreditor Litigation or any other pending proceeding; and (5) allowing the Indenture Trustees, TCEH First Lien Agent, and DIP Agents to appear in the Chapter 11 Cases or any proceeding in which they are or may become a party; *provided, further, however*, that, without prejudice to the right of any Holder of an Allowed Claim to the rights of such party to receive distributions under the Plan or the EFIH Settlement Agreement, the preceding proviso shall not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order, or the Plan, or result in any expense or liability to the Debtors or Reorganized Debtors, as applicable. For the avoidance of doubt, the TCEH First Lien Intercreditor Agreement, the TCEH Credit Agreement, and the TCEH First Lien Note Indenture remain in effect solely to the extent necessary to preserve the TCEH First Lien Creditor Allocation Disputes and the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute, and any (a) claims or Causes of Action by the TCEH First Lien Notes Trustee, TCEH First Lien Agent, or Holders of TCEH First Lien Claims against other Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee arising in connection with the TCEH First Lien Creditor Allocation Disputes, or (b) claims or Causes of Action by any Holder of Allowed Class C3 Claims against any other Holder of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) in the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute (or any claims, Causes of Action or defenses of any other party to such dispute); *provided, further, however*, that except as expressly set forth in the Plan, after the Effective Date, the Debtors and the Reorganized Debtors shall not be obligated to pay any fees or expenses under either the TCEH First Lien Intercreditor Agreement, the TCEH First Lien Note Indenture, or the TCEH Credit Agreement arising in connection with the TCEH First Lien Creditor Allocation Disputes or the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute, and all related Claims shall be released and discharged consistent with Article VIII.A of the Plan. Notwithstanding anything to the contrary in the foregoing provisions of this Article IV.I, (x) the cancelation and discharge of the EFIH First Lien Note Indentures, the EFIH Second Lien Note Indenture, and the EFIH Collateral Trust Agreement, and all other notes, instruments, certificates, agreements, mortgages, security documents, and other documents evidencing any Claims or rights under the EFIH First Lien Notes or the EFIH Second Lien Notes shall be limited solely to the Debtors and the Reorganized Debtors and shall not affect the rights of the EFIH First Lien Notes Trustee or Holders of the EFIH First Lien Note Claims vis-à-vis any other party, including the EFIH Second Lien Notes Trustee and Holders of the EFIH Second Lien Note Claims, or vice versa; (y) for the avoidance of doubt, the EFIH First Lien Note Indentures, the EFIH Second Lien Note Indenture, the EFIH Collateral Trust Agreement, and all other notes, instruments, certificates, agreements, mortgages, security documents, and other documents evidencing any Claims or rights under the EFIH First Lien Notes or the EFIH Second Lien Notes shall remain in effect (and the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee shall remain as trustee, and registrar) for the purposes set forth in (1)-(5) of this section, as applicable; and (z) the EFIH First Lien Note Indentures and the EFIH Second Lien Note Indenture, the EFIH Collateral Trust Agreement, and all other notes, instruments, certificates, agreements, mortgages, security documents, and other documents evidencing any Claim or rights under the EFIH First Lien Notes or the EFIH Second Lien Notes shall remain in place from and after the Effective Date, subject to entry of the Settlement Approval Order, for purposes of establishing the Claims against the EFIH Claims Reserve but, for the avoidance of doubt, not including Reorganized EFIH, associated with or under the EFIH First Lien Note Claims and

the EFIH Second Lien Note Claims (including the right of the EFIH First Lien Notes Trustee and Holders of EFIH First Lien Notes and of the EFIH Second Lien Notes Trustee and Holders of EFIH Second Notes to seek and, if successful, receive interest at the contractual rates accruing on all of their Allowed Claims, including Additional Interest and interest on interest until those Claims are paid in full and to receive their fees, costs and indemnification), until all EFIH First Lien Note Claims and all EFIH Second Lien Note Claims have either been Allowed by Final Order and been paid in full, in Cash by the EFH Plan Administrator Board (with all applicable contractual interest), or have been disallowed by Final Order; *provided, however*, for the avoidance of doubt, the foregoing is intended solely to allow the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee and the Holders of the EFIH First Lien Note Claims and the Holders of the EFIH Second Lien Note Claims to assert Claims that they may be entitled to under the foregoing documentation (including the EFIH First Lien Notes Indentures, the EFIH Second Lien Notes Indenture, the EFIH Collateral Trust Agreement, and the other foregoing notes, instruments, certificates, agreements, mortgages, security documents, and other documents, and except as provided otherwise in the EFIH Settlement Agreement and the Settlement Approval Order in the event such Order is entered, and nothing herein shall prejudice any party from arguing that, notwithstanding the foregoing, the terms of the Plan, and the Bankruptcy Code, supersede the terms of such documentation for the purposes of determining what constitutes an Allowed Claim, including, without limitation, with respect to post-Effective Date interest and fee entitlements.

J. Corporate Action.

On the Effective Date, as applicable, all actions contemplated under the Plan with respect to the applicable Debtor or Reorganized Debtor, as applicable, shall be deemed authorized and approved in all respects, including: (1) implementation of the Restructuring Transactions, including execution of the Transaction Agreements and consummation of the Merger; (2) selection of the directors and officers for the Reorganized Debtors; (3) on the TCEH Effective Date, as applicable, adoption of, entry into, and assumption and/or assignment of the New Employee Agreements/Arrangements and the Employment Agreements; (4) adoption of the Reorganized TCEH Debtor Management Incentive Plan; (5) incurrence of the New Reorganized TCEH Debt and distribution of such New Reorganized TCEH Debt or the net proceeds, if any; (6) issuance and distribution of the Reorganized TCEH Common Stock; (7) implementation of the Taxable Separation (including any issuance of stock or securities thereunder); (8) (i) the Spin-Off Preferred Stock Sale (if any); (ii) issuance and distribution of the common stock of the Preferred Stock Entity (if any); and (iii) issuance of the Reorganized TCEH Sub Preferred Stock (if any) (9) issuance and distribution of the Reorganized EFH Common Stock (including its exchange for NextEra Common Stock); (10) issuance and distribution of the NextEra Common Stock pursuant to the Merger; (11) issuance and distribution of the common stock of the Preferred Stock Entity; and (12) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for herein involving the corporate structure of the Debtors or the Reorganized Debtors, as applicable, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan shall be deemed to have occurred and shall he in effect as of the Effective Date, without any requirement of further action by the Bankruptcy Court, the Debtors, the Reorganized Debtors, or their respective security holders, directors, managers, or officers. On or before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors shall be authorized and, as applicable, directed to issue, execute, and deliver the agreements, documents, securities, and instruments, and take such actions, contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Debtors or the Reorganized Debtors, as applicable, including the New Reorganized TCEH Debt Documents, the Reorganized TCEH Common Stock, the common stock of the Preferred Stock Entity, the Reorganized TCEH Sub Preferred Stock, the Reorganized EFH Common Stock, the NextEra Common Stock, the Taxable Separation TRA Rights (if any), the Spin-off TRA Rights (if any), and the Merger Agreement, as applicable, and any and all other agreements, documents, securities, and instruments relating to the foregoing, and all such documents shall be deemed ratified. The authorizations and approvals contemplated by this Article IV.J shall be effective notwithstanding any requirements under non-bankruptcy law.

K. New Organizational Documents.

The New Organizational Documents for Reorganized TCEH or any of its subsidiaries shall be consistent with the Tax Matters Agreement and in form and substance reasonably acceptable to TCEH and the TCEH Supporting First Lien Creditors.

The New Organizational Documents for Merger Sub and Reorganized EFIH shall be consistent with the Tax Matters Agreement and in form and substance reasonably acceptable to EFH Corp. and the Plan Sponsor.

On the Effective Date, each of the Reorganized Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state of incorporation or formation in accordance with the applicable laws of the respective state of incorporation or formation. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Debtors may amend and restate their respective New Organizational Documents and other constituent documents as permitted by the laws of their respective state of incorporation and its respective New Organizational Documents.

L. Directors and Officers of the Reorganized Debtors.

As of the Effective Date, the term of the current members of the board of directors of the applicable Debtors shall expire, and the initial boards of directors, including the New Boards, as applicable, and the officers of each of the Reorganized Debtors shall be appointed in accordance with the respective New Organizational Documents. Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will disclose in the Plan Supplement the identity and affiliations of any person proposed to serve on the initial board of directors or be an officer of each of the Reorganized Debtors. To the extent any such director or officer of the Reorganized Debtors is an "insider" under the Bankruptcy Code, the Debtors also will disclose the nature of any compensation to be paid to such director or officer. With respect to the TCEH Debtors and EFH Shared Services Debtors, each such director and officer shall serve from and after the TCEH Effective Date pursuant to the terms of the New Organizational Documents, the New Employee Agreements/Arrangements, the Employment Agreements (assumed and assigned to Reorganized TCEH in accordance with the Plan and the Plan Supplement), and other constituent documents of the Reorganized TCEH Debtors and Reorganized EFH Shared Services Debtors.

M. Section 1146 Exemption.

Pursuant to, and to the fullest extent permitted by, section 1146 of the Bankruptcy Code, any transfers of property pursuant to, in contemplation of, or in connection with, the Plan, including (1) the Restructuring Transactions; (2) the New Reorganized TCEH Debt; (3) the Reorganized TCEH Common Stock; (4) the Reorganized TCEH Preferred Stock (if any); (5) the common stock of the Preferred Stock Entity (if any); (6) the Reorganized TCEH Sub Preferred Stock (if any) (7) the Reorganized EFH Common Stock (including the exchange for NextEra Common Stock pursuant to and in accordance with the Merger Agreement); (8) the common stock of the Preferred Stock Entity; (9) the Reorganized TCEH Sub Preferred Stock; (10) the NextEra Common Stock issued in connection with the Plan Sponsor Investment; (11) the Spin-Off TRA Rights (if any); (12) the Taxable Separation TRA Rights (if any); (13) the assignment or surrender of any lease or sublease; and (14) the delivery of any deed or other instrument or transfer order, in furtherance of, or in connection with the Plan, including any deeds, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer, mortgage recording tax, or other similar tax, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment.

N. Director, Officer, Manager, and Employee Liability Insurance.

1. TCEH Debtors and EFH Shared Services Debtors Director, Officer, Manager, and Employee Liability Insurance.

On or before the Effective Date, the TCEH Debtors and EFH Shared Services Debtors, on behalf of the Reorganized TCEH Debtors and the Reorganized EFH Shared Services Debtors, respectively, will obtain sufficient liability insurance policy coverage for the six-year period following the Effective Date for the benefit of the TCEH Debtors' and EFH Shared Services Debtors' respective current and former directors, managers, officers, and employees on terms no less favorable to the directors, managers, officers, and employees than the TCEH Debtors' and EFH Shared Services Debtors' respective existing director, officer, manager, and employee coverage and with

an available aggregate limit of liability upon the Effective Date of no less than the aggregate limit of liability under the existing director, officer, manager, and employee coverage upon placement; *provided, however*, that the costs of such policies shall be reasonably allocated among the TCEH Debtors and the EFH Shared Services Debtors in a manner reasonably acceptable to the TCEH Debtors and EFH Shared Services Debtors and the TCEH Supporting First Lien Creditors. After the Effective Date, none of the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, or Reorganized EFH Shared Services Debtors shall terminate or otherwise reduce the coverage under any director, officer, manager, and employee insurance policies (including the "tail policy") in effect on the Effective Date, with respect to conduct occurring prior thereto, and all officers, directors, managers, and employees of the TCEH Debtors or EFH Shared Services Debtors, as applicable, who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such officers, directors, managers, or employees remain in such positions after the Effective Date.

2. EFH Debtors and EFIH Debtors Director, Officer, Manager, and Employee Liability Insurance.

On or before the Effective Date, the EFH Debtors and EFIH Debtors, on behalf of the Reorganized EFH Debtors and Reorganized EFIH, shall obtain liability insurance policy coverage for the benefit of the EFH Debtors' and EFIH Debtors' respective current and former directors, managers, officers, and employees in accordance with the terms of the Merger Agreement, and shall thereafter maintain such insurance policy coverage to the extent provided by, and subject to the limitations of, the Merger Agreement.

O. Reorganized TCEH Debtor Management Incentive Plan.

The Reorganized TCEH Debtor Management Incentive Plan is hereby approved in its entirety and shall be implemented on the TCEH Effective Date by the applicable Reorganized Debtors without any further action by the Reorganized TCEH Board or the Bankruptcy Court.

P. Employee Obligations.

Except (i) as otherwise provided in the Plan or the Plan Supplement and (ii) with respect to the EFH Non-Qualified Benefit Plans, which shall be terminated on the TCEH Effective Date pursuant to the EFH Confirmation Order as obligations of the EFH Debtors (any Allowed Claims arising from the termination of such EFH Non-Qualified Benefits Plans shall be treated pursuant to Article III.B.8 of the Plan), the (x) Reorganized TCEH Debtors shall honor the Debtors' written contracts, agreements, policies, programs and plans for, among other things, compensation, reimbursement, indemnity, change of control, health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits, savings, severance benefits, retirement benefits, welfare benefits, relocation programs, life insurance and accidental death and dismemberment insurance, including written contracts, agreements, policies, programs and plans for bonuses and other incentives or compensation for the directors, officers and employees of any of the Debtors who served in such capacity at any time (including the compensation programs approved by the Bankruptcy Court pursuant to the 2015 Compensation Order and the 2016 Compensation Order) and (y) except as may be expressly set forth in the Merger Agreement, none of the EFH Debtors, the Reorganized EFH Debtors, the EFIH Debtors, the Reorganized EFIH Debtors, Oncor, the Plan Sponsor, or any Affiliate of the Plan Sponsor shall have any liability for the matters set forth in the foregoing clause (x). Any of the above-listed contracts, agreements, policies, programs and plans that is an executory contract, pursuant to sections 365 and 1123 of the Bankruptcy Code, shall be deemed assumed as of the TCEH Effective Date and, to the extent that any EFIH Debtor or EFH Debtor is a party to such executory contract, assigned to the Reorganized TCEH Debtors.

Q. Preservation of Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan, the Reorganized Debtors and the EFH Plan Administrator Board, as applicable, consistent with the Plan and the Merger Agreement, shall retain and may enforce all rights to commence and pursue any and all Causes of Action belonging to their Estates, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the EFH Plan Administrator Board's and Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the applicable

Effective Date, other than: (i) the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, which shall be deemed released and waived by the Debtors and Reorganized Debtors as of the Effective Date; (ii) all Causes of Action that arise under sections 544, 547, 548, and 549 of the Bankruptcy Code and state fraudulent conveyance law; and (iii) the Causes of Action released by the Debtors pursuant to the Settlement Agreement.

The Reorganized Debtors, the EFH Plan Administrator Board, and the Makewhole Litigation Oversight Committee, as applicable, consistent with the Plan and the Merger Agreement, may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors, subject, as further set forth herein, to the Makewhole Litigation Oversight Committee's approval with respect to the pursuit, litigation, and/or settlement of First Lien Makewhole Claims and Second Lien Makewhole Claims. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors, the Reorganized Debtors, or the EFH Plan Administrator Board, as applicable, will not pursue any and all available Causes of Action against it.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled herein or in a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of Confirmation or Consummation.

The Reorganized Debtors and the EFH Plan Administrator Board, as applicable, consistent with the Plan and the Merger Agreement, reserve and shall retain the Causes of Action notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors and the EFH Plan Administrator Board, as applicable, consistent with the Plan and the Merger Agreement. Subject to Article VII.K Plan with respect to the pursuit, litigation and/or settlement of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims, the EFH Plan Administrator Board, on behalf of the EFH and EFIH Debtors, shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court, unless such Cause of Action was otherwise transferred to the Reorganized Debtors pursuant to the Merger Agreement.

R. Payment of Certain Fees.

1. Payment of Fees of Certain Creditors of the EFIH Debtors.

Without any further notice to or action, order, or approval of the Bankruptcy Court, the EFH Plan Administrator Board shall pay from the EFH/EFIH Distribution Account on the EFH Effective Date any reasonable and documented unpaid fees and expenses incurred on or before the EFH Effective Date by professionals payable under the Merger Agreement.

If, as of the EFH Effective Date, the Settlement Approval Order has been entered, and the EFIH First Lien Note Claims and EFIH Second Lien Note Claims Allowed pursuant to the Settlement Approval Order have been paid, in full, in Cash by the EFH Plan Administrator Board from the EFH/EFIH Distribution Account, then, on the EFH Effective Date, the EFH Plan Administrator Board shall pay, to the EFIH Unsecured Notes Trustee, no less than the EFIH Base Payment Amount. The payment of the EFIH Base Payment Amount shall not be subject to disgorgement, setoff, recoupment, reduction or reallocation of any kind and is without prejudice to the EFIH Unsecured Notes Trustee's subsequent exercise of any charging lien. The payment of the EFIH Base Payment Amount shall be considered a "charging lien advance" pursuant to Sections 6.12, 6.13 and 7.07 of the EFIH Unsecured Note Indentures.

If, as of the EFH Effective Date, the Settlement Approval Order has not been entered, then on the EFH Effective Date, the EFIH Claims Reserve shall be funded as set forth in the definition of EFIH Claims Reserve or the Settlement Approval Order. Following entry of a Reserve Order modifying the EFIH Claims Reserve, the EFH Plan Administrator Board shall pay, to the EFIH Unsecured Notes Trustee, no less than the EFIH Base Payment

Amount, to the extent, as applicable, authorized by the Reserve Order or Settlement Approval Order. The payment of the EFIH Base Payment Amount shall not be subject to disgorgement, setoff, recoupment, reduction or reallocation of any kind and is without prejudice to the EFIH Unsecured Notes Trustee's subsequent exercise of any charging lien. The payment of the EFIH Base Payment Amount shall be considered a "charging lien advance" pursuant to Sections 6.12, 6.13 and 7.07 of the EFIH Unsecured Note Indentures.

The EFH Plan Administrator Board shall pay from the EFH/EFIH Distribution Account (using EFH Cash in the EFH/EFIH Distribution Account, as described in subclause (c) of Exhibit C(3) of the Amended Plan Supplement), the reasonable and documented fees and expenses allowed under the EFH Notes Indentures; *provided, however*, that such fees and expenses shall be subject to approval by the Fee Committee, with respect to the reasonableness of such documented fees and expenses in their reasonable discretion, and the Bankruptcy Court, such fees and expenses shall be paid on the EFH Effective Date or as soon as reasonably practicable thereafter following Fee Committee and Bankruptcy Court approval thereof; *provided, further*, that, for the avoidance of doubt, such fees and expenses shall not be included in the amount of any Allowed Claims under the EFH Notes Indentures. In addition, the EFIH Unsecured Notes Trustee shall have the right to seek payment of all or a portion of the EFIH Unsecured Notes Trustee Fees and Expenses from the EFH/EFIH Distribution Account if any funds remain available after first funding the EFIH Claims Reserve in accordance with the Plan and any order of the Bankruptcy Court regarding the amount required to fund the EFIH Claims Reserve and Post-Effective Date Administrative Account and if there are sufficient amounts in the EFH/EFIH Distribution Account to provide a 100% recovery to the Holders of Allowed EFIH Unsecured Note Claims, which fees and expenses application shall be subject to the review and approval procedures set forth in the EFH Plan Supplement.

Without any further notice to or action, order, or approval of the Bankruptcy Court, the EFH Plan Administrator Board shall pay from the EFH/EFIH Distribution Account the reasonable and documented fees and expenses of the Auditor in conducting the Post-Closing Report and as otherwise provided in the Merger Agreement.

Except in the limited circumstance set forth above, all amounts distributed and paid pursuant to this Article IV.R.1. shall not be subject to disgorgement, setoff, recoupment, reduction, or reallocation of any kind.

2. Payment of Fees of Certain Creditors of the TCEH Debtors.

Without any further notice to or action, order, or approval of the Bankruptcy Court, the Reorganized TCEH Debtors shall pay on the TCEH Effective Date any reasonable and documented unpaid fees and expenses incurred on or before the TCEH Effective Date by professionals (a) payable under (1) the TCEH DIP Order (which fees and expenses shall be paid by Reorganized TCEH), and (2) the Cash Collateral Order (which fees and expenses shall be paid by TCEH or Reorganized TCEH), including any applicable transaction, success, or similar fees for which the applicable Debtors have agreed to be obligated, and (b) retained by any individual member of the TCEH First Lien Ad Hoc Committee that is a TCEH Supporting First Lien Creditor. Reorganized TCEH shall indemnify (a) the TCEH First Lien Agent for any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the TCEH Effective Date solely in connection with the implementation of the Plan, including but not limited to, making distributions pursuant to and in accordance with the Plan, and any disputes arising in connection therewith; and (b) any member or members of the TCEH First Lien Ad Hoc Committee for any reasonable and documented fees and expenses (including the reasonable and documented fees and expenses of its counsel and agents) incurred after the TCEH Effective Date solely in connection with the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute.

All amounts distributed and paid pursuant to this Article IV.R.2 shall not be subject to disgorgement, setoff, recoupment, reduction, or reallocation of any kind.

S. Treatment of Certain Claims of the PBGC and Pension Plan.

Nothing in the Chapter 11 Cases, the Disclosure Statement, the Plan, the Confirmation Order, or any other document filed in the Chapter 11 Cases shall be construed to discharge, release, limit, or relieve any individual from any claim by the PBGC or the Pension Plans for breach of any fiduciary duty under ERISA, including prohibited transactions, with respect to the Pension Plans, subject to any and all applicable rights and defenses of such parties, which are expressly preserved. The PBGC and the Pension Plans shall not be enjoined or precluded from enforcing

such fiduciary duty or related liability by any of the provisions of the Disclosure Statement, Plan, Confirmation Order, Bankruptcy Code, or other document filed in the Chapter 11 Cases. For the avoidance of doubt, the Reorganized Debtors shall not be released from any liability or obligation under ERISA, the Internal Revenue Code, and any other applicable law relating to or arising from the Pension Plans.

T. Spin-Off Tax Receivable Agreement.

If the Spin-Off is effectuated pursuant to the terms and conditions set forth in Article IV.B.2, at the election of the TCEH Supporting First Lien Creditors, on the TCEH Effective Date and before the Distribution, Reorganized TCEH shall enter into the Spin-Off Tax Receivable Agreement, under which Reorganized TCEH shall agree to make payments in respect of its (or its subsidiaries') specified tax items to or for the benefit of the TCEH First Lien Creditors (or their assigns). In addition, and notwithstanding the foregoing, Reorganized TCEH may enter into one or more tax receivable agreements or other similar arrangements after the Distribution. Only Holders of Allowed TCEH First Lien Secured Claims that timely return a TRA Information Form shall be entitled to receive beneficial interests in the Spin-Off TRA Rights (if any). Holders of Allowed TCEH First Lien Secured Claims that fail to timely return a properly completed TRA Information Form shall not receive any beneficial interests in the Spin-Off TRA Rights (if any) or any entitlement to any other distribution or consideration on account of or in connection with the Spin-Off Tax Receivable Agreement.

U. Taxable Separation Tax Receivable Agreement.

If the Spin-Off is not effectuated pursuant to the terms and conditions set forth in Article IV.B.2, at the election of the TCEH Supporting First Lien Creditors, on the TCEH Effective Date before the Distribution, Reorganized TCEH shall enter into the Taxable Separation Tax Receivable Agreement, under which Reorganized TCEH shall agree to make payments in respect of Reorganized TCEH's (or its subsidiaries') specified tax items to or for the benefit of the TCEH First Lien Creditors (or their assigns). In addition, and notwithstanding the foregoing, Reorganized TCEH (or one or more of its subsidiaries) may enter into one or more tax receivable agreements or other similar arrangements after the TCEH Effective Date. Only Holders of Allowed TCEH First Lien Secured Claims that timely return a properly completed TRA Information Form shall be entitled to receive beneficial interests in the Taxable Separation TRA Rights (if any). Holders of Allowed TCEH First Lien Secured Claims that fail to timely return a TRA Information Form shall not receive any beneficial interests in the Taxable Separation TRA Rights (if any) or any entitlement to any other distribution or consideration on account of or in connection with the Taxable Separation Tax Receivable Agreement.

ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases.

1. Rejection of EFH Debtor and EFIH Debtor Executory Contracts and Unexpired Leases

On the EFH Effective Date, except as otherwise provided herein or in the Confirmation Order, all Executory Contracts or Unexpired Leases of the EFH Debtors or the EFIH Debtors, not previously assumed or rejected pursuant to an order of the Bankruptcy Court, including the TCEH Confirmation Order or the EFH Confirmation Order, will be deemed to be Rejected Executory Contracts or Unexpired Leases, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those Executory Contracts or Unexpired Leases that are: (1) identified on the EFH/EFIH Assumed Executory Contract and Unexpired Lease List; (2) the subject of a motion to assume Executory Contracts or Unexpired Leases that is pending on the Confirmation Date; or (3) subject to a motion to reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date; *provided* that each of (1), (2) and (3) must be in form and substance acceptable to the Plan Sponsor. Entry of the EFH Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections and the assignments and/or assumptions of the Executory Contracts or Unexpired Leases listed on the EFH/EFIH Assumed Executory Contract and Unexpired Lease List pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Any motions to assume Executory Contracts or Unexpired Leases of the EFH Debtors or EFIH Debtors pending on the EFH Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory

Contract and Unexpired Lease assumed pursuant to this Article V.A.1 or by any order of the Bankruptcy Court, which has not been assigned to a third party before the Confirmation Date, shall revest in and be fully enforceable by Reorganized EFH or Reorganize EFIH, as applicable, or their successors in accordance with its terms, except as such terms are modified by the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. The Plan Sponsor, Reorganized EFH, and Reorganized EFIH, as applicable, reserve the right to alter, amend, modify, or supplement the EFH/EFIH Assumed Executory Contract and Unexpired Lease List and the schedules of Executory Contracts and Unexpired Leases with respect to EFH, Reorganized EFH, EFIH, and Reorganized EFIH at any time through and including 45 days after the Effective Date, without incurrence of any penalty or changing the priority or security of any Claim as a result of such treatment change. For the avoidance of doubt, and notwithstanding anything herein to the contrary, the Tax Matters Agreement, the Transition Services Agreement, and the Separation Agreement, to the extent in the form attached to the Merger Agreement or as amended or modified in accordance with their respective terms and with the consent of the Plan Sponsor, shall be EFH/EFIH Assumed Executory Contracts or Unexpired Leases.

2. Assumption of TCEH Debtor Executory Contracts and Unexpired Leases.

On the TCEH Effective Date, except as otherwise provided herein, all TCEH Executory Contracts or Unexpired Leases of the TCEH Debtors, not previously assumed or rejected pursuant to an order of the Bankruptcy Court, will be deemed to be TCEH Assumed Executory Contracts or Unexpired Leases, in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those Executory Contracts or Unexpired Leases that: (1) previously were assumed or rejected by the Debtors; (2) are identified on the TCEH Rejected Executory Contract and Unexpired Lease List; (3) are the subject of a motion to reject TCEH Executory Contracts or Unexpired Leases that is pending on the Confirmation Date; or (4) are subject to a motion to reject a TCEH Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date; *provided* that each of (2), (3) and (4) must be in form and substance reasonably acceptable to the TCEH Supporting First Lien Creditors. Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assignments and/or assumptions and the rejection of the Executory Contracts or Unexpired Leases listed on the Rejected Executory Contract and Unexpired Lease List pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A.2 or by any order of the Bankruptcy Court, which has not been assigned to a third party before the Confirmation Date, shall revest in and be fully enforceable by the Reorganized TCEH Debtors in accordance with its terms, except as such terms are modified by the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. Notwithstanding anything this Article V.A.2 to the contrary, the Employment Agreements, the New Employee Agreements/Arrangements, and the Executive Severance Policy shall be deemed to be entered into or assumed and/or assigned (as applicable) to Reorganized TCEH on the TCEH Effective Date, and Reorganized TCEH shall be responsible for any cure costs arising from or related to the assumption of such Employment Agreement or Executive Severance Policy; *provided* that, for the avoidance of doubt, in the event any party to an Employment Agreement and the Reorganized EFH Debtors or Reorganized EFIH Debtors mutually agree that such party's Employment Agreement shall be assumed by Reorganized EFH or Reorganized EFIH and not assigned to Reorganized TCEH, the consent of the Plan Sponsor shall be required with respect to such assumption and the Reorganized EFH Debtors and Reorganized EFIH Debtors, as applicable, shall be responsible for any cure costs arising from or related to the assumption of such Employment Agreements. Additionally, notwithstanding anything to the contrary in the Plan, the Plan Supplement, the Executive Severance Policy, or any Employment Agreement, the occurrence of the TCEH Effective Date shall be deemed to constitute a "change in control" under the Executive Severance Policy and each Employment Agreement. On the TCEH Effective Date, Reorganized TCEH shall execute a written agreement (in a form reasonably acceptable to the TCEH Supporting First Lien Creditors) with each employee who is party to an Employment Agreement acknowledging that the transactions consummated upon the occurrence of the TCEH Effective Date shall constitute a "change in control" under such employee's Employment Agreement. The Debtors or the Reorganized Debtors, as applicable, with the reasonable consent of the Plan Sponsor and the TCEH Supporting First Lien Creditors, reserve the right to alter, amend, modify, or supplement the schedules of Executory Contracts and Unexpired Leases with respect to such Debtors and Reorganized Debtors at any time through and including 45 days after the Effective Date, without incurrence of any penalty or changing the priority or security of any Claim as a result of such treatment change. For the avoidance of doubt, and notwithstanding anything herein to the contrary, the Tax Matters Agreement, Transition Services

Agreement, Separation Agreement, and Amended and Restated Split Participant Agreement shall be TCEH Assumed Executory Contracts or Unexpired Leases.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or Confirmation Order, if any, must be Filed within 30 days after the later of: (1) the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection; and (2) the effective date of such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.** All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims against the applicable Debtor and shall be treated in accordance with the Plan, unless a different security or priority is otherwise asserted in such Proof of Claim and Allowed in accordance with Article VII of the Plan.

C. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

Any monetary defaults under each Assumed Executory Contract or Unexpired Lease shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date (and, with respect to Assumed Executory Contracts or Unexpired Leases of the EFH Debtors or EFIH Debtors, by the EFH Debtors or the EFIH Debtors, as applicable, and, for the avoidance of doubt, not the Reorganized EFH Debtors or the Reorganized EFIH Debtors), subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order resolving the dispute and approving the assumption. At least 14 days before the applicable Confirmation Hearing, the Debtors will provide for notices of proposed assumption and proposed cure amounts to be sent to applicable third parties and for procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related cure amount must be Filed, served, and actually received by the Debtors at least seven (7) days before the applicable Confirmation Hearing. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have consented to such assumption or proposed cure amount.

Assumption of any Executory Contract or Unexpired Lease shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any Assumed Executory Contract or Unexpired Lease at any time before the effective date of assumption. **Any Proofs of Claim Filed with respect to an Assumed Executory Contract or Unexpired Lease shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court.**

D. Preexisting Obligations to the Debtors under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed by the Executory Contract or Unexpired Lease counterparty or counterparties to the Debtors or the Reorganized Debtors, as applicable, under such Executory Contracts or Unexpired Leases.

E. Indemnification Obligations.

1. Indemnification Obligations of the TCEH Debtors and EFH Shared Services Debtors.

Notwithstanding anything in the Plan to the contrary, each Indemnification Obligation of any TCEH Debtor or EFH Shared Services Debtor shall be assumed by the applicable TCEH Debtor or EFH Shared Services Debtor, effective as of the Effective Date, pursuant to sections 365 and 1123 of the Bankruptcy Code or otherwise. Each such Indemnification Obligation shall remain in full force and effect, shall not be modified, reduced, discharged, impaired, or otherwise affected in any way, and shall survive Unimpaired and unaffected, irrespective of when such obligation arose.

The TCEH Debtors, Reorganized TCEH, EFH Shared Services Debtors, and Reorganized EFH Shared Services Debtors shall assume the Indemnification Obligations for the current and former directors, officers, managers, employees, and other professionals of the TCEH Debtors and EFH Shared Services Debtors, as applicable, in their capacities as such; *provided* that the TCEH Debtors, Reorganized TCEH, EFH Shared Services Debtors, and Reorganized EFH Shared Services Debtors shall not assume, and shall not have any liability for or any obligations in respect of, any Indemnification Obligations for the current and former directors, officers, managers, employees, and other professionals of the EFH Debtors or EFIH Debtors, in their capacities as such, and the EFH Debtors, Reorganized EFH, EFIH Debtors, and Reorganized EFIH shall not assume, and shall not have any liability for or any obligations in respect of, any Indemnification Obligations for the current and former directors, officers, managers, employees, and other professionals of the TCEH Debtors or the EFH Shared Services Debtors, in their capacities as such.

Notwithstanding the foregoing, nothing shall impair the ability of the Reorganized TCEH Debtors and Reorganized EFH Shared Services Debtors, as applicable, to modify indemnification obligations (whether in the bylaws, certificates or incorporate or formation, limited liability company agreements, other organizational or formation documents, board resolutions, indemnification agreements, employment contracts, or otherwise) for acts or omissions arising after the Effective Date.

2. Indemnification Obligations of the EFH Debtors and EFIH Debtors.

Notwithstanding anything in the Plan to the contrary, from and after the Effective Date, each Indemnification Obligation of any EFH Debtor or EFIH Debtor shall be treated in accordance with Section 6.8 of the Merger Agreement.

Notwithstanding the foregoing, nothing shall impair the ability of Reorganized EFH or Reorganized EFIH, as applicable, to modify indemnification obligations (whether in the bylaws, certificates or incorporate or formation, limited liability company agreements, other organizational or formation documents, board resolutions, indemnification agreements, employment contracts, or otherwise) for acts or omissions arising after the Effective Date.

F. Insurance Policies.

Each of the Debtors' Insurance Policies are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the TCEH Effective Date, the TCEH Debtors and EFH Shared Services Debtors, as applicable, shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims, and such Insurance Policies shall not be impaired in any way by the Plan or the Confirmation Order, but rather will remain valid and enforceable in accordance with their terms.

Notwithstanding Article V.A.1 of the Plan, except to the extent that the Plan Sponsor elects, in its sole discretion, to list an Insurance Policy (or Insurance Policies) on the EFH/EFIH Rejected Executory Contract and Unexpired Lease List, on the EFH Effective Date, the EFH Debtors and EFIH Debtors, as applicable, shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims against the EFH Debtors or EFIH Debtors, as applicable, and such Insurance Policies shall not

be impaired in any way by the Plan or the Confirmation Order, but rather will remain valid and enforceable against the Reorganized EFH Debtors or Reorganized EFIH Debtors, as applicable, in accordance with their terms.

G. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, or restatements, thereto or thereof, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements have been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

H. Reservation of Rights.

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejected Executory Contract and Unexpired Lease List or the Assumed Executory Contract and Unexpired Lease List, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Reorganized Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease.

I. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur with respect to a Debtor, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases with respect to such Debtor pursuant to section 365(d)(4) of the Bankruptcy Code, unless such deadline(s) have expired.

J. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Debtor, including any Assumed Executory Contracts or Unexpired Leases, will be performed by the applicable Debtor or the applicable Reorganized Debtor liable thereunder in the ordinary course of their business. Accordingly, any such contracts and leases (including any Assumed Executory Contracts or Unexpired Leases) that have not been rejected as of the date of the Confirmation Date shall survive and remain unaffected by entry of the Confirmation Order.

ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS

A. Timing and Calculation of Amounts to Be Distributed.

Unless otherwise provided in the Plan (including pursuant to the Reorganized EFH Stock Issuance Procedures), on the Effective Date (or if a Claim or Interest is not an Allowed Claim or Allowed Interest on the Effective Date, on the date that such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Allowed Interest shall receive the full amount of the distributions that the Plan provides for Allowed Claims and Allowed Interest in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims or

Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII of the Plan. Except as otherwise provided in the Plan (including with respect to Claims, to the extent Allowed, based on or derived from the EFIH First Lien Notes and EFIH Second Lien Notes), Holders of Claims and Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date. For the avoidance of doubt, distributions to Holders of Allowed Class C3 Claims shall be made in accordance with Article III.B.29 of the Plan, notwithstanding the pendency of the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute.

With respect to Holders of Class C5 Claims that are Allowed as of the TCEH Effective Date, the amount of the Effective Date distribution will be calculated as if each Disputed Class C5 Claim were an Allowed Class C5 Claim equal to the lesser of (a) the asserted amount of such Claim and (b) the amount estimated by the Bankruptcy Court in accordance with Article VII.C of the Plan. On each Periodic Distribution Date, the Disbursing Agent shall make additional Pro Rata distributions to Holders of Allowed Class C5 Claims until such Claims have received the maximum recovery available to Holders of Class C5 Claims under the Plan.

Before the TCEH Effective Date, the TCEH Debtors shall create, in consultation with the TCEH Committee, a list of Disputed Class C5 Claims that shall be Allowed Class C5 Claims as of the TCEH Effective Date. Following the creation of such list, the TCEH Debtors shall, as soon as reasonably practicable thereafter submit, to the Bankruptcy Court an order, in form and substance reasonably acceptable to the TCEH Committee, allowing such Claims; *provided, however*, that entry of such order shall not in any way impede, delay, or otherwise interfere with the occurrence of the TCEH Effective Date.

Holders of Allowed EFIH First Lien DIP Claims, and except as otherwise set forth in the Settlement Approval Order, as set forth in Article IV.B.9(c) and Article IV.B.9(f) Holders of Allowed Class B3 Claims, and Holders of Allowed Class B4 Claims, as applicable, shall receive distribution on account of such Claims on the EFH Effective Date or as soon as reasonably practicable after the EFH Effective Date, except with respect to (a) distributions on account of EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims that are Allowed by a Final Order after the EFH Effective Date (which Allowed Makewhole Claims, and solely to the extent Allowed by a Final Order, interest thereon, shall be paid in full, in Cash, from the EFIH Claims Reserve as soon as reasonably practicable after becoming Allowed); (b) distributions on account of Claims Allowed under Article III.B.19(b)(iii) and Article III.B.20(b)(iii) (which shall be paid in full in Cash from the EFIH Claims Reserve as soon as reasonably practicable following (i) completion of the fee review process set forth in the Plan Supplement or (ii) on any other order of the Bankruptcy Court, *provided*, that any such Claims allowed pursuant to the fee review process to be determined pursuant to the Reserve Order, if any, or any such order of the Bankruptcy Court before the EFH Effective Date will be paid on the EFH Effective Date or as soon as reasonably practicable after the EFH Effective Date; and (c) any other distributions made on account of Class B3 Claims and Class B4 Claims Allowed after the EFH Effective Date (which Allowed Class B3 Claims and Allowed Class B4 Claims shall be paid in full, in Cash, from the EFIH Claims Reserve or the EFH/EFIH Distribution Account, as applicable, as soon as reasonably practicable after becoming Allowed). Except as otherwise set forth in the Settlement Approval Order or any Reserve Order, to the extent the unpaid principal and interest (including Additional Interest and interest on interest) for the EFIH Second Lien Notes are not paid on the EFH Effective Date to the Disbursing Agent with respect to the EFIH Second Lien Note Claims or the Holders of Allowed EFIH Second Lien Note Claims directly, in each case as authorized by the EFIH Confirmation Order, then Holders of EFIH Second Lien Notes have the right to assert that interest will continue to accrue post-Effective Date interest on such unpaid amounts, which shall be paid by the EFH Plan Administrator Board, in full, in Cash, from the EFIH Claims Reserve. Except as otherwise set forth in the Settlement Approval Order or any Reserve Order, to the extent the unpaid interest (including Additional Interest and interest on interest) for the EFIH First Lien Notes are not paid on the EFH Effective Date, then Holders of EFIH First Lien Notes have the right to assert that interest shall continue to accrue interest on such unpaid amounts, which shall be paid by the EFH Plan Administrator Board, in full, in Cash from the EFIH Claims Reserve.

If the EFIH Settlement Approval Order is entered as of or on the EFH Effective Date, and after payment in full, in Cash, is made to the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee pursuant to the terms of the EFIH Settlement Approval Order, Holders of Allowed Class B5 and Allowed Class B6 Claims may receive a distribution on the EFH Effective Date from the EFH/EFIH Distribution Account. If the EFIH Settlement Approval Order is not entered as of the EFH Effective Date, if: (i) the relief requested in the EFIH Settlement Motion is denied, any funds remaining in the EFH/EFIH Distribution Account after funding the EFIH Claims

Reserve, the Post-Effective Date Administrative Account, and the MLOC Account pursuant to the Reserve Order, may be distributed to the Holders of Allowed Class B5 and Allowed Class B6 Claims or (ii) the EFH Settlement Approval Order is subsequently entered, and after payment in full, in Cash, made to the EFIH First Lien Notes Trustee and the EFIH Second Lien Notes Trustee pursuant to the terms of the EFIH Settlement Approval Order, Holders of Allowed Class B5 and Allowed Class B6 Claims may receive a distribution thereafter from the EFH/EFIH Distribution Account. The actual size of the distribution to be issued on the EFH Effective Date or such later date, as applicable, cannot be determined with finality at this time. Regardless of whether the EFIH Settlement Approval Order is entered as of or on the EFH Effective Date, the size of the distribution is dependent on, among other factors, (a) the amount required under the any Reserve Order to fund the EFIH Claims Reserve, Post-Effective Date Administrative Account, and the MLOC Account and whether the Makewhole Claims asserted by Holders of EFIH First Lien Note Claims or EFIH Second Lien Note Claims are Allowed by Final Order or disallowed by Final Order, (b) the payment of all Professional Fee Claims from the EFIH Professional Fee Escrow Account and any amounts remaining in such accounts have been refunded to the EFH/EFIH Distribution Account, (c) the payment of the reasonable and documented fees and expenses allowed under the EFIH Unsecured Notes Indenture (which fees and expenses, for the avoidance of doubt, shall not be included in the amount of any Allowed Claims under the EFIH Unsecured Notes Indenture), (d) the conclusion of the Post-Closing Audit according to the terms of the Merger Agreement and the payments to or from the EFH/EFIH Distribution Account based on the results of the Post-Closing Audit, and (e) ensuring sufficient reserves are in place to fund (1) General Administrative Claims Against the EFIH Debtors, and Priority Tax Claims Against the EFIH Debtors, (2) ensuring sufficient reserves are in place to fund post-EFH Effective Date Professional Fee Claims and reasonable and documented post-EFH Effective Date fees and expenses that are allowed under the EFIH First Lien Notes, the EFIH First Lien 2017 Note Indenture, the EFIH First Lien 2020 Note Indenture, and/or any related agreement, or the EFIH Second Lien Notes, the EFIH Second Lien Note Indenture, and/or any related agreement, (including as may be escrowed in the EFIH Claims Reserve as set forth herein), and (3) the costs of winding down the EFIH Debtors. The EFH Debtors and EFIH Debtors provided additional disclosures regarding their good-faith and non-binding estimates of amounts set forth in subclauses (b), (c), and (e) in the Plan Supplement.

Except as set forth in this Article VI.A, in Article IV.B.9(b)-9(c), and in Article IV.B.9(f) of the Plan, no distributions shall otherwise be made to Holders of Claims against the EFH Debtors or the EFIH Debtors, until the EFH Debtors and the EFIH Debtors have made determinations with respect to factors (a)-(e) in the above paragraph of this Article VI.A.

Except as otherwise set forth in the Settlement Approval Order, to the extent allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date, any Makewhole Claim or other Claim based on or derived from the EFIH First Lien Notes or EFIH Second Lien Notes (and interest thereon, including Additional Interest and interest on interest, to the extent allowed by a court of competent jurisdiction pursuant to a Final Order, whether entered before, on, or after the EFH Effective Date) shall be paid in full, in Cash, from the EFIH Claims Reserve (and, if and to the extent the EFIH Claims Reserve proves insufficient to pay any such Claim, including all interest thereon, to the extent Allowed by Final Order, in full, from the EFH/EFIH Distribution Account on the terms set forth in the Reserve Order, but in all cases and notwithstanding anything to the contrary in the Settlement Approval Order, excluding (a) any account comprising the value of Cash on hand at EFH Corp. as of the EFH Effective Date; and (b) the Makewhole Stock Reserve; *provided, however*, that the EFH Plan Administrator Board shall not use funds held in the Post-Effective Date Administrative Account (if any) or the MLOC Account (if any) to pay such Allowed Claims except as authorized by the Reserve Order; *provided, however*, that notwithstanding anything to the contrary in this paragraph, but subject to and except as provided otherwise in the EFH Confirmation Order and any Reserve Order nothing shall prevent Plan distributions from the EFH/EFIH Distribution Account (excluding the EFIH Claims Reserve, the Post-Effective Date Administrative Account, if any, and the MLOC Account, if any) to Holders of Allowed Class B5 and Class B6 Claims on the EFH Effective Date or such other interim distribution date, in each case as permitted by the Settlement Approval Order (subject to Article VI.A. hereof), the Reserve Order, or the Subsequent Reserve Order, if any.

Any Makewhole Claim against an EFH Debtor or an EFIH Debtor that is not based on or derived from the EFIH First Lien Notes or EFIH Second Lien Notes that becomes Allowed, whether before, on, or after the EFH Effective Date, shall receive treatment set forth in its respective class set forth in Article III.B of the Plan. For the avoidance of doubt, except as otherwise set forth in the Settlement Approval Order, nothing in the foregoing shall

limit or affect the allowance of any Makewhole Claims based on or derived from the EFIH First Lien Notes or EFIH Second Lien Notes in accordance with the other terms of this Plan, including Article III.B.19 and Article III.B.20, and the limitations on liability set forth in the next paragraph shall not apply to the EFIH Claims Reserve established on the EFH Effective Date, as may be modified following entry of, and in accordance with, the terms of the Reserve Order (with respect to which all parties' rights are reserved to be heard at the Reserve. Hearing).

Notwithstanding anything to the contrary in the Plan, the Merger Agreement, related agreements, or otherwise (including any provision anywhere that also include the words "notwithstanding anything to the contrary" or any similar reference) none of (i) the Plan Sponsor; (ii) Merger Sub; (iii) the EFH Debtors; (iv) the Reorganized EFH Debtors; (v) EFIH; (vi) Reorganized EFIH; (vii) any other entity acquired, directly or indirectly, by the Plan Sponsor pursuant to the terms of, or as a result of, the Plan, the Merger Agreement, or any related agreement, or (viii) with respect to each of the foregoing Entities in clauses (i) through (vii), such Entity and its current and former Affiliates, and such Entities' and their current and former Affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, and assigns, subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, employees, agents, advisory board members, financial advisors, partners, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such, shall have or incur any liability whatsoever in connection with or as a result of any Makewhole Claim being Allowed. Nothing in this paragraph impairs, modifies, or otherwise affects the ability of Holders of Allowed Claims to receive distributions pursuant to the Plan and the EFH Confirmation Order on account of such Allowed Claims.

Under no circumstances can the EFIH First Lien Notes Trustee, the EFIH Second Lien Notes Trustee, Holders of EFIH First Lien Note Claims, or Holders of EFIH Second Lien Note Claims access the value of Cash on hand at EFH Corp. as of the EFH Effective Date, or the Makewhole Stock Reserve.

B. Rights and Powers of EFH Plan Administrator Board.

The EFH Plan Administrator Board shall be authorized to direct the Disbursing Agent to make distributions from the EFH/EFIH Distribution Account to Holders of Allowed Claims and Allowed Interests against the EFH Debtors and the EFIH Debtors on the EFH Effective Date, or as soon as reasonably practicable thereafter, in accordance with the Plan and to exercise such other powers as may be vested in the EFH Plan Administrator Board by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the EFH Plan Administrator Board to be necessary and proper to implement the provisions of the Plan. The EFH Plan Administrator Board shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

The EFH Plan Administrator Board may, but is not required to, establish governance and organizational documents before or after the EFH Effective Date (but to the extent such governance and organizational documents are established before the EFH Effective Date, they will be filed with the Bankruptcy Court); provided that such governance and organizational document shall be provided to the Makewhole Litigation Oversight Committee. Any Holder of a Claim or Interest seeking to compel the EFH Plan Administrator Board to make distributions from the EFH/EFIH Distribution Account or manage any reserves shall seek relief from the Bankruptcy Court in accordance with the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the District of Delaware, and any other applicable rules or procedures. The EFH Plan Administrator Board or its professionals on behalf of the EFH Plan Administrator Board shall keep an accounting of distributions made from, and funds contributed to, the EFH/EFIH Distribution Account that sets forth whether such distributions or contributions, as applicable, were made for the benefit of the EFH Debtors or their creditors, on the one hand, or the EFIH Debtors on the other hand. Such accounting will be shared with the professionals for the Holders of Claims and Interests Against the EFH Debtors and EFIH Debtors, including the EFIH Unsecured Notes Trustee and the advisors to the EFIH Unsecured Notes Trustee, on a professionals' eyes only basis (except as otherwise ordered by the Bankruptcy Court).

C. Disbursing Agent.

All distributions under the Plan shall be made to Holders of Allowed Claims and Allowed Interests by the Disbursing Agent (including at the direction of the EFH Plan Administrator Board, as applicable) on the applicable

Effective Date, or as soon as reasonably practicable thereafter, in accordance with the Plan. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

D. Rights and Powers of Disbursing Agent.

1. Powers of the Disbursing Agent.

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby, including making distributions from the EFH/EFIH Distribution Account at the direction of the EFH Plan Administrator Board; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions of the Plan.

2. Expenses Incurred On or After the Effective Date.

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent in performing its duties under the Plan on or after the Effective Date (including taxes) and any reasonable compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors. Reorganized TCEH and the Reorganized EFH Shared Services Debtors shall only be obligated to pay the reasonable fees and expenses incurred by the Disbursing Agent for distributions related to Claims against the TCEH Debtors and the EFH Shared Services Debtors, and the Reorganized EFH Debtors and Reorganized EFIH Debtors shall only be obligated to pay the reasonable fees and expenses incurred by the Disbursing Agent for distributions related to Claims against the EFH Debtors and EFIH Debtors.

E. Delivery of Distributions and Undeliverable or Unclaimed Distributions.

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date. The record Holder for the TCEH Credit Agreement Claims solely for purposes of the Distribution Record Date shall be the TCEH First Lien Administrative Agent.

2. Delivery of Distributions in General.

Except as otherwise provided herein, the Reorganized Debtors shall make distributions to Holders of Allowed Claims and Allowed Interests as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' records as of the date of any such distribution; *provided, however,* that the Distribution Record Date shall not apply to publicly-traded Securities. The manner of such distributions shall be determined at the discretion of the Reorganized Debtors, and the address for each Holder of an Allowed Claim or Allowed Interest shall be deemed to be the address set forth in any Proof of Claim or Interest Filed by that Holder.

3. Delivery of Distributions on DIP Claims.

All distributions on account of DIP Claims shall be made to the applicable DIP Agent, who shall be deemed to be the Holder of such DIP Claims, as applicable, for purposes of distributions to be made hereunder. As soon as practicable following compliance with the requirements set forth in this Article VI, the applicable DIP Agent shall arrange to deliver or direct the delivery of such distributions to or on behalf of the Holders of DIP Claims in accordance with the terms of the DIP Facilities, as applicable, subject to any modifications to such distributions in accordance with the terms of the Plan; *provided, however,* that the DIP Agents shall retain all rights as administrative agents under the DIP Facilities in connection with the delivery of distributions to DIP Lenders.

The DIP Agents shall not have any liability to any person with respect to distributions made or directed to be made by the DIP Agents.

4. Delivery of Distributions on TCEH First Lien Claims.

To the extent that the TCEH First Lien Creditor Plan Distribution Allocation Order provides that any of the TCEH First Lien Creditor Distributions are Collateral (as that term is used in the TCEH First Lien Intercreditor Agreement) or proceeds of Collateral (as that term is used in the TCEH First Lien Intercreditor Agreement), then such distributions shall be made to the TCEH First Lien Collateral Agent for further distribution to the Secured Debt Representatives (as defined in the TCEH First Lien Intercreditor Agreement) pursuant to and in accordance with the Plan and the TCEH First Lien Creditor Plan Distribution Allocation Order, and the Secured Debt Representatives (as defined in the TCEH First Lien Intercreditor Agreement) shall in turn make such distributions to the Holders of Allowed Class C3 Claims pursuant to and in accordance with the Plan and the TCEH First Lien Creditor Plan Distribution Allocation Order. To the extent that the TCEH First Lien Creditor Plan Distribution Allocation Order provides that any of the TCEH First Lien Creditor Distributions are not Collateral (as that term is used in the TCEH First Lien Intercreditor Agreement) or proceeds of Collateral (as that term is used in the TCEH First Lien Intercreditor Agreement), then such distributions shall be made to the Secured Debt Representatives (as defined in the TCEH First Lien Intercreditor Agreement) for further distribution directly to the Holders of Allowed Class C3 Claims pursuant to and in accordance with the Plan. If the TCEH First Lien Creditor Plan Distribution Allocation Order has not been entered as of the TCEH Effective Date, a reserve will be established in the manner described in Article III.B.29. For the avoidance of doubt, distributions to Holders of Allowed Class C3 Claims shall be made in accordance with Article III.B.29 of the Plan, notwithstanding the pendency of the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute. **THE TCEH FIRST LIEN AGENT AND THE TCEH FIRST LIEN NOTES TRUSTEE SHALL NOT HAVE ANY LIABILITY TO ANY PERSON WITH RESPECT TO DISTRIBUTIONS MADE OR DIRECTED TO BE MADE BY SUCH TCEH FIRST LIEN AGENT OR TCEH FIRST LIEN NOTES TRUSTEE PURSUANT TO AND IN ACCORDANCE WITH THE PLAN.**

5. No Fractional Distributions.

No fractional shares of Reorganized TCEH Common Stock, Reorganized EFH Common Stock, or NextEra Common Stock shall be distributed and no Cash shall be distributed in lieu of such fractional amounts, except, solely with respect to distributions to Holders of Allowed Claims against EFH Debtors and EFIH Debtors, as provided in the Merger Agreement. When any distribution pursuant to the Plan on account of an applicable Allowed Claim would otherwise result in the issuance of a number of shares of Reorganized TCEH Common Stock or Reorganized EFH Common Stock, that is not a whole number, the actual distribution of shares of Reorganized TCEH Common Stock or Reorganized EFH Common Stock shall be rounded as follows: (a) fractions of one-half (½) or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half (½) shall be rounded to the next lower whole number with no further payment therefor. The total number of authorized shares of Reorganized TCEH Common Stock or Reorganized EFH Common Stock to be distributed to Holders of Allowed Claims shall be adjusted as necessary to account for the foregoing rounding.

6. Minimum Distribution.

No Cash payment of less than $50.00 shall be made to a Holder of an Allowed Claim on account of such Allowed Claim.

7. Undeliverable Distributions and Unclaimed Property.

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest; *provided, however,* that such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one year from the applicable Distribution Date. After such date, all unclaimed property or interests in property shall revert to the applicable Reorganized Debtor(s) automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the claim of any Holder to such property shall be fully discharged, released, and forever barred.

8. Delivery of Distributions on PCRB Claims.

All distributions on account of PCRB Claims are subject to the PCRB Trustee's charging lien and priority of payment rights. Accordingly, before the distribution of any Cash to Holders of Allowed PCRB Claims pursuant to Article III.B.30 of the Plan, the Disbursing Agent will distribute (solely from the distribution of Cash to Holders of Allowed PCRB Claims as set forth in Article III.B.30 of the Plan) to the PCRB Trustee the amount of Cash that is necessary to pay in full (in accordance with the amount provided by the PCRB Trustee in a written notice to the Disbursing Agent) (a) the fees and expenses of the PCRB Trustee (including professional and other advisory fees and expenses) that are not otherwise paid under the Plan and (b) any reserve for fees and expenses as requested by the PCRB Trustee (including any reserve required in the event of an appeal relating to the PCRB Trustee's fees and expenses otherwise payable under this Plan). The Disbursing Agent shall distribute Pro Rata the remainder of the Cash that is distributable on account of the PCRB Claims pursuant to Article III.B.30 of the Plan to the Holders of the PCRB Claims pursuant to the Plan. The Disbursing Agent also shall distribute Pro Rata to the Holders of the PCRB Claims any unused portion of any reserve required by the PCRB Trustee upon the PCRB's release of such reserve to the Disbursing Agent.

F. Manner of Payment.

Unless as otherwise set forth herein, all distributions of Cash, the Reorganized TCEH Common Stock, and the Reorganized EFH Common Stock to the Holders of Allowed Claims under the Plan shall be made by the Disbursing Agent on behalf of the Reorganized Debtors, the Plan Sponsor, and Merger Sub. At the option of the Disbursing Agent, any Cash payment to be made under the Plan may be made by check or wire transfer or as otherwise required or provided in applicable agreements. All Cash distributions to be made hereunder to the DIP Agents on account of the DIP Claims shall be made by wire transfer.

G. SEC Registration/Exemption.

Each of the Reorganized TCEH Common Stock, New Reorganized TCEH Debt, Reorganized TCEH Sub Preferred Stock, Reorganized EFH Common Stock, and NextEra Common Stock, Spin-Off TRA Rights (if any), and Taxable TRA Rights (if any) are or may be "securities," as defined in Section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and applicable state securities laws.

Pursuant to section 1145 of the Bankruptcy Code, the issuance of (1) the Reorganized TCEH Common Stock and (2) the Reorganized EFH Common Stock are exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration before the offering, issuance, distribution, or sale of such securities. Each of the Reorganized TCEH Common Stock and the Reorganized EFH Common Stock (a) is not a "restricted security" as defined in Rule 144(a)(3) under the Securities Act, and (b) is freely tradable and transferable by any initial recipient thereof that (i) at the time of transfer, is not an "affiliate" of the Reorganized TCEH, Reorganized EFH, Reorganized EFIH, the Plan Sponsor, or Merger Sub, as the case may be, as defined in Rule 144(a)(1) under the Securities Act and has not been such an "affiliate" within 90 days of such transfer, and (ii) is not an entity that is an "underwriter" as defined in subsection (b) of section 1145 of the Bankruptcy Code.

The NextEra Common Stock issued in exchange for Reorganized EFH Common Stock may be issued without registration under the Securities Act in reliance upon the exemption set forth in section 1145(a)(1) of the Bankruptcy Code for the offer or sale under a chapter 11 plan of a security of a successor to the debtor if such securities are offered or sold in exchange for a claim against, or an interest in, such debtor. The EFH Debtors and EFIH Debtors, with the support of the Plan Sponsor, will seek to obtain a ruling from the Bankruptcy Court in the Confirmation Order that the section 1145(a)(1) exemption applies to the NextEra Common Stock.

The New Reorganized TCEH Debt, the Reorganized TCEH Sub Preferred Stock, and the Spin-Off TRA Rights (if any) or Taxable TRA Rights (if any) will be issued without registration under the Securities Act in reliance on the exemptions from the registration requirements of the Securities Act provided by section 4(a)(2) of the Securities Act (and/or Regulation D promulgated thereunder) and Regulation S under the Securities Act and each will be "restricted securities" subject to resale restrictions and may be resold, exchanged, assigned or otherwise transferred only pursuant to registration, or an applicable exemption from, or in a transaction not subject to,

registration under the Securities Act and other applicable law. The Spin-Off TRA Rights (if any) or Taxable TRA Rights (if any) will only be issued to (i) "qualified institutional buyers" (as defined in Rule 144A of the Securities Act), (ii) "accredited investors" (as defined in Rule 501(a) of the Securities Act) and (iii) non-U.S. persons (as defined in Regulation S under the Securities Act) who are acquiring the Spin-Off TRA Rights (if any) or Taxable TRA Rights (if any) in an offshore transaction in compliance with Regulation S under the Securities Act, in each case who deliver a valid and completed TRA Information Form. The Spin-Off TRA Rights (if any) or Taxable TRA Rights (if any) will be subject to additional transfer restrictions set forth in the Tax Receivable Agreement.

Should the Reorganized Debtors elect on or after the Effective Date to reflect any ownership of any of the Reorganized TCEH Common Stock, New Reorganized TCEH Debt, Reorganized TCEH Sub Preferred Stock, Reorganized EFH Common Stock, and NextEra Common Stock through the facilities of the DTC, the Reorganized Debtors need not provide any further evidence other than the Plan or the Confirmation Order with respect to the treatment of the Reorganized TCEH Common Stock, New Reorganized TCEH Debt, Reorganized TCEH Sub Preferred Stock, Reorganized EFH Common Stock, and NextEra Common Stock under applicable securities laws.

The DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether any of the Reorganized TCEH Common Stock, New Reorganized TCEH Debt, Reorganized TCEH Sub Preferred Stock, Reorganized EFH Common Stock, and NextEra Common Stock, as applicable, are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no entity (including, for the avoidance of doubt, the DTC) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Reorganized TCEH Common Stock, New Reorganized TCEH Debt, Reorganized TCEH Sub Preferred Stock, Reorganized EFH Common Stock, and NextEra Common Stock are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

H. Compliance with Tax Requirements.

In connection with the Plan, the applicable Reorganized Debtor(s) shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit with respect to distributions pursuant to the Plan. Notwithstanding any provision herein to the contrary, the Reorganized Debtors and the Disbursing Agent, as applicable, shall be authorized to take all actions necessary to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, and establishing any other mechanisms they believe are reasonable and appropriate to comply with such requirements. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, liens, and encumbrances.

I. No Postpetition or Default Interest on Claims.

Unless otherwise specifically provided for in the Plan or the Confirmation Order, and notwithstanding any documents that govern the Debtors' prepetition funded indebtedness to the contrary, (1) postpetition and/or default interest shall not accrue or be paid on any Claims and (2) no Holder of a Claim shall be entitled to: (a) interest accruing on or after the Petition Date on any such Claim; or (b) interest at the contract default rate, as applicable.

J. Setoffs and Recoupment.

The Debtors and Reorganized Debtors, as applicable, may, but shall not be required to, setoff against or recoup any payments or distributions to be made pursuant to the Plan in respect of any Claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the claimant, but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors or the Reorganized Debtors of any such claim it may have against the Holder of such Claim.

K. No Double Payment of Claims.

To the extent that a Claim is Allowed against more than one Debtor's Estate, there shall be only a single recovery on account of that Allowed Claim, but the Holder of an Allowed Claim against more than one Debtor may recover distributions from all co-obligor Debtors' Estates until the Holder has received payment in full on the Allowed Claims. No Holder of an Allowed Claim shall be entitled to receive more than payment in full of its Allowed Claim, and each Claim shall be administered and treated in the manner provided by the Plan only until payment in full on that Allowed Claim.

L. Claims Paid or Payable by Third Parties.

1. Claims Paid by Third Parties.

The Debtors or the Reorganized Debtors, as applicable, shall reduce a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment on account of such Claim from a party that is not a Debtor or a Reorganized Debtor (other than the Disbursing Agent). Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Claim, such Holder shall, within 14 days of receipt thereof, repay or return the distribution to the applicable Reorganized Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day period specified above until the amount is repaid.

2. Claims Payable by Third Parties.

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies.

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Except as otherwise expressly provided in the Plan, nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein (a) constitute or be deemed a waiver by such insurers of any rights or defenses, including coverage defenses, held by such insurers, or (b) establish, determine, or otherwise imply any liability or obligation, including any coverage obligation, of any insurer.

ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

A. Allowance of Claims.

Except as otherwise set forth in the Plan, after the Effective Date, each of the Reorganized Debtors shall have and retain any and all rights and defenses such Debtor had with respect to any Claim immediately before the Effective Date. This Article VII of the Plan shall not apply to the DIP Claims, TCEH First Lien Claims, TCEH Second Lien Note Claims, or TCEH Unsecured Note Claims, which Claims shall be Allowed in full and shall not be

subject to any avoidance, reductions, set off, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, objection, or any other challenges under any applicable law or regulation by any person or entity.

Except as specifically provided as Allowed Claims pursuant to Article III.B of the Plan or otherwise objected to by the Debtors in the Chapter 11 Cases, the Plan shall serve as the Debtors' objection to all other EFH LBO Note Claims, and EFH Legacy Note Claims under the respective indentures. If the Bankruptcy Court sustains the Debtors' objection to these Claims, the Confirmation Order shall disallow such Claims. The Holders of such Claims may respond to the Debtors' objection to such Claims by filing an objection to the Plan. For the avoidance of doubt, any proceedings to determine the allowance of post-Effective Date interest, Future Interest Claims, and Trustee Indemnification Claims and any other EFIH First Lien Note Claims or EFIH Second Lien Notes Claims will be adjudicated by separate proceedings post-Confirmation and shall not be adjudicated or disallowed by the Plan or the EFH Confirmation Order.

B. Claims Administration Responsibilities.

Except as otherwise specifically provided in the Plan, after the Effective Date, the applicable Reorganized Debtor(s) or the EFH Plan Administrator Board, as applicable, shall have the sole authority: (1) to File, withdraw, or litigate to judgment, objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court; *provided, however*, as further set forth in Article VII.K of the Plan, with respect to the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims, the EFH Plan Administrator Board and/or the Makewhole Litigation Oversight Committee (and not the Reorganized Debtors) shall have the sole authority to take the actions set forth in (1)-(3) hereof..

Except with respect to Claims and Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII, if one or more Entities have sought and obtained standing to prosecute a Cause of Action on behalf of one or more of the Debtors' Estates and such Entities are prosecuting such Causes of Actions as of the Effective Date, then such Entities will have the sole authority, solely with respect to such Causes of Action, to File, withdraw, litigate to judgment, settle, compromise, or take any other actions in respect of such Causes of Action.

C. *Estimation of Claims.*

Before or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, with the consent of the Plan Sponsor with respect to any Disputed Claim against any EFH Debtor or any EFIH Debtor, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim.

If the TCEH Debtors determine, in their reasonable discretion and in consultation with the TCEH Committee, that (1) one or more Disputed Class C5 Claims are capable of estimation by the Bankruptcy Court, (2) estimation will materially improve TCEH Effective Date distributions to Holders of Allowed Class C5 Claims, and (3) estimation is otherwise in the best interests of the Estates, the TCEH Debtors shall file one or more motions to estimate such Disputed Class C5 Claims, which motion or motions shall be filed and noticed to be heard (on regular notice to all parties in interest) by the Bankruptcy Court before the TCEH Effective Date (or such other date as determined by the Bankruptcy Court).

D. Adjustment to Claims without Objection.

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Reorganized Debtors without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. Time to File Objections to Claims or Interests.

Any objections to Claims or Interests shall be Filed on or before the Claims Objection Deadline.

F. Disallowance of Claims.

Any Claims held by Entities from which the Bankruptcy Court has determined that property is recoverable under section 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer that the Bankruptcy Court has determined is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and the full amount of such obligation to the Debtors has been paid or turned over in full. All Proofs of Claim Filed on account of an Indemnification Obligation shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent such Indemnification Obligation is assumed (or honored or reaffirmed, as the case may be) pursuant to the Plan, without any further notice to or action, order, or approval of the Bankruptcy Court. All Proofs of Claim Filed on account of an employee benefit shall be deemed satisfied and expunged from the Claims Register as of the Effective Date to the extent the Reorganized Entities elect to honor such employee benefit, without any further notice to or action, order, or approval of the Bankruptcy Court.

Except as provided herein or otherwise agreed, any and all Proofs of Claim Filed after the Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless on or before the Confirmation Hearing such late Claim has been deemed timely Filed by a Final Order.

G. Amendments to Proofs of Claim.

On or after the Effective Date, a Proof of Claim or Interest may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and any such new or amended Proof of Claim or Interest Filed shall be deemed disallowed in full and expunged without any further action.

H. Reimbursement or Contribution.

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless before the Confirmation Date: (1) such Claim has been adjudicated as non-contingent; or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered before the Confirmation Date determining such Claim as no longer contingent.

I. No Distributions Pending Allowance.

Except as otherwise set forth herein, if an objection to a Claim or portion thereof is Filed as set forth in Article VII.A and VII.B of the Plan, no payment or distribution provided under the Plan shall be made on account of such Disputed Claim or portion thereof unless and until such Disputed Claim becomes an Allowed Claim.

J. Distributions After Allowance.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. Except as otherwise set forth in the Plan (including Article III.B.19 and Article III.B.20), as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the Holder of such Claim the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, less any previous distribution (if any) that was made on account of the undisputed portion of such Claim, without any interest, dividends, or accruals to be paid on account of such Claim unless required under such order or judgment of the Bankruptcy Court.

K. Preservation of Makewhole Appellate Rights and Litigation of Makewhole Claims.

1. Rights and Powers of Makewhole Litigation Oversight Committee.

Except as provided otherwise in the Settlement Approval Order and the EFIH Settlement Agreement, the Makewhole Litigation Oversight Committee shall be appointed as of the EFH Confirmation Date to oversee the litigation and/or settlement of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims on behalf of the EFIH Debtors and the EFH Plan Administrator Board.

Except as provided otherwise in the Settlement Approval Order and the EFIH Settlement Agreement, nothing herein shall prevent the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, or the EFIH Unsecured Notes Trustee from seeking entry of an order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following the entry of the Reserve Order.

The Makewhole Litigation Oversight Committee shall have the right to retain its own professionals, including counsel, in its sole and absolute discretion. The reasonable and documented fees and expenses of the Makewhole Litigation Oversight Committee, including professional fees, shall be paid first from the MLOC Account, which account shall be established prior to, and be senior to, any disbursements to Holders of Allowed Class B5 and Allowed Class B6 Claims and which account shall be funded only after funding (a) the EFIH Claims Reserve in accordance with the Plan and any Reserve Order regarding the amount required to fund the EFIH Claims Reserve and (b) the Post-Effective Date Administrative Account in accordance with the terms of the Plan. If the EFIH Claims Reserve proves to be insufficient to pay all Allowed EFIH First Lien Note Claims and/or the EFIH Second Lien Note Claims (including all interest thereon) in full, any payment of any fees and expenses of the Makewhole Litigation Oversight Committee shall, subject to the disgorgement process set forth below, be subject to disgorgement upon entry of a Final Order to satisfy such Allowed Claims in full; *provided, further, however*, that no Cash on hand at EFH Corp. as of the EFH Effective Date shall be used to satisfy such reasonable and documented fees and expenses of the Makewhole Litigation Oversight Committee.

For the avoidance of doubt, to the extent that the Plan allows the EFIH First Lien Notes Trustee, the EFIH Second Lien Notes Trustee, or any of the Holders thereof to seek the disgorgement of funds distributed to Holders of Allowed Class B5 Claims or Allowed Class B6 Claims and/or the Makewhole Litigation Oversight Committee, the EFIH First Lien Notes Trustee, the EFIH Second Lien Notes Trustee, and such Holders shall seek to exercise such remedies first against the funds distributed to Holders of Allowed Class B5 Claims and Allowed B6 Claims (if any) and then second, only as necessary, against funds distributed to the Makewhole Litigation Oversight Committee.

The Makewhole Litigation Oversight Committee fees and expenses will be evaluated and satisfied as set forth in the EFH Confirmation Order and shall be evaluated and satisfied substantially in the manner set forth in the Amended Plan Supplement.

2. Powers of EFIH Debtors in Conjunction with the Makewhole Litigation Oversight Committee.

Except as otherwise provided in the Settlement Approval Order, prior to the EFH Effective Date, the EFIH Debtors, shall pursue (or not pursue, as the case may be), in consultation with the Makewhole Litigation Oversight Committee, all remedies for the litigation of, and/or objections to, the EFIH First Lien Makewhole Claims and EFIH

Second Lien Makewhole Claims and (a) will obtain the consent of the Makewhole Litigation Oversight Committee with respect to any settlement of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims prior to the EFH Effective Date with such consent (i) to be in the Makewhole Litigation Oversight Committee's sole discretion if any settlement is at or above 50% of any EFIH First Lien Makewhole Claims (as calculated as of the EFH Effective Date) or 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date) and (ii) not to be unreasonably withheld if any settlement is below 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date) or 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date), and (b) shall cease prosecution of objections to the EFIH First Lien and Second Lien Makewhole Claims if directed by the Makewhole Litigation Oversight Committee and upon five business days' prior notice to counsel for the EFH Notes Trustee and Fidelity. Unless otherwise agreed to by each of the Unconflicted Initial Supporting Creditors, any decision of the Pre-Effective Date Makewhole Litigation Oversight Committee shall be by consent of those holding a majority of the total amount of EFIH Unsecured Notes held by the Unconflicted Initial Supporting Creditors.

The benefit of any settlement of the First Lien Makewhole Claims and/or Second Lien Makewhole Claims approved by the Makewhole Litigation Oversight Committee or, prior to the Confirmation Date, by the Initial Supporting Creditors, shall be distributed *ratably* among all Holders of Allowed Class B5 Claims and Allowed Class B6 Claims pursuant to the terms of the Alternative E-Side Plan until such time such Holders have received a 100% recovery on account of their respective Allowed Claims For the avoidance of doubt, neither the Initial Supporting Creditors nor the members of the Makewhole Litigation Oversight Committee, as applicable, shall receive any consideration in excess of their Pro Rata share as holders of EFIH Unsecured Notes.

For the avoidance of doubt, the Makewhole Litigation Oversight Committee shall consult with the EFIH Debtors and its advisors regarding such litigation of, objections to, and/or settlement of, the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims.

3. Powers of EFH Plan Administrator Board in Conjunction with Makewhole Litigation Oversight Committee.

Except as otherwise provided in the Settlement Approval Order, after the EFH Effective Date, the EFH Plan Administrator Board will take all actions necessary (or refrain from taking all actions necessary, as applicable), and solely as directed by the Makewhole Litigation Oversight Committee, to pursue all remedies for litigation of, and objections to, the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims; *provided, however*, that the Makewhole Litigation Oversight Committee shall periodically consult with the EFH Plan Administrator Board and its advisors (to be selected by the EFH Plan Administrator Board in its sole discretion) regarding the litigation of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims.

The Makewhole Litigation Oversight Committee will have the right to consult with the EFH Plan Administrator Board regarding any change to, or whether there should be a change to, counsel of record for the EFH/EFIH Debtors (and their successors) in the litigation of EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims, including any appeals related to such makewhole litigation.

The EFH Plan Administrator Board shall obtain the consent of the Makewhole Litigation Oversight Committee with respect to any settlement of the EFIH First Lien Makewhole Claims and EFIH Second Lien Makewhole Claims, with such consent (a) to be in the Makewhole Litigation Oversight Committee's sole discretion if any settlement is at or above 50% of any EFIH First Lien Makewhole Claims (as calculated as of the EFH Effective Date) or 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date) and (b) not to be unreasonably withheld if any settlement is below 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date) or 50% of the EFIH Second Lien Makewhole Claims (as calculated as of the EFH Effective Date); *provided, however*, notice of any such settlement shall filed on the Bankruptcy Court docket.

Except as otherwise provided in the Settlement Approval Order, notwithstanding the foregoing, the Makewhole Litigation Oversight Committee shall have an independent right to litigate and settle the EFIH First Lien Makewhole Claims and/or the EFIH Second Lien Makewhole Claims, which shall not be subject to the consent of

the EFH Plan Administrator Board; *provided, however*, notice of any such settlement shall be filed on the Bankruptcy Court docket.

The fees and expenses incurred by (i) the EFIH Debtors and the EFH Plan Administrator Board, except as otherwise provided in the Settlement Approval Order, and (ii) the fees and expenses incurred by the Plan Sponsor (up to $200,000 as set forth in the definition of Post-Effective Date Administrative Account), arising from or related to litigation with respect to the EFIH First Lien Makewhole Claims and/or the EFIH Second Lien Makewhole Claims shall be paid from the Post-Effective Date Administrative Account, which shall be established on the EFH Effective Date. If the Post-Effective Date Administrative Account is insufficient to satisfy such fees and expenses, the EFIH Debtors, Reorganized EFIH Debtors, and the EFH Plan Administrator Board shall be authorized to deduct such fees and expenses from the EFH/EFIH Distribution Account (but excluding the EFIH Claims Reserve). For the avoidance of doubt, the EFH Debtors, the EFIH Debtors, and the EFH Plan Administrator Board shall be authorized to deduct amounts from the EFH/EFIH Distribution Account, to the extent required to satisfy any Allowed General Administrative Claims, Priority Claims, or wind-down obligations; *provided, however*, that the EFH Plan Administrator Board shall not be permitted to deduct amounts from the EFIH Claims Reserve to satisfy shortfalls in the Post-Effective Date Administrative Account, and shall not be permitted to deduct amounts from the Post-Effective Date Administrative Account to satisfy shortfalls in the EFIH Claims Reserve without entry of a further Final Order by a court of competent jurisdiction. For any and all actions taken by the Plan Sponsor at the express written request of the EFH Plan Administrator Board arising from or related to any and all litigation, proceedings, and settlements relating to the EFIH First Lien Makewhole Claims and the EFIH Second Lien Makewhole Claims, the EFH Plan Administrator Board shall reimburse the Plan Sponsor from the EFH/EFIH Distribution Account for the reasonable and documented fees and out-of-pocket expenses in excess of $200,000.

ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of Claims and Termination of Interests.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or "event of default" by the Debtors or Affiliates with respect to any Claim or Interest that existed immediately before or on account of the Filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

B. Release of Liens.

Except as otherwise specifically provided in the Plan as it relates to the EFH Debtors and the EFIH Debtors, on the EFH Effective Date and except for Other Secured Claims that the Debtors elect to Reinstate in accordance with Article III.B.1 (subject to the consent of the Plan Sponsor), III.B.17 (subject to the consent of the Plan Sponsor), III.B.27, or III.B.37 of the Plan (and, with respect to any Allowed Other Secured Claims Against the TCEH Debtors asserted by the Taxing Units or the Texas Comptroller which the TCEH Debtors

shall Reinstate on the TCEH Effective Date until such Allowed Other Secured Claims are satisfied in the full Allowed amount, and with respect to any Allowed Other Secured Claim Against the EFH Debtors asserted by the Taxing Units which the EFH Debtors shall Reinstate on the EFH Effective Date until such Allowed Other Secured Claims are satisfied in the full Allowed amount), all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns, in each case, without any further approval or order of the Bankruptcy Court and without any action or Filing being required to be made by the Debtors. Notwithstanding anything to the contrary in the Plan, the Liens on the collateral securing the EFIH First Lien Note Claims and EFIH Second Lien Note Claims, as applicable, will be released on the EFH Effective Date; *provided, however*, that the EFIH First Lien Notes Trustee and EFIH Second Lien Notes Trustee will be granted Liens on the EFIH Claims Reserve, as described in Article III.B.19 and Article III.B.20 or as otherwise set forth in the Reserve Order, or in the alternative, the Settlement Approval Order, as applicable; *provided, further, however*, that such Liens on the EFIH Claims Reserve shall be released at such time when all Claims based upon or under the EFIH First Lien Notes (including for the avoidance of doubt, any Claims based upon or under the EFIH Collateral Trust Agreement) and all Claims based upon or under the EFIH Second Lien Notes have either been (1) Allowed (whether before, on, or after the EFH Effective Date) and paid in full (to the extent Allowed), including all interest (to the extent Allowed), in Cash; (2) disallowed by Final Order; or (3) paid in full, in Cash to the EFIH First Lien Notes Trustee or EFIH Second Lien Notes Trustee, as applicable, pursuant to the Settlement Approval Order; *provided, further, however*, that upon release of such Liens on the EFIH Claims Reserve set forth in this sentence, the funds of the EFIH Claims Reserve shall revert to the EFH/EFIH Distribution Account; *provided, further, however*, that except as provided in the EFH Confirmation Order and any Reserve Order, nothing herein shall prevent the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, or the EFIH Unsecured Notes Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following the entry of the Reserve Order. For the avoidance of doubt, solely for purposes of determining whether any such Claims are Secured Claims entitled to treatment as Class B3 or Class B4 Claims (rather than Unsecured Claims entitled to treatment as Class B6 Claims), the secured status of such Claims shall be determined as if such Liens had not been released on the EFH Effective Date and remained in effect to the same extent they did immediately before the EFH Effective Date.

C. Releases by the Debtors.

In addition to any release provided in the Settlement Order, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Debtors, the Reorganized Debtors, and their Estates from any and all Claims and Causes of Action, including Claims and Causes of Action identified, claimed, or released in the Standing Motions, the Litigation Letters, or the Disinterested Directors Settlement, as well as all other Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtors, that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest, based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), the Debtors' in-or out-of-court restructuring efforts, intercompany transactions (including dividends paid), transactions pursuant and/or related to the Master Separation Agreement dated December 12, 2001, the TCEH Credit Agreement, the TCEH First Lien Notes, the Cash Collateral Order (and any payments or transfers in connection therewith), the TCEH First Lien Intercreditor Agreement, the Liability Management Program, the Tax Sharing Agreements, the 2007 Acquisition, the Management Agreement, the 2009 amendment to the TCEH Credit Agreement, the 2011 Amend and Extend Transactions, the 2005 Oncor Transfer, the 2013 Revolver Extension, the Luminant Makewhole Settlement, the Tax and Interest Makewhole Agreements, the TCEH Intercompany Notes, the Shared Services, any preference or avoidance claim pursuant to sections 544, 547, 548, and 549 of the Bankruptcy Code, the formulation, preparation, dissemination, negotiation, or Filing of the Terminated Restructuring Support Agreement, the Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Settlement Agreement, the EFH/EFIH Committee Settlement, the EFIH First Lien Principal Settlement, the Original Confirmed Plan, or any

Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, the EFIH Settlement Agreement, the PIK Settlement and any direction taken by the EFIH Unsecured Notes Trustee in connection therewith, the EFH/EFIH Committee Settlement, the Terminated Restructuring Support Agreement, the Disclosure Statement(s), the Plan, the Transaction Agreements, the DIP Facilities, the Chapter I I Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan, the Transaction Agreements, or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan. Notwithstanding anything to the contrary in the foregoing, and for the avoidance of doubt, the TCEH Settlement Claim shall be treated, released, and discharged on the EFH Effective Date. Notwithstanding anything to the contrary in the foregoing, the claims and Causes of Action set forth in Section 6.12 of the Parent Disclosure Letter delivered in connection with the Merger Agreement shall not be released; *provided, however*, that such Claims and Causes of Action shall be subject to treatment pursuant to the Plan and shall be discharged as set forth in Article VIII.A hereof. For the avoidance of doubt, (i) the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, and Reorganized EFH Shared Services Debtors shall provide the release set forth in this Article VIII.C as of the TCEH Effective Date; and (ii) the EFH Debtors, Reorganized EFH Debtors, EFIH Debtors, and Reorganized EFIH Debtors shall provide the release set forth in this Article VIII.C as of the EFH Effective Date; *provided* that any and all Intercompany Claims (other than the TCEH Settlement Claim) held by or held against the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, Reorganized EFH Shared Services Debtors, or any non-Debtor Affiliate to be transferred to the Reorganized TCEH Debtors, including EFH Properties, shall be released as of the TCEH Effective Date.

D. Releases by Holders of Claims and Interests.

Except as otherwise provided in the Plan, as of the Effective Date, each Releasing Party is deemed to have released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Claims and Causes of Action, including Claims and Causes of Action identified, claimed, or released in the Standing Motions, the Litigation Letters, or the Disinterested Directors Settlement, as well as all other Claims and Causes of Action, whether known or unknown, including any derivative claims, asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), the Debtors' in- or out-of-court restructuring efforts, intercompany transactions (including dividends paid), transactions pursuant and/or related to the Master Separation Agreement dated Decemher 12, 2001, the TCEH Credit Agreement, the TCEH First Lien Notes, the Cash Collateral Order (and any payments or transfers in connection therewith), the TCEH First Lien Intercreditor Agreement, the Liability Management Program, the Tax Sharing Agreements, the 2007 Acquisition, the Management Agreement, the 2009 amendment to the TCEH Credit Agreement, the 2011 Amend and Extend Transactions, the 2005 Oncor Transfer, the 2013 Revolver Extension, the Luminant Makewhole Settlement, the Tax and Interest Makewhole Agreements, the TCEH Intercompany Notes, the Shared Services, any preference or avoidance claim pursuant to sections 544, 547, 548, and 549 of the Bankruptcy Code, the formulation, preparation, dissemination, negotiation, or Filing of the Terminated Restructuring Support Agreement, the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, the EFH/EFIH Committee Settlement, the EFIH Settlement Agreement, the EFIH First Lien Principal Settlement, the Original Confirmed Plan, or any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or

the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Support Agreement, the EFIH Settlement Agreement, the EFH/EFIH Committee Settlement, the PIK Settlement and any direction taken by the EFIH Unsecured Notes Trustee in connection therewith the Terminated Restructuring Support Agreement, the Disclosure Statement(s), the Plan, the Transaction Agreements, the DIP Facilities, the Chapter 11 Cases, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan, the Transaction Agreements, or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any claims or Causes of Action by the Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee against one or more Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee arising from or in connection with the TCEH First Lien Creditor Allocation Disputes, (ii) any post-Effective Date obligations of any party or Entity under the Plan, (iii) any Restructuring Transaction, (iv) any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (v) claims or Causes of Action asserted by any Holder of Allowed Class C3 Claims against one or more Holders of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) solely with respect to the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute, or (vi) the claims and Causes of Action set forth in Section 6.12 of the Parent Disclosure Letter delivered in connection with the Merger Agreement shall not be released; *provided, however*, that such Claims and Causes of Action set forth in Section 6.12 of the Parent Disclosure Letter delivered in connection with the Merger Agreement shall be subject to treatment pursuant to the Plan and shall be discharged as set forth in Article VIII.A hereof. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any claims or Causes of Action against one or more of NextEra and its current and former subsidiaries (the "Plan Sponsor Released Parties") relating to the pursuit of approval of the transactions contemplated in the Original Confirmed Plan (including, for the avoidance of doubt, claims or Causes of Action regarding the effect of the filing of Docket No. 7028 on approval of the transactions contemplated in the Original Confirmed Plan) or claims or Causes of Action that may be brought by one or more of the Plan Sponsor Released Parties against any party who brings a claim or Cause of Action against the Plan Sponsor Released Parties relating to the pursuit of approval of the transactions contemplated in the Original Confirmed Plan; *provided, however,* for the avoidance of doubt, that the releases set forth above shall apply to the Plan Sponsor Released Parties' current and former directors, managers, officers, individual equity holders (regardless of whether such interests are held directly or indirectly), attorneys, accountants, investment bankers, consultants, representatives, and other professionals, each in their capacity as such. Notwithstanding anything to the contrary in the foregoing, and for the avoidance of doubt, the TCEH Settlement Claim shall be treated, released, and discharged on the EFH Effective Date. For the avoidance of doubt, (i) the Releasing Parties shall provide the release set forth in this Article VIII.D for all Claims and Causes of Action that relate to the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, Reorganized EFH Shared Services Debtors, or any non-Debtor Affiliate to be transferred to the Reorganized TCEH Debtors, including EFH Properties, as of the TCEH Effective Date; and (ii) the Releasing Parties shall provide the release set forth in this Article VIII.D for all Claims and Causes of Action that relate to the EFH Debtors, Reorganized EFH Debtors, EFIH Debtors, or Reorganized EFIH Debtors as of the EFH Effective Date; *provided* that any and all Intercompany Claims (other than the TCEH Settlement Claim) held by or held against the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, Reorganized EFH Shared Services Debtors, or any non-Debtor Affiliate to be transferred to the Reorganized TCEH Debtors, including EFH Properties, shall be released as of the TCEH Effective Date.

E. Exculpation.

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur liability for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, Filing, or termination of the Terminated

Restructuring Support Agreement and related prepetition transactions, the Disclosure Statement, the Plan, the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Settlement Agreement, the EFH/EFIH Committee Settlement, the Original Confirmed Plan, the Transaction Agreements, or any Restructuring Transaction, contract, instrument, release or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Disclosure Statement, the Plan, the Original Confirmed Plan, the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, the EFH/EFIH Committee Settlement, the Transaction Agreements, or the DIP Facilities, the Filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan, the Transaction Agreements, or any other related agreement, except for claims related to any act or omission that is determined in a final order to have constituted actual fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan. For the avoidance of doubt, notwithstanding anything to the contrary in the foregoing, the exculpation set forth above does not exculpate any (i) claims or Causes of Action by the Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee against one or more Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee arising from or in connection with the TCEH First Lien Creditor Allocation Disputes, or (ii) claims or Causes of Action asserted by any Holder of Allowed Class C3 Claims against one or more Holders of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) solely with respect to the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute. For the avoidance of doubt, (i) the Exculpated Parties that include or are related to the TCEH Debtors, Reorganized TCEH Debtors, EFH Shared Services Debtors, and Reorganized EFH Shared Services Debtors shall receive the exculpation set forth in this Article VIII.E as of the TCEH Effective Date; and (ii) the Exculpated Parties that include or are related to the EFH Debtors, Reorganized EFH Debtors, EFIH Debtors, and Reorganized EFIH Debtors shall receive the exculpation set forth in this Article VIII.E as of the EFH Effective Date.

F. Injunction.

In addition to any injunction provided in the Settlement Order, except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold Claims or Interests that have been released pursuant to Article VIII.C or Article VIII.D of the Plan, shall be discharged pursuant to Article VIII.A of the Plan, or are subject to exculpation pursuant to Article VIII.E of the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, or the Released Parties: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims or interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has timely asserted such setoff right in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (v) commencing or continuing in any manner any action or other

proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan, including those related to the PIK Settlement and any direction taken by the EFIH Unsecured Notes Trustee in connection therewith. For the avoidance of doubt, notwithstanding anything to the contrary in the foregoing, the injunction set forth above does not enjoin (a) the TCEH First Lien Creditor Allocation Disputes, or any claims or Causes of Action by the Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee against one or more Holders of TCEH First Lien Claims, the TCEH First Lien Agent, or the TCEH First Lien Notes Trustee arising from or in connection with the TCEH First Lien Creditor Allocation Disputes, or (b) the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute, or claims or Causes of Action asserted in the Marathon Delaware Action (in accordance with and as that term is defined in the *Stipulation and Consent Order Regarding Limited Objection of Marathon Asset Management, LP to Confirmation of Debtors' Fifth Amended Plan of Reorganization,* dated November 10, 2015 [D.I. 6932]) by any Holder of Allowed Class C3 Claims against one or more Holders of Allowed Class C3 Claims (other than the TCEH First Lien Agent, except in the TCEH First Lien Agent's capacity as a nominal defendant to declaratory judgment claims in respect of which no monetary recovery is sought) solely with respect to the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute. Notwithstanding anything to the contrary in the foregoing, the Plan shall not enjoin any party from pursuing the claims and Causes of Action set forth in Section 6.12 of the Parent Disclosure Letter delivered in connection with the Merger Agreement; *provided, however,* that such Claims and Causes of Action shall be subject to treatment pursuant to the Plan and shall be discharged as set forth in Article VIII.A hereof. Solely in the event the Settlement Approval Order is not entered (or the EFIH Settlement Agreement is otherwise terminated), the Plan shall not enjoin or otherwise prevent Holders of the EFIH First Lien Notes, Holders of EFIH Second Lien Notes, the EFIH First Lien Notes Trustee, or the EFIH Second Lien Notes Trustee from prosecuting any appeal of any order with respect to any Makewhole Claims or any other Claims held by such parties; *provided, however,* that (x) the liens securing the collateral of the EFIH First Lien Notes and EFIH Second Lien Notes will be released on the EFH Effective Date, (y) in the event the Settlement Approval Order is not entered (or the EFIH Settlement Agreement is otherwise terminated), the EFH Debtors, the EFIH Debtors, the EFIH First Lien Notes Trustee, the Holders of EFIH First Lien Notes, the Holders of EFIH Second Lien Notes, and the EFIH Second Lien Notes Trustee reserve all rights with respect to the rights, claims, and defenses of each of the EFH Debtors, EFIH Debtors, the EFIH First Lien Notes Trustee, the Holders of the EFIH First Lien Notes, the Holders of EFIH Second Lien Notes, and the EFIH Second Lien Notes Trustee with regard to the litigation over the allowance of any Makewhole Claims or any other Claims asserted by the EFIH First Lien Notes Trustee, the Holders of the EFIH First Lien Notes, the EFIH Second Lien Notes Trustee, and the Holders of the EFIH Second Lien Notes, and (z) the EFIH First Lien Notes Trustee and EFIH Second Lien Notes Trustee shall receive the Replacement EFIH First Lien and the Replacement EFIH Second Lien, respectively, on the EFIH Claims Reserve, as set forth in Article III.B.19 and Article III.B.20 of this Plan and shall (together with Holders of the EFIH First Lien Notes and the Holders of EFIH Second Lien Notes) otherwise receive all protections and treatments set forth in the Plan.

G. Liabilities to, and Rights of, Governmental Units.

Nothing in the Plan or the Confirmation Order shall release, discharge, or preclude the enforcement of: (i) any liability to a Governmental Unit that is not a Claim; (ii) any Claim of a Governmental Unit arising on or after the Effective Date, other than taxes determined under the prompt determination procedure in section 505 of the Bankruptcy Code, to the extent applicable; (iii) any liability to a Governmental Unit on the part of any Entity other than the Debtors or Reorganized Debtors; or (iv) any valid right of setoff or recoupment by any Governmental Unit.

H. Environmental Law Matters.

Nothing in the Plan or the Confirmation Order shall release, discharge, or preclude the enforcement of (or preclude, release, defeat, or limit the defense under non-bankruptcy law of): (i) any liability under Environmental Law to a Governmental Unit that is not a Claim; (ii) any Claim under Environmental Law of a Governmental Unit arising on or after the Effective Date; (iii) any liability under Environmental Law to a Governmental Unit on the part of any Entity to the extent of such Entity's liability under non-bankruptcy law on account of its status as owner or operator of such property after the Effective Date; (iv) any liability to a Governmental Unit on the part of any Entity other than the Debtors or Reorganized Debtors; or (v) any valid right of setoff or recoupment by any Governmental

Unit. All parties' rights and defenses under Environmental Law with respect to (i) through (v) above are fully preserved. For the avoidance of doubt, the United States is not a Releasing Party under the Plan.

Nothing in the Plan or the Confirmation Order shall enjoin or otherwise bar any Governmental Unit from asserting or enforcing, outside this Court, any liability described in the preceding paragraph. Nothing in the Plan or the Confirmation Order authorizes: (i) the transfer or assignment of any governmental license, permit, registration, authorization, or approval, or (ii) the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements under Environmental Law. The Bankruptcy Court retains jurisdiction, but not exclusive jurisdiction, to determine whether environmental liabilities asserted by any Governmental Unit are discharged or otherwise barred by the Confirmation Order or the Plan, or the Bankruptcy Code.

For the avoidance of doubt, all Claims under Environmental Law arising before the Effective Date, including penalty claims for days of violation prior to the Effective Date, shall be subject to Article VIII of the Plan and treated in accordance with the Plan in all respects and the Bankruptcy Court shall retain jurisdiction as provided in Article XI of the Plan in relation to the allowance or disallowance of any Claim under Environmental Law arising before the Effective Date.

Without limiting the Bankruptcy Court's jurisdiction as set forth above, nothing in the Plan or the Confirmation Order shall divest or limit the jurisdiction of other tribunals over the Environmental Action, and upon the Effective Date of the Plan, the Environmental Action shall survive the Chapter 11 Cases and may be adjudicated in the court or tribunal in which such Environmental Action is currently pending; *provided, further, however*, any judgment for a Claim in the Environmental Action arising before the Effective Date shall be treated in accordance with the Plan in all respects; *provided, further, however*, that nothing in the Plan shall preclude, release, defeat, or limit any grounds for asserting or opposing an alleged defense or affirmative defense under non-bankruptcy law in the Environmental Action based on any change in ownership, and all such grounds for asserting or opposing such defenses and affirmative defenses under non-bankruptcy law are expressly preserved. With respect to the Environmental Action, this Article VIII.H does not alter any rights or defenses under non-bankruptcy law arising as a result of any changes of ownership provided in the Plan or the Confirmation Order. The Governmental Units reserve all rights as to whether there are any such rights or defenses.

I. Protections Against Discriminatory Treatment.

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

J. Recoupment.

In no event shall any Holder of Claims or Interests be entitled to recoup any Claim against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or Proof of Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

K. Document Retention.

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

ARTICLE IX.
CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions Precedent to Confirmation of a Plan as to the TCEH Debtors and EFH Shared Services Debtors.

It shall be a condition to Confirmation of the Plan with respect to the TCEH Debtors and the EFH Shared Services Debtors that the following shall have been satisfied or waived pursuant to the provisions of Article IX.E of the Plan:

1. the Bankruptcy Court shall have entered the TCEH Disclosure Statement Order and the TCEH Confirmation Order in a manner consistent in all material respects with the Plan and Settlement Order and in form and substance reasonably satisfactory to the TCEH Debtors, EFH Shared Services Debtors, and the TCEH Supporting First Lien Creditors (and, solely to the extent that the Spin-Off Conditions have been satisfied or would be satisfied by entry of the TCEH Confirmation Order, the Plan Sponsor); and

2. the Settlement Order shall remain in full force and effect; and

3. the TCEH Confirmation Order shall, among other things:

(a) authorize the TCEH Debtors, the EFH Shared Services Debtors, the Reorganized TCEH Debtors, and the Reorganized EFH Shared Services Debtors to take all actions necessary to enter into, implement, and consummate the applicable contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan;

(b) decree that the provisions of the TCEH Confirmation Order and the provisions of the Plan applicable to the TCEH Debtors and the EFH Shared Services Debtors are nonseverable and mutually dependent;

(c) authorize the TCEH Debtors to consummate either or both of the Spin-Off or the Taxable Separation, in each case subject to satisfaction of all applicable conditions to consummation;

(d) authorize the TCEH Debtors, the EFH Shared Services Debtors, the Reorganized TCEH Debtors, and the Reorganized EFH Shared Services Debtors, as applicable/necessary, to: (i) implement the applicable Restructuring Transactions; (ii) issue and distribute the New Reorganized TCEH Debt, the Reorganized TCEH Common Stock, the common stock of the Preferred Stock Entity, the Reorganized TCEH Sub Preferred Stock, each pursuant to the exemption from registration under the Securities Act provided by section 1145 of the Bankruptcy Code or other exemption from such registration or pursuant to one or more registration statements; (iii) make all distributions and issuances as required under the Plan, including Cash, the New Reorganized TCEH Debt, the Reorganized TCEH Common Stock, the common stock of the Preferred Stock Entity, and the Reorganized TCEH Sub Preferred Stock; and (iv) enter into any agreements, transactions, and sales of property as set forth in the Plan Supplement; and

(e) provide that, pursuant to section 1146 of the Bankruptcy Code, the assignment or surrender of any lease or sublease, and the delivery of any deed or other instrument or transfer order in furtherance of, or in connection with, any transfers of property pursuant to the Plan as it relates to the TCEH Debtors and EFH Shared Services Debtors, including any deeds, mortgages, security interest filings, bills of sale, or assignments executed in connection with any disposition or transfer of assets

contemplated under the Plan as it relates to the TCEH Debtors and EFH Shared Services Debtors shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax, and upon entry of the TCEH Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment.

B. Conditions Precedent to Confirmation of a Plan as to the EFH Debtors and EFIH Debtors.

It shall be a condition to Confirmation of the Plan with respect to the EFH Debtors and EFIH Debtors that the following shall have been satisfied or waived pursuant to the provisions of Article IX.E of the Plan:

1. the Bankruptcy Court shall have entered the EFH Disclosure Statement Order and the EFH Confirmation Order in a manner consistent in all material respects with the Plan, the Settlement Order, the Merger Agreement, and the EFIH Unsecured Creditor Plan Support Agreement, and in form and substance reasonably satisfactory to the EFH Debtors, the EFIH Debtors, and the Plan Sponsor;

2. the Settlement Order shall remain in full force and effect; and

3. the EFH Confirmation Order shall, among other things:

(a) authorize the EFH Debtors, the Reorganized EFH Debtors, the EFIH Debtors, and the Reorganized EFIH Debtors to take all actions necessary to enter into, implement, and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan, including the Restructuring Transactions and the Transaction Agreements;

(b) decree that the provisions of the EFH Confirmation Order and the Plan are nonseverable and mutually dependent;

(c) authorize the EFH Debtors, the Reorganized EFH Debtors, the EFIH Debtors, and the Reorganized EFIH Debtors, as applicable/necessary, to: (i) implement the Restructuring Transactions; (ii) issue and distribute the Reorganized EFH Common Stock pursuant to the exemption from registration under the Securities Act provided by section 1145 of the Bankruptcy Code or other exemption from such registration or pursuant to one or more registration statements; (iii) make all distributions and issuances as required under the Plan, including Cash and the Reorganized EFH Common Stock; and (iv) enter into any agreements, transactions, and sales of property as set forth in the Plan Supplement;

(d) provide that, pursuant to section 1146 of the Bankruptcy Code, the assignment or surrender of any lease or sublease, and the delivery of any deed or other instrument or transfer order in furtherance of, or in connection with, any transfers of property pursuant to the Plan, including any deeds, mortgages, security interest filings, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax, and upon entry of the EFH Confirmation Order, the appropriate state or local governmental officials or agents shall forgo the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment;

(e) provide for the release of the EFIH First Lien Notes Trustee's Lien on the EFIH Claims Reserve at such time when all Claims based upon or under the EFIH First Lien Notes

(including, for the avoidance of doubt, any Claims based upon or under the EFIH Collateral Trust Agreement) have either been (i) paid in full (to the extent Allowed) including all interest thereon (to the extent Allowed), in Cash, or (ii) disallowed by Final Order and, upon such release, the funds in the EFIH Claims Reserve attributable to the Claims of Holders of EFIH First Lien Notes shall be deposited in the EFH/EFIH Distribution Account; *provided, however*, that, except as provided otherwise in the EFH Confirmation Order and any Reserve Order, nothing herein shall prevent the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, or the EFIH Unsecured Notes Trustee from seeking entry of an order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following the entry of the Reserve Order;

(f) provide for the release of the EFIH Second Lien Notes Trustee's Lien on the EFIH Claims Reserve at such time when all Claims based upon or under the EFIH Second Lien Notes have been either (i) Allowed (whether before, on, or after the EFH Effective Date) and paid in full (to the extent Allowed), including all interest thereon (to the extent Allowed), in Cash, or (ii) disallowed by Final Order and, upon such release, the funds in the EFIH Claims Reserve attributable to the Claims of Holders of EFIH Second Lien Notes shall be deposited in the EFH/EFIH Distribution Account; *provided, however*, that, except as provided otherwise in the EFH Confirmation Order and any Reserve Order, nothing herein shall prevent the EFH Plan Administrator Board, the Makewhole Litigation Oversight Committee, or the EFIH Unsecured Notes Trustee from seeking entry of a Subsequent Reserve Order by the Court authorizing, and the Court granting, reductions of, and distributions from, the EFIH Claims Reserve following the entry of the Reserve Order;

(g) authorize the EFIH Unsecured Notes Trustee to comply with the directives of the Threshold Supporting Creditors; and

(h) provide that, from and after the EFH Effective Date, the Reorganized EFH Debtors and Reorganized EFIH Debtors shall have no liabilities other than those liabilities expressly set forth in the Plan.

C. Conditions Precedent to the TCEH Effective Date.

It shall be a condition to the TCEH Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.E of the Plan:

1. the TCEH Confirmation Order shall have been duly entered in form and substance reasonably acceptable to the TCEH Debtors, EFH Shared Services Debtors, and the TCEH Supporting First Lien Creditors;

2. the Settlement Order shall remain in full force and effect;

3. the final version of the Plan, the Plan Supplement, and all of the schedules, documents, and exhibits contained therein (including the New Employee Agreements/Arrangements and the Employment Agreements), in each case solely with respect to the TCEH Debtors and EFH Shared Services Debtors, shall have been Filed in a manner consistent in all material respects with the Plan, the Transaction Agreements (as applicable to the TCEH Debtors and EFH Shared Services Debtors), the Plan Support Agreement, and the Settlement Order, and shall be in form and substance reasonably acceptable to the TCEH Debtors, the EFH Shared Services Debtors, and the TCEH Supporting First Lien Creditors;

4. all Allowed Professional Fee Claims with respect to the TCEH Debtors and EFH Shared Services Debtors approved by the Bankruptcy Court shall have been paid in full or amounts sufficient to pay such Allowed Professional Fee Claims after the TCEH Effective Date have been placed in the TCEH Professional Fee Escrow Account pending approval of the Professional Fee Claims by the Bankruptcy Court;

5. the TCEH Debtors and the EFH Shared Services Debtors shall have obtained all authorizations,

consents, regulatory approvals, including from the FERC, NRC, and FCC, as applicable, rulings, or documents that are necessary to the Restructuring Transactions pertaining to the TCEH Debtors and the EFH Shared Services Debtors, including the Spin-Off or the Taxable Separation, as applicable, and shall remain in full force and effect, and the RCT shall have approved the substitute bond with respect to the TCEH Debtors' mining reclamation obligations;

6. all conditions to the completion of the transactions contemplated by the Tax Matters Agreement and the Taxable Separation Tax Receivable Agreement or the Spin-Off Tax Receivable Agreement, as applicable, shall have been satisfied or shall have been waived by the party entitled to waive them, and the transactions contemplated by the Transition Services Agreement, the Tax Matters Agreement, the Separation Agreement, the Amended and Restated Split Participant Agreement, and the Taxable Separation Tax Receivable Agreement or Spin-Off Tax Receivable Agreement, as applicable, shall be completed substantially simultaneously on the TCEH Effective Date, and, other than in respect of the Spin-Off Tax Receivable Agreement or Taxable Separation Tax Receivable Agreement, as applicable, shall be in form and substance reasonably acceptable to the Plan Sponsor;

7. any waiting period applicable to the Spin-Off or the Taxable Separation under the HSR Act or similar law or statute shall have been terminated or shall have expired; and

8. solely as a condition to the TCEH Effective Date if the Spin-Off is to be effectuated pursuant to the terms and conditions set forth in Article IV.B.2:

(a) the Approval Order shall have been duly entered and remain in full force and effect and shall be a Final Order;

(b) the Debtors shall have obtained the Fundamental Opinions (other than any aspects of the Fundamental Opinions that relate to the effect of the Merger, which opinions may be obtained following the TCEH Effective Date and shall be a condition to the EFH Effective Date, not the TCEH Effective Date), and such opinions have not been withdrawn, rescinded, or amended;

(c) the facts presented and the representations made in the IRS Submissions are true, correct, and complete in all material respects as of the TCEH Effective Date;

(d) except as otherwise provided in the Plan, the Private Letter Ruling, or the Plan Support Agreement, the Debtors shall not have taken any action to change the entity classification for U.S. tax purposes of any Debtor entity, by changing their legal form or otherwise, without the consent of the Plan Sponsor, TCEH, and the TCEH Supporting First Lien Creditors; *provided*, *however*, that the consent of TCEH and the TCEH Supporting First Lien Creditors shall not be required with respect to any such action with respect to any Debtor entity other than TCEH, the Reorganized EFH Shared Services Debtors, Reorganized TCEH, the Preferred Stock Entity, or any of their respective subsidiaries, if such action does not directly affect the Contribution, the Spin-Off Preferred Stock Sale, the Reorganized TCEH Conversion, or the Distribution and does not prevent or delay EFH Corp. from obtaining the Private Letter Ruling or adversely affect the Spin-Off Intended Tax Treatment;

(e) (i) no Debtor shall have taken any action that results in an ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code (including by treating the equity interests of EFH Corp. as becoming worthless within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code); and (ii) Texas Holdings shall not have (A) taken any action that results in an ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code (including by treating the equity interests of EFH Corp. as becoming worthless within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code and thereby resulting in an ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code); (B) knowingly permitted any person (other than Texas

Holdings) to own directly, indirectly or constructively (by operation of Section 318 as modified by Section 382(l)(3)(A) of the Internal Revenue Code) 50% or more of the equity interests of EFH Corp. during the three-year period ending on the Effective Date; or (C) changed its taxable year to be other than the calendar year;

(f) the Private Letter Ruling remains in full force and effect and has not been revoked or withdrawn; and

(g) the TCEH Supporting First Lien Creditors shall have been given the right to participate with respect to the process of obtaining the Supplemental Ruling, including by (i) commenting on written submissions, (ii) having participation in in-person conferences, (iii) having participation in scheduled, substantive telephone conferences with the IRS and (iv) being updated promptly regarding any unscheduled communications with the IRS, provided, however, that the TCEH Supporting First Lien Creditors shall work in good faith with counsel for the Debtors to determine the appropriate level of participation by any other persons in any particular meeting or conference.

For the avoidance of doubt, consummation of the Spin-Off or Taxable Separation and the occurrence of the TCEH Effective Date shall be conditioned solely on the conditions precedent to the TCEH Effective Date enumerated in this Article IX.C, and the TCEH Effective Date may occur prior to the EFH Effective Date.

D. Conditions Precedent to the EFH Effective Date.

It shall be a condition to the EFH Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.E of the Plan:

1. the EFH Confirmation Order shall (a) have been duly entered in form and substance acceptable to the EFH Debtors, EFIH Debtors, and the Plan Sponsor, (b) reasonably acceptable to the other EFH/EFIH Plan Supporters (in accordance with the terms of the Plan Sponsor Plan Support Agreement, and the EFIH Unsecured Creditor Plan Support Agreement) and (c) shall be consistent in all material respects with the TCEH Confirmation Order;

2. the Settlement Order shall remain in full force and effect;

3. the Plan Sponsor, Reorganized TCEH, and EFH Corp., as applicable, shall have obtained all tax opinions (including those with respect to the Fundamental Opinions) contemplated by the Merger Agreement;

4. the TCEH Effective Date shall have occurred, including the assumption and assignment of the Employment Agreements to Reorganized TCEH;

5. the final version of the Plan, the Plan Supplement, and all of the schedules, documents, and exhibits contained therein shall have been Filed in a manner consistent in all material respects with the Plan, the Transaction Agreements, the Plan Sponsor Plan Support Agreement,the EFIH Unsecured Creditor Plan Support Agreement, the Plan Support Agreement, and the Settlement Order, and shall be in form and substance reasonably acceptable to the EFH Debtors, EFIH Debtors, and the EFH/EFIH Plan Supporters;

6. the EFH Professional Fee Escrow Account and EFIH Professional Fee Escrow Amount shall have been funded in accordance with Article II.A.2;

7. (i) no Debtor shall have taken any action that results in an ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code (including by treating the equity interests of EFH Corp. as becoming worthless within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code); and (ii) Texas Holdings shall not have (A) taken any action that results in an ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code (including by treating the equity interests of EFH Corp. as becoming worthless within the meaning of Section 382(g)(4)(D) of the Internal Revenue Code and thereby resulting in an

ownership change of EFH Corp. within the meaning of Section 382(g) of the Internal Revenue Code); (B) knowingly permitted any person (other than Texas Holdings) to own directly, indirectly or constructively (by operation of Section 318 as modified by Section 382(l)(3)(A) of the Internal Revenue Code) 50% or more of the equity interests of EFH Corp. during the three-year period ending on the Effective Date; or (C) changed its taxable year to be other than the calendar year;

8. the EFH Debtors and EFIH Debtors shall have obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Restructuring Transactions with respect to the EFH Debtors, including the Merger, and the transactions contemplated thereby, including from the FERC, PUC, and FCC, as applicable, consistent in all material respects with the terms and conditions set forth in the Merger Agreement;

9. all conditions to the completion of the transactions contemplated by the Merger Agreement shall have been satisfied or shall have been waived by the party entitled to waive them, and the transactions contemplated by the Transaction Agreements shall be completed;

10. except as otherwise expressly provided in the Plan, all Claims against the EFH Debtors and/or the EFIH Debtors seeking postpetition interest on any Claim at a rate in excess of the Federal Judgment Rate shall have been disallowed by order of the Bankruptcy Court, and such order shall have not been stayed or reversed or remanded on appeal;

11. the Restructuring Transactions (including, for the avoidance of doubt, all conditions to and transactions contemplated by the Merger Agreement), shall have been consummated in form and manner reasonably acceptable to the EFH Debtors, the EFIH Debtors, and the Plan Sponsor, and consistent in all material respects with the Plan and the Transaction Agreements; *provided, however,* that implementation or consummation of the Minority Interest Acquisition shall not be a condition to the EFH Effective Date;

12. immediately prior to consummation of the Merger, all assets of Reorganized EFH and each subsidiary of Reorganized EFH shall be free and clear of all liens, claims, encumbrances and other interests and Reorganized EFH and each subsidiary of Reorganized EFH shall have no liabilities except for (a) up to $10 million for postpetition claims and liabilities arising in the ordinary course of business (and liens and encumbrances securing any such ordinary course liabilities) of the EFH Debtors' or EFIH Debtors' postpetition business that shall be fully paid and discharged as and when due in the ordinary course of business pursuant to the Plan and (b) obligations owed to the Plan Sponsor (or any pre-Merger Affiliate of the Plan Sponsor) expressly contemplated by the Merger Agreement;

13. the requirements in the Merger Agreement with respect to the Supplemental Rulings, including with respect to IRS communications related to such Supplemental Rulings, shall have been satisfied;

14. if the Spin-Off is consummated, the Private Letter Ruling remains in full force and effect and has not been revoked or withdrawn;

15. the consummation of the Merger shall not be in violation of the provisions of the Tax Matters Agreement; and

16. if the Settlement Approval Order is not entered, no settlement order(s) shall have been entered over the objection of the Makewhole Litigation Oversight Committee Allowing the EFIH First Lien Makewhole Claims or the EFIH Second Lien Makewhole Claims, in a settlement amount or manner inconsistent with the terms of the Plan (and no such motion related thereto shall be pending to Allow the EFIH First Lien Makewhole Claims or the EFIH Second Lien Makewhole Claim in a settlement amount that is inconsistent with the terms of the Plan).

For the avoidance of doubt, entry of the Settlement Approval Order shall not be a condition precedent to the EFH Effective Date.

E. Waiver of Conditions.

Except with respect to Article IX.C.4, the conditions to Confirmation with respect to the TCEH Debtors and the EFH Shared Services Debtors and the TCEH Effective Date set forth in this Article IX may be waived by the TCEH Debtors and the EFH Shared Services Debtors, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, with the consent of the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld); *provided*, that in the event the condition to Consummation set forth in Article IX.C.8 is not satisfied, the TCEH Debtors may nevertheless consummate the Taxable Separation and the TCEH Effective Date may occur so long as the other conditions to Confirmation and Consummation have been satisfied or waived in accordance with this Article IX.E; *provided further* that in no event shall either of the conditions set forth in Article IX.C.6 or IX.C.8 be waived without the consent of the Plan Sponsor.

The conditions to Confirmation with respect to the EFH Debtors and the EFIH Debtors and the EFH Effective Date set forth in Articles IX.B.1 through IX.B.3, IX.D.1(a), IX.D.1(b), IX.D2 through IX.D.5, IX.D.11, and IX.D.13 through IX.D.15 may be waived subject to the consent of each of (a) the EFH Debtors, (b) the EFIH Debtors, and (c) the Plan Sponsor, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor; *provided* that the conditions precedent to the EFH Effective Date set forth in Article IX.D.1(c) and IX.D.15 shall not be waived without the consent of Reorganized TCEH. The conditions to the EFH Effective Date set forth in Articles IX.D.7, IX.D.8, IX.D.10, and IX.D.12 may be waived by the Plan Sponsor in its sole and absolute discretion. The conditions to the EFH Effective Date set forth in Articles IX.D.6 and IX.D.9 may not be waived pursuant to this Article IX.E, but may only be waived pursuant to waiver rights expressly provided therein, if any. Notwithstanding the foregoing, conditions to Confirmation with respect to the EFH Debtors and the EFIH Debtors and the EFH Effective Date that are required under the EFIH Unsecured Creditor Plan Support Agreement and subject to waiver by the Debtors shall not be waived without the consent of the EFIH Supporting Unsecured Creditors or the Pre-Effective Date Makewhole Litigation Oversight Committee.

F. Effect of Failure of Conditions.

Unless extended by the Debtors, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, if the Effective Date does not occur before one year following Confirmation, with respect to a particular Debtor, then, as to such particular Debtor: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Interests, or Causes of Action; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor or any other Entity. Notwithstanding the foregoing, for the avoidance of doubt, (i) the Settlement embodied in the Settlement Agreement shall remain in full force and effect and the failure of Confirmation or Consummation to occur with respect to any or all Debtors shall not affect the Settlement or any provisions of the Settlement Agreement and (ii) if the Spin-Off is effectuated, the Approval Order shall remain in full force and effect and the failure of Confirmation or Consummation to occur

with respect to any Debtor (other than a TCEH Debtor) shall not affect the Approval Order or the Tax Matters Agreement.

G. Certain IRS Matters.

The Plan provides (a) that as a condition precedent to the TCEH Effective Date in the event of a Spin-Off, the Private Letter Ruling obtained by the Debtors is in full force and effect and shall not have been revoked or withdrawn and (b) as a condition precedent to the EFH Effective Date, that the requirements in the Merger Agreement with respect to the Supplemental Rulings shall have been satisfied.

Nothing in the Plan (or subsequently amended Plan) or the Confirmation Order shall be deemed to waive the right of the IRS to object to confirmation of a subsequently amended Plan or alternative chapter 11 plan to the extent the U.S. would be entitled to object to confirmation under applicable law, including to the extent that the Debtors choose to go forward with a chapter 11 plan that is premised on a taxable separation of TCEH from EFH Corp. and not a tax-free reorganization within the meaning of Section 368(a)(1)(G) of the Internal Revenue Code. Specifically, the Debtors may not oppose the U.S.'s objection on the grounds of failure to file an earlier objection, equitable mootness, laches, estoppel, or a similar theory. The U.S. may move for a stay of the Effective Date in conjunction with its objection, and the Debtors' right to object to any such motion are preserved.

Nothing in the Plan (or subsequently amended Plan) or Confirmation Order shall affect the rights of the IRS or United States to assess or collect a tax arising on or after the Confirmation Date against Reorganized EFH, any member of its consolidated group, and/or any successor entities as permitted under applicable law.

ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN

A. Modification and Amendments.

Subject to the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, and the EFIH Unsecured Creditor Plan Support Agreement, the Merger Agreement and the Plan Sponsor's consent (as described below), each of the Debtors, including, in the case of any Conflict Matter between any Debtors, each Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, reserves the right to modify the Plan, one or more times, before Confirmation, whether such modification is material or immaterial, and to seek Confirmation consistent with the Bankruptcy Code. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, each of the Debtors, including, in the case of any Conflict Matter between any Debtors, each of the Debtors acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, expressly reserves its respective rights to alter, amend, or modify the Plan, one or more times, after Confirmation and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, including with respect to such modifications. Any alteration, amendment, or modification to the Plan shall be in accordance with the Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, and the Plan Sponsor Plan Support Agreement and in form and substance reasonably acceptable to (i) the Plan Sponsor (both with respect to (a) the Plan of the EFH Debtors and EFIH Debtors, it being understood that it shall be reasonable for the Plan Sponsor to deem unacceptable any alteration, amendment, or modification that (1) results in the imposition or reinstatement of any Claim against or Interest in the Reorganized EFH Debtors, the Reorganized EFIH Debtors, the Plan Sponsor, or any Affiliate of the Plan Sponsor or (2) alters any consent right in favor of the Reorganized EFH Debtors, the Reorganized EFIH Debtors, the Plan Sponsor, or any Affiliate of the Plan Sponsor, and (b) the Plan of the TCEH Debtors and EFH Shared Services Debtors, but only to the extent that such alteration, amendment, or modification affects the rights or liabilities of the Reorganized EFH Debtors, the Reorganized EFIH Debtors, the Plan Sponsor, or any Affiliate of the Plan Sponsor), (ii) the TCEH Supporting First Lien Creditors (both with respect to (a) the Plan of the TCEH Debtors and EFH Shared Services Debtors and (b) the Plan of the EFH Debtors and EFIH Debtors, but only to the extent that such alteration, amendment, or modification affects the rights or liabilities of Reorganized TCEH)), and (iii) the DIP Agents (and solely with respect to the repayment of the DIP Facilities, acceptable to the DIP Agents). The Debtors may not amend the Plan in a manner inconsistent with the

EFH/EFIH Committee Settlement without the prior consent of the EFH/EFIH Committee and the EFH Notes Trustee.

B. Effect of Confirmation on Modifications.

Entry of a Confirmation Order shall mean that each alteration, amendment, or modification to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019; *provided, however*, that each alteration, amendment, or modification shall be made in accordance with Article X.A of the Plan.

C. Revocation or Withdrawal of Plan.

1. Revocation or Withdrawal of the Plan with Respect to the TCEH Debtors and EFH Shared Services Debtors.

Subject to the Plan Support Agreement, the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, and the Merger Agreement, each of the TCEH Debtors and EFH Shared Services Debtors, including, in the case of any Conflict Matter between any Debtors, each TCEH Debtor or EFH Shared Services Debtor acting at the direction of its respective Disinterested Director or Manager and without the consent of any other Debtor, reserves the right to revoke or withdraw the Plan as it applies to the TCEH Debtors and EFH Shared Services Debtors before the Confirmation Date and to File subsequent plans for any reason, including to the extent the Debtors receive a higher or otherwise better offer than what is provided for in the Plan, or if pursuing Confirmation of the Plan would be inconsistent with any Debtor's fiduciary duties; *provided, however*, that the Debtors shall not seek to revoke or withdraw the Plan with respect to the TCEH Debtors without the consent of the TCEH Supporting First Lien Creditors (such consent not to be unreasonably withheld); *provided further, however*, that the Debtors may withdraw support of the Plan with respect to the TCEH Debtors without any party's consent.

2. Revocation or Withdrawal of the Plan with Respect to the EFH Debtors and EFIH Debtors.

Each EFH Debtor and EFIH Debtor reserves the right to revoke or withdraw the Plan as it applies to the EFH Debtors and the EFIH Debtors only to the extent permitted by the terms of the Plan Sponsor Plan Support Agreement, the EFIH Unsecured Creditor Plan Support Agreement, as applicable, and the Merger Agreement.

3. Consequence of Withdrawal of the Plan.

If any of the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects as to such Debtors; (2) any settlement or compromise embodied in the Plan (other than the Settlement embodied in the Settlement Agreement), assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void as to such Debtors; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims, Interests, or Causes of Action as to such Debtors; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor or any other Entity. Notwithstanding the foregoing and for the avoidance of doubt, (i) the Settlement embodied in the Settlement Agreement shall remain in full force and effect and the failure of Confirmation or Consummation to occur with respect to any or all Debtors shall not affect the Settlement or any provisions of the Settlement Agreement and (ii) if the Spin-Off is effectuated, the Approval Order (and the agreements authorized thereby) shall remain in full force and effect and the failure of Confirmation or Consummation to occur with respect to any Debtor (other than a TCEH Debtor) shall not affect the Approval Order or the Tax Matters Agreement.

ARTICLE XI.
RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction (subject to any withdrawal of the

reference of any proceeding by the district court or any appeal of any order, judgment, or decree of the Bankruptcy Court) over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code to the extent provided under applicable law, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. approve any settlement of Claims, including Makewhole Claims, to the extent one or more parties seeks Bankruptcy Court approval of such settlement of Claims.

3. hear and determine matters related to the DIP Facilities and the DIP Orders;

4. decide and resolve all matters related to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

5. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure Claims pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors' amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, any Executory Contracts or Unexpired Leases to the Assumed Executory Contracts and Unexpired Lease List, Rejected Executory Contracts and Unexpired Lease List, or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

6. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

7. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;

8. enter and implement such orders as may be necessary to execute, implement, or consummate the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement, including injunctions or other actions as may be necessary to restrain interference by an Entity with Consummation or enforcement of the Plan;

9. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. adjudicate, decide, or resolve any and all matters related to the Restructuring Transactions, including the Tax Matters Agreement;

11. grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

12. resolve any cases, controversies, suits, disputes, Causes of Action, or any other matters that may arise in connection with the Consummation, interpretation, or enforcement of the Plan, the Disclosure Statement, the Confirmation Order, or the Restructuring Transactions, or any Entity's obligations incurred in connection with the foregoing, including disputes arising under agreements, documents, or instruments executed in connection with the Plan, the Disclosure Statement, the Confirmation Order, or the Restructuring Transactions;

13. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII of the Plan and enter such orders as may be necessary to implement such releases, injunctions, and other provisions;

14. resolve any cases, controversies, suits, disputes, or Causes of Action relating to the distribution or the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim for amounts not timely repaid pursuant to Article VI.L.1 of the Plan;

15. enter and implement such orders as are necessary if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

16. enter an order or decree concluding or closing the Chapter 11 Cases;

17. adjudicate any and all disputes arising from or relating to distributions under the Plan, including the TCEH First Lien Creditor Deposit L/C Collateral Allocation Dispute;

18. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

19. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code, including any request made under section 505 of the Bankruptcy Code for the expedited determination of any unpaid liability of a Debtor for any tax incurred during the administration of the Chapter 11 Cases, including any tax liability arising from or relating to the Restructuring Transactions, for tax periods ending after the Petition Date and through the closing of the Chapter 11 Cases;

20. except as otherwise limited herein, recover all assets of the Debtors and property of the Estates, wherever located;

21. enforce all orders previously entered by the Bankruptcy Court; and

22. hear any other matter not inconsistent with the Bankruptcy Code.

ARTICLE XII.
MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect.

Subject to Article IX.C and Article IX.D of the Plan, as applicable, and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan shall be immediately effective and enforceable and deemed binding upon the applicable Debtors, the Reorganized Debtors, and any and all applicable Holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, exculpations, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. Nothing in the Plan or the Confirmation Order affects the DIP Lenders' rights or interests provided under the DIP Facilities, the DIP Agreements, or the DIP Orders, including with respect to (1) any waivers or releases contained therein or (2) the DIP Agents' rights to exercise event of default remedies (including after the Confirmation Date and before the Effective Date), until the DIP Claims are satisfied in full.

B. Additional Documents.

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or advisable to effectuate and further evidence the terms and conditions of the Plan, in accordance with the Merger Agreement, the EFIH Unsecured Creditor Plan Support Agreement, and the Plan Sponsor Plan Support Agreement. The Debtors or the Reorganized Debtors, as applicable, and all Holders of

Claims and Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Payment of Statutory Fees.

All fees payable pursuant to section 1930(a) of the Judicial Code, including fees and expenses payable to the U.S. Trustee, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code, will be paid by each of the applicable Reorganized Debtors (or the Disbursing Agent on behalf of each of the applicable Reorganized Debtors) for each quarter (including any fraction thereof) until the applicable Chapter 11 Case of such Reorganized Debtors is converted, dismissed, or closed, whichever occurs first. All such fees due and payable prior to the Effective Date shall be paid by the Debtors on the Effective Date. After the Effective Date, the Disbursing Agent or the applicable Reorganized Debtor shall pay any and all such fees when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee, until the earliest of the date on which the applicable Chapter 11 Case of the Reorganized Debtors is converted, dismissed, or closed.

D. Statutory Committee and Cessation of Fee and Expense Payment.

On the TCEH Effective Date, any statutory committee appointed in the Chapter 11 Cases with respect to the TCEH Debtors (including the TCEH Committee) and, on the EFH Effective Date, any statutory committee appointed in the Chapter 11 Cases with respect to the EFH Debtors or the EFIH Debtors (including the EFH/EFIH Committee) shall dissolve; *provided*, *however*, that (a) following the Effective Date, the EFH/EFIH Committee and the TCEH Committee shall continue in existence and have standing and a right to be heard for the following limited purposes: (i) Claims and/or applications, and any relief related thereto, for compensation by professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; and (ii) appeals of the Confirmation Order as to which the EFH/EFIH Committee or TCEH Committee, as applicable, is a party; and (b) following the TCEH Effective Date, the TCEH Committee shall continue in existence and have standing and a right to be heard for the purpose of (i) the sale of the EFH Debtors and EFIH Debtors' indirect interest in Oncor and confirmation of the Plan related to the EFH Debtors and EFIH Debtors and (ii) estimating, objecting to, allowing, or setting reserves with respect to any Disputed Claims that could have a material impact on the timing and amount of distributions to Holders of Allowed Claims in Class C4 or Class C5; *provided*, that the Debtors and Reorganized Debtors shall not be liable or otherwise responsible for paying any fees or expenses incurred by the members of or advisors to the TCEH Committee after the TCEH Effective Date in connection with any such activities in this subclause (b) in excess of $200,000, in the aggregate. Upon dissolution of the EFH/EFIH Committee and TCEH Committee, the members thereof and their respective officers, employees, counsel, advisors, and agents shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to any statutory committees after the Effective Date, except for the limited purposes identified above.

E. Reservation of Rights.

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor or other Entity with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor or any other Entity with respect to the Holders of Claims or Interests prior to the Effective Date.

F. Successors and Assigns.

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. Consent Rights in Taxable Separation.

Notwithstanding anything to the contrary herein, in the event the Taxable Separation is pursued, no party (other than (i) the TCEH Debtors, including the TCEH Debtors acting at the direction of the applicable Disinterested Directors and Managers with respect to Conflict Matters, (ii) the TCEH Supporting First Lien Creditors, or (iii) the TCEH DIP Agent) shall have any consent, consultation, approval, or similar rights with respect to: (i) any document referenced in this Plan (including any Plan Supplement document) with respect to the Plan of the TCEH Debtors, that does not affect in any respect any EFH Debtor, any EFIH Debtor, Oncor, the Plan Sponsor, or any Affiliate of the Plan Sponsor and to which none of the EFH Debtor or EFIH Debtor or Oncor is a party; (ii) the satisfaction or waiver of any of the conditions to Confirmation or Consummation as to the TCEH Debtors; or (iii) any other issue or matter for which seeking or obtaining the consent of the applicable party would be reasonably likely to impede or delay consummation of the Taxable Separation and/or Consummation as to the TCEH Debtors.

H. Notices.

All notices, requests, and demands to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

1. if to the Debtors, to:

Energy Future Holdings Corp.
1601 Bryan Street,
Dallas, Texas 75201
Attention: Andrew Wright and Cecily Gooch
Email address: andrew.wright@energyfutureholdings.com and
cecily.gooch@energyfutureholdings.com

with copies to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Facsimile: (212) 446-4900
Attention: Edward O. Sassower, P.C.
E-mail addresses: edward.sassower@kirkland.com
--and--

Kirkland & Ellis LLP
300 North LaSalle
Chicago, Illinois 60654
Facsimile: (312) 862-2200
Attention: James H.M. Sprayregen, P.C., Marc Kieselstein, P.C., Chad J. Husnick, and Steven N. Serajeddini
E-mail addresses: james.sprayregen@kirkland.com, marc.kieselstein@kirkland.com, chad.husnick@kirkland.com, and
steven.serajeddini@kirkland.com

--and--

Proskauer Rose LLP
Three First National Plaza
70 W. Madison Street, Suite 3800
Chicago, Illinois 60602
Facsimile: (312) 962-3551
Attention: Jeff J. Marwil, Mark. K. Thomas, and Peter J. Young

E-mail addresses: jmarwil@proskauer.com, mthomas@proskauer.com, and pyoung@proskauer.com

--and--

Cravath Swaine and Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019
Facsimile: (212) 474-3700
Attention: Philip Gelston
E-mail address: pgelston@cravath.com

--and--

Jenner & Block LLP
919 Third Avenue
New York, New York 10022
Facsimile: (212) 891-1699
Attention: Richard Levin
E-mail address: rlevin@jenner.com

--and--

Munger, Tolles & Olson LLP
355 South Grand Avenue, 35th Floor
Los Angeles, California 90071
Facsimile: (213) 683-4022
Attention: Thomas B. Walper and Seth Goldman
E-mail addresses: thomas.walper@mto.com and seth.goldman@mto.com

2. if to the TCEH DIP Agent, to:

White & Case LLP
1155 Avenue of the Americas
New York, New York 10005
Attention: Eric Leicht, Andrew Ambruoso, and Robert Morrison
E-mail addresses: eleicht@whitecase.com, aambruoso@whitecase.com, rmorrison@whitecase.com

3. if to the EFIH First Lien DIP Agent, to:

Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
Attention: Fredric Sosnick and Ned S. Schodek
E-mail addresses: fsosnick@shearman.com and ned.schodek@shearman.com

4. if to the Plan Sponsor, to:

Chadbourne & Parke LLP
1301 Avenue of the Americas
New York, NY 10021
Attention: Howard Seife and Eric Daucher
E-mail addresses: hseife@chadbourne.com and edaucher@chadbourne.com

--and--

Landis Rath & Cobb LLP
919 Market Street, Suite 1800
Wilmington, Delaware 19801
Attention: Adam G. Landis and Matthew B. McGuire
E-mail addresses: landis@lrclaw.com and mcguire@lrclaw.com

5. if to the TCEH Supporting First Lien Creditors, to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019
Attention: Alan W. Kornberg, Brian S. Hermann, and Jacob A. Adlerstein
E-mail addresses: akornberg@paulweiss.com, bhermann@paulweiss.com, and jadlerstein@paulweiss.com

6. if to the TCEH Committee, to:

Morrison & Foerster LLP
250 West 55th Street
New York, New York 10019
Attention: Brett H. Miller, James M. Peck, Lorenzo Marinuzzi, and Todd M. Goren
E-mail addresses: brettmiller@mofo.com, jpeck@mofo.com, lmarinuzzi@mofo.com, and tgoren@mofo.com

After the Effective Date, the Reorganized Debtors have authority to send a notice to Entities that to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

I. Term of Injunctions or Stays.

Unless otherwise provided in the Plan or the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

J. Entire Agreement.

Except as otherwise indicated, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

K. Exhibits.

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at http://www.efhcaseinfo.com or the Bankruptcy Court's website at www.deb.uscourts.gov.

L. Nonseverability of Plan Provisions.

If, before Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted; *provided* that in no event shall the Plan Sponsor be required to consummate any of the transactions contemplated to be consummated at the Merger Closing unless the conditions to the Plan Sponsor's consummation of such transactions shall have been satisfied or waived in accordance with the Merger Agreement. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' or Reorganized Debtors' consent, as applicable; and (3) nonseverable and mutually dependent. Notwithstanding anything in this Plan to the contrary, the Plan may be confirmed and consummated as to the TCEH Debtors and the EFH Shared Services Debtors separate from, and independent of, any confirmation or consummation of this Plan as to any of the EFH Debtors or EFIH Debtors.

M. Votes Solicited in Good Faith.

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, managers, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable law (including the Securities Act), rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan and any previous plan.

N. Waiver or Estoppel.

Each Holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, Secured or not subordinated by virtue of an agreement made with the Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed before the Confirmation Date.

O. Conflicts.

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, the Merger Agreement, or any agreement or order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control; *provided, however*, with respect to any conflict or inconsistency between the Plan and the Confirmation Order, the Confirmation Order shall govern; *provided further, however*, that in no event shall the Plan Sponsor be required to consummate any of the transactions contemplated to be consummated at the Merger Closing unless the conditions to the Plan Sponsor's consummation of such transactions shall have been satisfied or waived in accordance with the Merger Agreement.

[*Remainder of page intentionally left blank.*]

Dated: February 17, 2017

Respectfully submitted,

ENERGY FUTURE HOLDINGS CORP.
TEXAS COMPETITIVE ELECTRIC HOLDINGS COMPANY LLC
4CHANGE ENERGY COMPANY
4CHANGE ENERGY HOLDINGS LLC
BIG BROWN 3 POWER COMPANY LLC
BIG BROWN LIGNITE COMPANY LLC
BIG BROWN POWER COMPANY LLC
BRIGHTEN ENERGY LLC
BRIGHTEN HOLDINGS LLC
COLLIN POWER COMPANY LLC
DALLAS POWER & LIGHT COMPANY, INC.
DECORDOVA II POWER COMPANY LLC
DECORDOVA POWER COMPANY LLC
EAGLE MOUNTAIN POWER COMPANY LLC
EBASCO SERVICES OF CANADA LIMITED
EEC HOLDINGS, INC.
EECI, INC.
EFH AUSTRALIA (NO. 2) HOLDINGS COMPANY
EFH CG HOLDINGS COMPANY LP
EFH CG MANAGEMENT COMPANY LLC
EFH CORPORATE SERVICES COMPANY
EFIH FINANCE (NO. 2) HOLDINGS COMPANY
EFIH FINANCE INC.
EFH FS HOLDINGS COMPANY
ENERGY FUTURE COMPETITIVE HOLDINGS COMPANY LLC
ENERGY FUTURE INTERMEDIATE HOLDING COMPANY LLC
EFH RENEWABLES COMPANY LLC
GENERATION DEVELOPMENT COMPANY LLC
GENERATION MT COMPANY LLC
GENERATION SVC COMPANY
LAKE CREEK 3 POWER COMPANY LLC
LONE STAR ENERGY COMPANY, INC.
LONE STAR PIPELINE COMPANY, INC.
LSGT GAS COMPANY LLC
LSGT SACROC, INC.
LUMINANT BIG BROWN MINING COMPANY LLC
LUMINANT ENERGY COMPANY LLC
LUMINANT ENERGY TRADING CALIFORNIA COMPANY
LUMINANT ET SERVICES COMPANY
LUMINANT GENERATION COMPANY LLC
LUMINANT HOLDING COMPANY LLC
LUMINANT MINERAL DEVELOPMENT COMPANY LLC
LUMINANT MINING COMPANY LLC
LUMINANT RENEWABLES COMPANY LLC
MARTIN LAKE 4 POWER COMPANY LLC
MONTICELLO 4 POWER COMPANY LLC
MORGAN CREEK 7 POWER COMPANY LLC
NCA DEVELOPMENT COMPANY LLC
NCA RESOURCES DEVELOPMENT COMPANY LLC
OAK GROVE MANAGEMENT COMPANY LLC
OAK GROVE MINING COMPANY LLC
OAK GROVE POWER COMPANY LLC
SANDOW POWER COMPANY LLC

SOUTHWESTERN ELECTRIC SERVICE COMPANY, INC.
TCEH FINANCE, INC.
TEXAS ELECTRIC SERVICE COMPANY, INC.
TEXAS ENERGY INDUSTRIES COMPANY, INC.
TEXAS POWER & LIGHT COMPANY, INC.
TEXAS UTILITIES COMPANY, INC.
TEXAS UTILITIES ELECTRIC COMPANY, INC.
TRADINGHOUSE 3 & 4 POWER COMPANY LLC
TRADINGHOUSE POWER COMPANY LLC
TXU ELECTRIC COMPANY, INC.
TXU ENERGY RECEIVABLES COMPANY LLC
TXU ENERGY RETAIL COMPANY LLC
TXU ENERGY SOLUTIONS COMPANY LLC
TXU RECEIVABLES COMPANY
TXU RETAIL SERVICES COMPANY
TXU SEM COMPANY
VALLEY NG POWER COMPANY LLC
VALLEY POWER COMPANY LLC

By: _____*/s/ Anthony Horton*_____

Name: Anthony Horton
Title: Executive Vice President and Chief Financial Officer of EFH Corp., and EFIH

Prepared by:
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Counsel to the Debtors and Debtors in Possession

--and--

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Peter J. Young (admitted *pro hac vice*)
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--and--

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JENNER & BLOCK LLP
Richard Levin (admitted *pro hac vice*)
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New York, New York 10022
(212) 891-1600 (telephone)

Co-Counsel to the Debtor Energy Future Intermediate Holding Company LLC

--and--

MUNGER, TOLLES & OLSON LLP
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Todd J. Rosen (admitted *pro hac vice*)
Seth Goldman (admitted *pro hac vice*)
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Los Angeles, California 90071
(213) 683-9100 (telephone)

Co-Counsel to the TCEH Debtors

EXHIBIT A

TCEH's Debtor Subsidiaries

4Change Energy Company
4Change Energy Holdings LLC
Big Brown 3 Power Company LLC
Big Brown Lignite Company LLC
Big Brown Power Company LLC
Collin Power Company LLC
DeCordova Power Company LLC
DeCordova II Power Company LLC
Eagle Mountain Power Company LLC
Generation MT Company LLC
Generation SVC Company
Lake Creek 3 Power Company LLC
Luminant Big Brown Mining Company LLC
Luminant Energy Company LLC
Luminant Energy Trading California Company
Luminant ET Services Company
Luminant Generation Company LLC
Luminant Holding Company LLC
Luminant Mineral Development Company LLC
Luminant Mining Company LLC
Luminant Renewables Company LLC
Martin Lake 4 Power Company LLC
Monticello 4 Power Company LLC
Morgan Creek 7 Power Company LLC
NCA Resources Development Company LLC
Oak Grove Management Company LLC
Oak Grove Mining Company LLC
Oak Grove Power Company LLC
Sandow Power Company LLC
TCEH Finance, Inc.
Tradinghouse 3 & 4 Power Company LLC
Tradinghouse Power Company LLC
TXU Energy Receivables Company LLC
TXU Energy Retail Company LLC
TXU Energy Solutions Company LLC
TXU Retail Services Company
TXU SEM Company
Valley NG Power Company LLC
Valley Power Company LLC

Exhibit 4 (a)

Underwriting Agreement, dated December 1, 2016, with respect to the Lee County Series 2016A Bonds.

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project),
Series 2016A

UNDERWRITING AGREEMENT

UNDERWRITING AGREEMENT, dated December 1, 2016, between Lee County Industrial Development Authority (the "Issuer"), and Morgan Stanley & Co. LLC (the "Underwriter").

1. Description of Bonds. The Issuer proposes to issue and sell $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A, with the terms specified in Schedule I hereto (the "Bonds"), pursuant to a Trust Indenture, to be dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and pursuant to a resolution adopted by the Issuer on October 28, 2016 (the "Resolution"). The Bonds will be payable, except to the extent payable from bond proceeds and other moneys pledged therefor, solely from, and secured by a pledge of, the revenues to be derived by the Issuer under a Loan Agreement, to be dated as of December 1, 2016 (the "Loan Agreement"), by and between the Issuer and Florida Power & Light Company (the "Company").

2. Purchase, Sale and Closing. On the basis of the representations and warranties contained herein and in the Letter of Representation, hereinafter defined, and subject to the terms and conditions set forth herein and in the Official Statement, hereinafter defined, the Underwriter will purchase from the Issuer, and the Issuer will sell to such Underwriter, the Bonds. The price for the Bonds will be 100% of the principal amount thereof less an underwriting fee of $18,750.00 and out-of-pocket expenses of $1,183.33. The closing will be held at the office of Nabors, Giblin & Nickerson, P.A., 2502 Rocky Point Drive, Suite 1060, Tampa, FL 33607, at 11:00 a.m. New York time on December 2, 2016, or such other date, time or place as may be agreed upon by the parties hereto. The hour and date of such closing are herein called the "Closing Date". The Bonds will be delivered in New York, New York in registered form in the name of a nominee of The Depository Trust Company, and will be made available to the Underwriter for inspection at such place as may be agreed upon by the Issuer, the Company and the Underwriter.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter

has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement and, with respect to its role as remarketing agent, in the Indenture and the Remarketing Agreement, dated December 2, 2016 between the Company and the Underwriter; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

3. Representations of the Issuer. The Issuer represents and warrants to the Underwriter that:

(a) The Issuer has approved the delivery of an Official Statement, dated November 21, 2016 for use in connection with the sale and distribution of the Bonds. Appendix A to such Official Statement describes certain matters relating to the Company and is sometimes herein separately referred to as "Appendix A." Such Official Statement, as amended and supplemented, including in each case Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D, is herein referred to as the "Official Statement", and all references herein to matters described, contained or set forth in the Official Statement shall, unless specifically stated otherwise, include Appendix A and all documents incorporated by reference therein, Appendix B, Appendix C and Appendix D. For the purposes of this Agreement, all documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of the Official Statement and incorporated by reference in the Official Statement shall be deemed to be a supplement to the Official Statement. The information with respect to the Issuer contained in the Official Statement under the heading "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS" does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Issuer assumes no responsibilities for the accuracy, sufficiency or fairness of any statements in the Official Statement or any supplements thereto other than statements and information therein relating to the Issuer under the captions "INTRODUCTORY STATEMENT" and "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS".

(b) The Issuer will not at any time authorize an amendment or supplement (including an amendment or supplement resulting from the filing of a document incorporated by reference) to the Official Statement without prior notice to the Company, the Underwriter, and Ballard Spahr LLP, counsel for the Underwriter, or any such amendment or supplement to which the Company or the Underwriter shall reasonably object in writing, or which shall be unsatisfactory to Ballard Spahr LLP. At the date hereof, the information with respect to the Issuer in the Official Statement is true and correct.

(c) The Issuer is a public body corporate and politic of the State of Florida with full legal right, power and authority under the laws of the State of Florida, including particularly Parts II, III and VI of Chapter 159, Florida Statutes and Part I Chapter 163, Florida Statutes, as amended, to consummate the transactions involving the Issuer contemplated herein and in the Official Statement and to fulfill the terms hereof on the part of the Issuer to be fulfilled.

(d) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms hereof on the part of the Issuer to be fulfilled, have

been duly authorized by all necessary action of the Issuer in accordance with the laws of the State of Florida.

(e) The execution and delivery by the Issuer of the Loan Agreement and the Indenture, the pledge and assignment by the Issuer to the Trustee of certain of its rights under the Loan Agreement, the consummation by the Issuer on its part of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms hereof by the Issuer and the compliance by the Issuer with all the terms and provisions of the Indenture and the Loan Agreement will not conflict with, or constitute a breach of or default under, any constitutional provision, statute or ordinance, any indenture, mortgage, deed of trust, resolution or other agreement or instrument to which the Issuer is now a party or by which it is now bound, or, to the knowledge of the Issuer, any order, rule or regulation applicable to the Issuer of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties.

(f) Except as disclosed in or contemplated by the Official Statement, as it may be amended or supplemented, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body to which the Issuer is a party, pending or, to the knowledge of the Issuer, threatened against the Issuer, (i) to restrain or enjoin the issuance or sale of the Bonds or the performance by the Issuer of the Loan Agreement or the Indenture including without limitation assignment to the Trustee of the Issuer's right to receive Loan Repayments (as defined in the Loan Agreement) and certain other rights under the Loan Agreement as security for the Bonds, or (ii) wherein an unfavorable decision, ruling or finding would (A) have a material adverse effect on the transactions contemplated herein or in the Official Statement or (B) adversely affect or put in question the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, this Agreement, the Letter of Representation, dated the date hereof, in the form attached hereto as Exhibit E (the "Letter of Representation") from the Company to the Issuer and the Underwriter or any other agreement, instrument or document to which the Issuer is a party or by which it is bound relating to the consummation of the transactions contemplated herein or in the Official Statement.

4. Underwriter's Representation. The Underwriter intends to make a public offering of the Bonds for sale upon the terms set forth in the Official Statement.

5. Covenants of the Issuer. The Issuer agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "SEC") under the Exchange Act, the Issuer shall direct the Company to deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Issuer will direct the Company to deliver to the Underwriter copies of all amendments and supplements to the Official Statement (other than documents incorporated by reference therein).

(b) It will cooperate with the Company and the Underwriter in connection with the preparation of the Official Statement and any amendment or supplement thereto which the Company may be required to furnish the Underwriter pursuant to the Letter of Representation.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Issuer shall not be required to qualify as a dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Issuer to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

(e) At the request of the Underwriter or the Company, it will take such action as is necessary and within its power and at the sole expense of the Company to assure or maintain the status of the interest on the Bonds as excluded from gross income for purposes of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder.

The foregoing covenants are conditioned upon the Company's compliance with Section 2 of the Letter of Representation.

6. Conditions of Underwriter's Obligation. The obligation of the Underwriter to purchase and pay for the Bonds shall be subject to the accuracy of, and compliance with, the representations and warranties of the Issuer and the Company contained herein and in the Letter of Representation, respectively, to the performance by the Issuer and the Company of their obligations to be performed hereunder and under the Letter of Representation, respectively, at and prior to the Closing Date and to the following conditions:

(a) At the Closing Date, the Indenture, the Loan Agreement, Continuing Disclosure Undertaking between the Company and the Trustee to be dated as of the Closing Date (the "CDU") and the Letter of Representation shall be in full force and effect, and if executed subsequent to the execution hereof and prior to the Closing Date, shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter; provided, however, that the acceptance of delivery of the Bonds by the Underwriter on the Closing Date shall be deemed to constitute such approval; and the Underwriter shall have received an executed counterpart or certified copy of the Indenture, the CDU and the Loan Agreement.

(b) At the Closing Date, the Bonds shall have been duly authorized, executed and authenticated in accordance with the provisions of the Indenture.

(c) At the Closing Date, no order, decree or injunction of any court of competent jurisdiction shall have been issued, or proceedings therefor shall have been commenced, nor shall any order, ruling, regulation or official statement by any governmental official, body or board, have been issued, nor shall any legislation have been enacted, with the purpose or effect of prohibiting or limiting the issuance, offering or sale of the Bonds as contemplated herein or in

the Official Statement or the performance of the Indenture or the Loan Agreement, in accordance with their respective terms.

(d) At the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in the transactions contemplated herein and in the Official Statement, and containing no provision unacceptable to the Underwriter by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution hereof by the Underwriter contains any such unacceptable provision.

(e) At the Closing Date, the Underwriter shall have received opinions, dated the Closing Date, of Knot Ebelini Hart, as counsel to the Issuer, substantially in the form of Exhibit A hereto, Nabors, Giblin & Nickerson, P.A., as Bond Counsel substantially in the forms of Appendix C-1 to the Official Statement and Exhibit B hereto, Squire Patton Boggs (US) LLP, as special tax counsel, substantially in the forms of Appendix C-2 to the Official Statement and Exhibit C hereto, Squire Patton Boggs LLP, as special counsel to the Company, substantially in the form of Exhibit D hereto, and Ballard Spahr LLP, as counsel for the Underwriter, substantially in the form of Exhibit E hereto, but with such changes as the Underwriter shall approve.

(f) At the Closing Date, the Underwriter shall have received from Deloitte & Touche LLP an "agreed-upon procedures letter", in form and substance satisfactory to the Underwriter, setting forth the procedures undertaken with respect to the review of the audited financial statements of the Company appearing in the Official Statement and providing certain conclusions regarding the information with respect to which such review procedures were applied.

(g) At the Closing Date, the Underwriter shall have received from the Issuer a certificate of its Chairman, dated the Closing Date, stating in effect that each of the representations and warranties of the Issuer set forth herein is true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Issuer hereunder to be performed by it at or prior to the Closing Date has been performed.

(h) At the Closing Date, the Underwriter shall have received a certified copy of the Resolution of the Issuer authorizing the issuance and sale of the Bonds.

(i) Since the date of the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), and up to the Closing Date, there shall have been no material adverse change in the business, properties or financial condition of the Company and its subsidiaries taken as a whole, except as reflected in or contemplated by the Official Statement, as it may be so amended or supplemented, and, since such date and up to the Closing Date, there shall have been no transaction entered into by the Company or any of its subsidiaries that is material to the Company and its subsidiaries taken as a whole, other than transactions reflected in or contemplated by the Official Statement, as it may be so amended or supplemented, and transactions in the ordinary course of business.

(j) At the Closing Date, the Underwriter shall have received from the Company a certificate, dated the Closing Date, signed by the President or any Vice President or the Treasurer or any Assistant Treasurer of the Company to the effect of paragraph (i) above and stating in effect that the representations and warranties of the Company set forth in the Letter of Representation are true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Company under the Letter of Representation to be performed at or prior to the Closing Date has been performed.

(k) At the Closing Date, the Underwriter shall have received from the Company evidence satisfactory to the Underwriter to the effect that Moody's Investors Service, Inc., Standard and Poor's Rating Services, a Division of The McGraw Hill Companies, Inc. and Fitch Ratings Inc. have or will provide a short term rating of "P-1", "A1" and "F1", respectively, with respect to the Bonds.

In case any of the conditions specified above in this Section 6 shall not have been fulfilled, this Agreement may be terminated by the Underwriter upon mailing or delivering written notice thereof to the Issuer and the Company. Any such termination shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

7. Termination.

(a) This Agreement may be terminated by the Underwriter by delivering written notice thereof to the Issuer and the Company, at or prior to the Closing Date, if:

(i) after the date hereof and at or prior to the Closing Date there shall have occurred any general suspension of trading in securities on the New York Stock Exchange or there shall have been established by the New York Stock Exchange or by the SEC or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any restrictions on the distribution of securities, or a general banking moratorium declared by New York or federal authorities, the effect of which on the financial markets of the United States shall be such as to make it impracticable for the Underwriter to enforce contracts for the sale of the Bonds;

(ii) there shall have occurred any new outbreak of hostilities including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement or other national or international calamity or crisis, the effect of which on the financial markets of the United States shall be such as to make it impracticable for the Underwriter to enforce contracts for the sale of the Bonds;

(iii) after the date hereof and at or prior to the Closing Date, legislation shall be enacted by the Congress or adopted by either House thereof or a decision shall be rendered by a federal court, including the Tax Court of the United States, or a ruling, regulation or order by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be issued or proposed with respect to the imposition of federal income taxation upon receipts, revenues or other income of the same kind and character expected to be derived by the Issuer, including, without limitation, loan repayments and other amounts

under the Loan Agreement, or upon interest received on bonds of the same kind and character as the Bonds, with the result in any such case that it is impracticable, in the reasonable judgment of the Underwriter, for the Underwriter to enforce contracts for the sale of the Bonds;

(iv) the subject matter of any amendment or supplement to the Official Statement prepared and furnished by the Issuer or the Company renders it, in the reasonable judgment of the Underwriter, either inadvisable to proceed with the offering or inadvisable to proceed with the delivery of the Bonds to be purchased hereunder;

(v) a stop order, release, regulation or no-action letter by or on behalf of SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering or sale of the Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including, but not limited to, the Securities Act and the Trust Indenture Act of 1939, as amended; or

(vi) there shall have occurred a material adverse change in the financial markets of the United States, the effect of which shall make it impracticable for the Underwriter to enforce contracts for the sale of the Bonds.

(b) This Agreement shall terminate upon the termination of the Letter of Representation as provided in Section 4 thereof.

(c) Any termination of this Agreement pursuant to this Section 7 shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

8. Truth-In-Bonding Statement. The Issuer is proposing to issue $30,000,000 principal amount of Bonds for the purpose of loaning the proceeds of the Bonds to the Company for its acquisition, construction and equipping of certain wastewater facilities and solid waste facilities, including functionally related and subordinate facilities, at its plant sites located in Lee County, Florida and Okeechobee County, Florida as more fully described in the Indenture. The Bonds are expected to be repaid over a period of 30 years. The Bonds will initially bear interest at a variable rate. At an assumed interest rate of 3% total interest paid over the life of the Bonds will be $27,000,000.

The source of repayment or security for this proposal is the payments by the Company under a Loan Agreement securing the Bonds. Assuming the aforementioned interest rate, authorizing the Bonds will result in an average of $1,690,081.60 average annual debt service of such moneys of the Company not being available to finance other services of the Company each year for 30 years. An itemized list setting forth the nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Bonds is set forth on Schedule II attached hereto.

9. Miscellaneous. The validity and interpretation of this Agreement shall be governed by the law of the State of Florida. This Agreement shall inure to the benefit of the Issuer, the Underwriter and the Company, and their respective successors. Nothing in this Agreement is

intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The term "successors" as used in this Agreement shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

The representations and warranties of the Issuer contained in Section 3 hereof shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of the Bonds.

10. Notices and other Actions. All notices, demands and formal actions hereunder will be in writing mailed, telecopied or delivered to:

The Issuer:	Lee County Industrial Development Authority 2201 Second Street, Suite 500 Fort Myers, Florida Attention: Executive Director
The Company:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Treasurer
The Underwriter:	Morgan Stanley & Co. LLC 1585 Broadway New York, New York 10036 Attention: Municipal Short Term Products

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman
Douglas S. Coyle

Attest:

_____
Secretary
Wayne R. Kirkwood

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

SCHEDULE I

Issuer:	Lee County Industrial Development Authority
Bonds:	
Designation:	Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A
Principal Amount:	$30,000,000
Date of Maturity:	December 1, 2046
Initial Interest Rate Mode:	Daily
Purchase Price:	100% of the principal amount thereof.
Public Offering Price:	100% of the principal amount thereof.
Redemption Provisions:	The Bonds will be subject to redemption by the Issuer, in whole or in part, at the direction of Florida Power & Light Company, as set forth in the Official Statement.
Underwriter's Fee:	$18,750

SCHEDULE II

Itemized List of Expenses:	Day Loan.....$833.33 DTC Charges.....$350.00
Finders:	None
Underwriting Fee:	$18,750.00
Management Fee:	None
Compensation to Others:	None
Name and Address of Underwriter:	Morgan Stanley & Co. LLC 1585 Broadway New York, New York 10036
Other Required Disclosures:	None

EXHIBIT A

MATTERS TO BE COVERED IN OPINION OF COUNSEL TO ISSUER

(to be addressed to the Issuer, Borrower, Bond Trustee, Bond Counsel, Special Tax Counsel and the Underwriter)

We are general counsel to the Lee County Industrial Development Authority (the "Authority") and have served as its counsel in connection with the authorization, issuance and sale by the Authority of the Authority's above-referenced (a) Series 2016A Bonds pursuant to an Underwriting Agreement, dated December 1, 2016, between the Authority and Morgan Stanley & Co. LLC (the "2016A Underwriting Agreement") and (b) Series 2016B Bonds pursuant to an Underwriting Agreement, dated December 1, 2016, between the Authority and SunTrust Robinson Humphrey, Inc. (the "2016B Underwriting Agreement," and together with the 2016A Underwriting Agreement, the "Underwriting Agreements"). Certain capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Indenture of Trust dated as of December 1, 2016, between the Authority and The Bank of New York Mellon Trust Company, N.A. (the "Trustee") (the "Indenture").

In connection with the opinions expressed below, we have relied, as to various questions of fact material to such opinions, upon the representations made by Florida Power & Light Company (the "Borrower") in the Underwriting Agreements and upon certificates delivered by or on behalf of the Borrower and the Authority on the date hereof. We have also examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and other statements of government officials and other instruments, have examined such questions of law and have satisfied ourselves as to such matters of fact as we have considered relevant and necessary as a basis for the opinions hereinafter expressed. We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures (other than those of officials of the Authority), the legal capacity of all natural persons and the conformity with the original documents of any copies thereof submitted to us for our examination.

Based on the foregoing, we are of the opinion that:

1. The Authority is a public body corporate and politic, validly existing under the laws of the State of Florida.

2. The Authority has full and lawful authority under Parts II and III of Chapter 159, Florida Statutes, as amended, to issue the Series 2016 Bonds and to lend the proceeds of the sale thereof to the Borrower pursuant to the Loan Agreement for the purposes set forth therein.

3. The Authority has full and lawful authority under Parts II and III of Chapter 159, Florida Statutes, as amended and Part I of Chapter 163, Florida Statutes, as amended to execute and deliver the Series 2016 Bonds; the Indenture; the Loan Agreement; the Underwriting Agreements; the Tax Certificate and Agreement, dated December 2 2016, among the Authority, the Borrower and The Bank of New York Mellon Trust Company, N.A.; the Resolution; and the Interlocal Agreement, dated April 22, 2016, between the Authority and Okeechobee County, Florida (collectively, the "Authority Documents").

4. The Series 2016 Bonds and the Authority Documents have been duly authorized, executed and delivered by and for, and on behalf of, the Authority.

5. The authorization, execution and delivery by the Authority of the Series 2016 Bonds and the Authority Documents, and compliance with the provisions thereof by the Authority, under the circumstances contemplated therein, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach or default under any existing regulation, order or consent decree known to us of any court or governmental tribunal to which the Authority is subject.

6. No approval, consent or authorization of any Florida governmental authority or public agency not already obtained is required in connection with the consummation by the Authority of the transactions contemplated by the Official Statement, dated November 21, 2016 (the "Official Statement") or the Authority Documents or the performance of the Authority's obligations under the Authority Documents other than any approval, consent or authorization required by Florida's securities or blue sky laws, as to which we express no opinion.

7. The Authority has duly approved the use and distribution of the Official Statement at the meeting wherein the Resolution was adopted and has duly authorized such changes therein as shall be approved by the Borrower in order to reflect the final terms and details of the Series 2016 Bonds.

8. To our knowledge and except as disclosed in or contemplated by the Official Statement: (i) there is not now pending or threatened any suit or proceeding against or affecting the Authority in any court or before or by any governmental entity, agency, tribunal or board seeking to restrain or enjoin the issuance, sale or delivery of the Series 2016 Bonds, or questioning or affecting the validity or enforceability against the Authority in accordance with the terms of the Series 2016 Bonds, the other Authority Documents or the Authority's proceedings or authority under which the Series 2016 Bonds are to be issued; (ii) neither the creation, organization or existence of the Authority nor the title of current members or other officials of the Authority to their respective offices is being contested; and (iii) there is no suit or proceeding pending or threatened which in any manner questions the right of the Authority (a) to enter into the Authority Documents, (b) to secure the Series 2016 Bonds in the manner provided in the Indenture,

the Loan Agreement and the Act, or (c) to loan the proceeds of the sale of the Series 2016 Bonds to the Borrower to be used for the purposes described in the Loan Agreement.

We have not been asked to express, and are not herein expressing, an opinion as to the validity of the Series 2016 Bonds, the tax status of the Series 2016 Bonds under the laws of any jurisdiction or the creation or perfection of any security interest by or against the Authority. With respect to certain of these matters, we understand that you are relying upon the opinions of Nabors, Giblin & Nickerson, P.A., Bond Counsel and Squire Patton Boggs (US) LLP, Special Tax Counsel.

This opinion is being delivered solely for the benefit of the persons to whom it is addressed; accordingly, it may not be relied upon by any other person, quoted, filed with any governmental authority or other regulatory agency or otherwise circulated or utilized for any purpose without our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

(to be addressed to the Underwriter)

We have served as Bond Counsel to Lee County Industrial Development Authority (the "Issuer") in connection with the issuance and sale of its $30,000,000 Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Series 2016A Bonds") to Morgan Stanley & Co. LLC (the "Series 2016A Underwriter") pursuant to the Underwriting Agreement, dated December 1, 2016, between the Issuer and the Series 2016A Underwriter (the "Series 2016A Underwriting Agreement") and its $30,000,000 Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Series 2016B Bonds," and together with the Series 2016A Bonds, collectively the "Bonds") to SunTrust Robinson Humphrey, Inc. (the "Series 2016B Underwriter" and together with the Series 2016A Underwriter, the "Underwriters") pursuant to the Underwriting Agreement, dated December 1, 2016, between the Issuer and the Series 2016B Underwriter (the "Series 2016B Underwriting Agreement" and together with the Series 2016A Underwriting Agreement, the "Underwriting Agreements"), and we have participated in various proceedings related thereto. Capitalized terms used herein which are defined in the Underwriting Agreements shall have the meanings specified therein.

We have examined, among other things, the Act, the Bond Resolution, the proceedings of the Issuer with respect to the authorization and issuance of the Bonds, the Official Statement and the Underwriting Agreements, and have made such other examination of applicable Florida and other laws as we have deemed necessary in giving this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Bond Resolution and the Underwriting Agreements, the certified proceedings and other certifications of public officials furnished to us, and certifications furnished to us by or on behalf of the Issuer, without undertaking to verify the same by independent investigation

Based on the foregoing, under existing law, we are of the opinion that:

(a) The Bonds are not subject to the registration requirement of the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(b) The information contained in the Official Statement for the Bonds dated November 21, 2016 (the "Official Statement") under the captions "THE SERIES 2016

BONDS" (excluding the subheading "Book-Entry System"), "THE AGREEMENT" and "THE INDENTURE" (other than the financial, statistical and demographic information included therein, as to all of which no opinion is expressed) insofar as such statements purport to be summaries of certain provisions of the Bonds and the Bond Resolution, constitute a fair summary of the information purported to be summarized therein. It should be noted that such summaries do not purport to summarize all of the provisions of, and are qualified in their entirety by, the complete documents or provisions which are summarized.

We express no opinion as to the information contained in the Official Statement other than as provided in paragraph (b) above. The opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation or duty to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Of even date herewith we have delivered our approving opinion with respect to the Bonds. This letter shall confirm that you may rely on such opinion as if it were addressed to you; provided, however, no attorney-client relationship has existed or exists between our firm and you in connection with the Bonds and by virtue of this opinion letter or our Bond Counsel Opinion.

We are furnishing this letter to you, as Underwriters of the Bonds, solely for your benefit. The letter is not to be used, circulated, quoted or otherwise referred to for any other purpose.

Very truly yours,

EXHIBIT C

FORM OF SPECIAL COUNSEL TO THE COMPANY'S OPINION

December 2, 2016

To: Lee County Industrial Development Authority
Fort Myers, Florida

Suntrust Robinson Humphrey, Inc.
Atlanta, GA

(the "Underwriter" named in
the Underwriting Agreement dated
December 1, 2016 (the "Agreement") relating
to the Bonds referred to below)

Re: $30,000,000 Lee County Industrial Development Authority, Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B

We have acted as counsel to our client, Florida Power & Light Company (the "Company"), in connection with the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of the Issuer's Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Bonds"), issued under the Trust Indenture, dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Agreement.

We have participated in the preparation of or reviewed (1) the Indenture, (2) the Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), by and between the Company and the Issuer; (3) the Letter of Representation, dated December 1, 2016 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (4) the Official Statement, dated November 21, 2016, including Appendix A and all documents incorporated by reference therein (the "Official Statement"), (5) the Remarketing Agreement, dated December 2, 2016 (the "Remarketing Agreement"), by and between the Company and SunTrust Robinson Humphrey, Inc.; (6) the Continuing Disclosure Undertaking, dated December 2, 2016 (the "Continuing Disclosure Undertaking"), by and between the Company and the Trustee; and (7) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in the preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2016.

Upon the basis of the foregoing and at the request of the Company, we advise you that:

The Company is a validly organized and existing corporation and is in active status under the laws of the State of Florida, and is doing business in that State, and has valid franchises, licenses and permits adequate for the conduct of its business.

The Company is a corporation duly authorized by its Restated Articles of Incorporation, as amended (the "Charter"), to conduct the business which it is now conducting as set forth in the Official Statement; the Company is subject, as to retail rates and services, issuance of securities, accounting and certain other matters, to the jurisdiction of the Florida Public Service Commission; and the Company is subject, as to wholesale rates, accounting and certain other matters, to the jurisdiction of the Federal Energy Regulatory Commission.

Except as stated or referred to in the Official Statement, as amended or supplemented to date (including amendments or supplements to date resulting from the filing of documents incorporated therein by reference), to our knowledge after due inquiry, there are no material pending legal proceedings to which the Company is a party or of which property of the Company is the subject which if determined adversely would have a material adverse effect on the Company and its subsidiaries taken as a whole and, to the best of our knowledge, no such proceeding is known by us to be contemplated by governmental authorities. We know of no litigation or proceedings, pending or threatened, challenging the validity of the Loan Agreement or the Letter of Representation or seeking to enjoin the performance of the Company's obligations thereunder.

The Loan Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting creditors' rights and remedies generally and general equity principles and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 7.3 therein.

The Letter of Representation has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 6 therein.

The Remarketing Agreement has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium or

other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 4 therein.

The Continuing Disclosure Undertaking has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought.

The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Amended and Restated Bylaws of the Company, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

1. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body is legally required for the performance of the Company's obligations under the Loan Agreement.

The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Nabors, Giblin & Nickerson P.A. as Bond Counsel, as to the legal status of the Issuer and we have made no independent factual investigation with respect to such exclusion.

Additionally, we refer you to the Official Statement. As counsel to the Company and as Special Tax Counsel, we reviewed the Official Statement and participated in discussions with your representatives and certain officers and employees of the Company, certain of its other legal counsel, its independent registered public accounting firm, Bond Counsel and your counsel regarding such documents and information and related matters. The purpose of our professional engagement was not to establish or confirm factual matters set forth in the Official Statement and we have not undertaken any obligation to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Official Statement involve matters of a non-legal nature.

Subject to the foregoing, we confirm to you, on the basis of the information gained by those of our lawyers involved in the review and discussions referred to above, in the course of performing the services referred to above, that each of the documents incorporated by reference in the Official Statement (except as to the financial statements, schedules and other financial, statistical and accounting data, including any such data presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, as to which we make no comment), at the time such document was filed with the Securities and Exchange Commission, appeared on its face to be appropriately responsive in all material respects to the applicable requirements of the Securities Exchange Act of 1934, as amended and the applicable instructions, rules and regulations of the Securities and Exchange Commission thereunder.

Furthermore, subject to the foregoing, nothing came to the attention of those lawyers that caused them to believe that the Official Statement, as of its date, and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that (a) we are not passing upon and do not assume any responsibility for the accuracy or completeness of, or otherwise verified, the statements contained in the Official Statement (except as and to the extent set forth in this paragraph), (b) we do not express any belief with respect to the financial statements, schedules, notes, other financial, statistical and accounting information derived therefrom, including any such information presented in interactive data format, and assessments or reports on the effectiveness of internal control over financial reporting, in each case contained in the Official Statement or incorporated by reference, as the case may be, at the respective times as of which the advisements set forth in this paragraph are provided and (c) we do not express any belief with respect to statements made in the Official Statement under the captions "The Issuer" or "Disclosure Required by Florida Blue Sky Regulations" or in Appendix C-1 Form of Approving Opinion of Bond Counsel. Additionally, the information contained in the Official Statement under the heading "TAX MATTERS," and on the cover relating to our opinion as Special Tax Counsel fairly and accurately describes the information purported to be set forth.

This letter is being furnished only to you for your use solely in connection with the transaction described herein and may not be relied upon by anyone else or for any other purpose without our prior written consent. No confirmations other than those expressly' stated herein shall be implied or inferred as a result of anything contained in or omitted from this letter. The confirmations expressed in this letter are stated only as of the time of its delivery and we disclaim any obligation to revise or supplement this letter thereafter.

Very truly yours,

EXHIBIT D

FORM OF UNDERWRITER'S COUNSEL OPINION

December 2, 2016

Morgan Stanley & Co. LLC, as Underwriter
1585 Broadway
New York, New York 10036

Re: $30,000,000 Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016A

Ladies and Gentlemen:

We have acted as counsel to Morgan Stanley & Co. LLC (the "Underwriter") in connection with the issuance by Lee County Industrial Development Authority (the "Issuer") of the above-captioned bonds (the "Series 2016A Bonds"). The Series 2016A Bonds are being issued on the date hereof pursuant to a Trust Indenture dated as of December 1, 2016 (the "Indenture") between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") on behalf of Florida Power & Light Company (the "Borrower"). Each term used but not defined herein has the meaning assigned to such term in the Underwriting Agreement dated December 1, 2016 (the "Underwriting Agreement") between the Issuer and the Underwriter.

In connection with our engagement, we have examined originals or copies of the documents delivered at the closing on December 2, 2016, as listed in the List of Closing Documents dated as of the closing date, and such laws as we deemed necessary. We have also reviewed, and believe you may reasonably rely upon, the opinions delivered to you today pursuant to the provisions of the Underwriting Agreement by Knot Ebelini Hart, as counsel to the Issuer, Nabors, Giblin & Nickerson, P.A., as Bond Counsel and Squire Patton Boggs LLP, as counsel to the Company.

Based upon the foregoing, we are of the opinion that:

(1) The conditions in the Underwriting Agreement relating to your obligation to purchase the Series 2016A Bonds have been satisfied or waived by you.

(2) No registration need be made with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in connection with the offering and sale of the Series 2016A Bonds, and neither the Indenture nor any other instrument is required to be qualified under the Trust Indenture Act of 1939, as amended, in connection with the offering and sale of the Series 2016A Bonds.

(3) The Continuing Disclosure Undertaking dated December 1, 2016 between the Borrower and the Trustee, complies as to form with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934.

We have participated in the preparation of the Official Statement, dated November 21, 2016 (including the appendices thereto, the "Official Statement") relating to the offering and sale of the Series 2016 Bonds. We have also participated in certain discussions with the officials of the Borrower and others in order to assist the Underwriter in its investigation of the business affairs of the Borrower. In addition to our examination of the Closing Documents, we have participated with the Underwriter by

telephone with officials of the Borrower and its counsel on November 21, 2016 to review the present business of the Borrower and its operations and financial condition, and to inquire about the prospective business, operations and financial condition of the Borrower and the accuracy of the factual statements contained in the Official Statement.

Except for the review of documents and laws and the discussions referred to above, we have not made any independent investigation of the Borrower's business affairs or any independent verification of the statements of fact contained in the Official Statement. On the basis of our participation, we do not believe that the Official Statement, as of its date, or as of the date hereof, in each case except for (i) financial projections or other financial or statistical data included or incorporated by reference therein, (ii) the information relating to The Depository Trust Company under the heading "THE SERIES 2016 BONDS — Book-Entry System," and (iii) Appendix C of the Official Statement , as to all of which we express no belief, contained or contains, as applicable, any untrue statement of a material fact or omitted or omits to state a material fact, which, in our judgment, should be included in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

We are furnishing this letter to the Underwriter solely for its benefit. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person, provided it may be included in any Closing Index. This letter is not intended to and may not be relied upon by holders of the Bonds or any party who is not the Underwriter.

Very truly yours,

EXHIBIT E

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

December 1, 2016

To: Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

(the "Underwriter" named in the
Underwriting Agreement dated
the date hereof (the "Agreement")
relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Agreement):

11. Representations and Warranties of the Company. The Company represents and warrants that:

(a) When the Official Statement shall be issued and at the Closing Date, the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "TAX MATTERS", "UNDERWRITING" (second paragraph only) and "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS" or in Appendices B, C, D and E or

in the statements on the cover page with respect to the initial public offering price, tax matters or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter.

(b) The documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented, fully complied, at the time they were filed with the Securities and Exchange Commission (the "Commission"), in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder.

(c) The financial statements contained or incorporated by reference in Appendix A to the Official Statement present fairly the consolidated financial condition and results of operations of the Company and its subsidiaries taken as a whole at the respective dates or for the respective periods to which they apply; and such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Official Statement.

(d) Since the most recent dates as of which information is given in the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), there has not been any material adverse change in the business, properties or financial condition of the Company, and its subsidiaries taken as a whole, nor has any transaction been entered into by the Company or any of its subsidiaries that is material to FPL and its subsidiaries taken as whole, other than changes and transactions reflected in or contemplated by the Official Statement, as it may be amended or supplemented, and transactions in the ordinary course of business. The Company and its subsidiaries do not have any material contingent obligation which is not reflected in or contemplated by the Official Statement, as it may be amended or supplemented.

(e) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation, on the part of the Company to be fulfilled, have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), its Amended and Restated Bylaws (the "Bylaws") and applicable law, and this Letter of Representation constitutes, and the Loan Agreement and the Continuing Disclosure Undertaking ("CDU") when executed and delivered by the Company will constitute, legal, valid and binding obligations of the Company in accordance with their terms, except as limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and general equity principles, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 6 herein and Section 7.3 of the Loan Agreement.

(f) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement, the CDU and this Letter of Representation will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or Bylaws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties, or financial condition of the Company and its subsidiaries taken as a whole.

(g) The terms and conditions of the Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

1A. Acknowledgment of the Company. The Company acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Company; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Company and has not assumed any advisory or fiduciary responsibility the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Company on other matters); (iii) the only obligations the Underwriter has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement and, with respect to its role as remarketing agent, in the Indenture and the Remarketing Agreement, dated December 1, 2016, between the Company and the Underwriter; and (iv) the Company has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

12. Covenants of the Company. The Company agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the SEC under the Exchange Act, the Company shall deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Company will deliver to the Underwriter copies of all amendments and supplements to the Official Statement.

(b) At its expense, if requested by the Underwriter, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

13. Expenses.

(a) Upon the issuance and delivery of the Bonds by the Issuer to the Underwriter, the Company will pay, or cause to be paid, all expenses (including reasonable out-of-pocket expenses of the Underwriter) and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the underwriting papers, the Bonds, the Official Statement, this Letter of Representation and the blue sky survey, including without limitation: (A) any taxes, other than transfer taxes, in connection with the issuance of the Bonds hereunder; (B) any rating agency fees; (C) the fees of the Trustee; (D) the fees and disbursements of Bond Counsel, Issuer Counsel and the Company; (E) the fees of the Issuer; and (F) the fees and disbursements (including filing fees) of Ballard Spahr LLP, counsel for the Underwriter.

(b) If the Agreement is terminated in accordance with the provisions of Sections 6 or 7(b) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, and the reasonable out-of-pocket expenses of the Underwriter, not in excess, however, of an aggregate of $5,000 and the Underwriter will pay the remainder of its expenses.

(c) If the Agreement is terminated in accordance with the provisions of Section 7(a) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3 and the Underwriter will pay the remainder of its expenses.

(d) If the Underwriter shall fail or refuse, otherwise than for some reason sufficient to justify, in accordance with the terms of the Agreement, the cancellation or termination of its obligation thereunder, to purchase and pay for the Bonds as provided in Section 2 thereof, the Underwriter will pay all the expenses referred to in subsection (a) of this Section 3.

(e) The Issuer shall not in any event be liable to the Underwriter or the Company for any expenses or costs incident to the issuance and sale of the Bonds nor for damages on account of loss of anticipated profits. The Company shall not in any event be liable to the Underwriter for damages on account of loss of anticipated profits. Nothing herein shall be construed to relieve the Underwriter of its liability for its default under the Agreement.

14. Conditions of the Company's Obligation. The obligation of the Company to participate in the transactions contemplated herein and in the Official Statement shall be subject to the condition that, on the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in such transactions, and containing no provision unacceptable to the Company by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution of this Letter of Representation contains any such unacceptable provision. In case the aforesaid condition shall not have been fulfilled, this Letter of Representation and the Company's obligation to participate in the transactions contemplated herein and in the Official Statement may be terminated by the Company, upon mailing or delivering written notice thereof to the Underwriter, except that the obligations of the Company under Section 3 hereof shall survive.

15. Representation of the Issuer. The acceptance and confirmation of this Letter of Representation by the Issuer shall constitute a representation and warranty by the Issuer to the Company that the representations and warranties contained in Section 3 of the Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

16. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference, shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the indemnity agreement contained in this Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "TAX MATTERS" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects (as defined in the Loan Agreement) contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "UNDERWRITING" (second paragraph only) or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and provided, further, that the indemnity agreement contained in this Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to

such person, a copy of any amendment or supplement to the Official Statement which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery. The Issuer agrees to notify promptly the Company, and the Underwriter agrees to notify promptly the Company and the Issuer, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any official or employee thereof, and the Company, its officers and directors, and each person who controls the Company within the meaning of Section 15 of the Securities Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, but only with respect to information contained under the caption "UNDERWRITING" (second paragraph only) or in the statements on the cover page with respect to the initial public offering price and terms of offering or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter. The Issuer and the Company each agree promptly to notify the Underwriter, the Issuer and the Company, as the case may be, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees, or any of its aforesaid officers and directors or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(c) The Company, the Underwriter and the Issuer each agree that, upon the receipt of notice of the commencement of any action against it, any of its aforesaid officers and directors, any of its aforesaid officials or employees or any person controlling it as aforesaid, as the case may be, in respect of which indemnity may be sought on account of any indemnity agreement contained herein, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties satisfactory to the indemnified party or parties and who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or

parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action).

17. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of Florida. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Agreement.

18. Notices. All communications hereunder shall be in writing or by telecopy and shall be mailed or delivered as follows:

If to the Underwriter:

Morgan Stanley & Co. LLC
1585 Broadway, New York
New York 10036
Attention: Municipal Short Term Products

If to the Issuer: Lee County Industrial Development Authority

2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

If to the Company: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer

[Signature Page Follows]

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By: _____
Secretary

Accepted and agreed as of the date first above written:

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Exhibit 4 (b)

Underwriting Agreement, dated December 1, 2016, with respect to the Lee County Series 2016B Bonds.

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project),
Series 2016B

UNDERWRITING AGREEMENT

UNDERWRITING AGREEMENT, dated December 1, 2016, between Lee County Industrial Development Authority (the "Issuer"), and Suntrust Robinson Humphrey, Inc. (the "Underwriter").

1. Description of Bonds. The Issuer proposes to issue and sell $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B, with the terms specified in Schedule I hereto (the "Bonds"), pursuant to a Trust Indenture, to be dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and pursuant to a resolution adopted by the Issuer on October 28, 2016 (the "Resolution"). The Bonds will be payable, except to the extent payable from bond proceeds and other moneys pledged therefor, solely from, and secured by a pledge of, the revenues to be derived by the Issuer under a Loan Agreement, to be dated as of December 1, 2016 (the "Loan Agreement"), by and between the Issuer and Florida Power & Light Company (the "Company").

2. Purchase, Sale and Closing. On the basis of the representations and warranties contained herein and in the Letter of Representation, hereinafter defined, and subject to the terms and conditions set forth herein and in the Official Statement, hereinafter defined, the Underwriter will purchase from the Issuer, and the Issuer will sell to such Underwriter, the Bonds. The price for the Bonds will be 100% of the principal amount thereof less an underwriting fee of $18,750 and out-of-pocket expenses of $1,183.33. The closing will be held at the office of Nabors, Giblin & Nickerson, P.A., 2502 Rocky Point Drive, Suite 1060, Tampa, FL 33607, at 11:00 a.m. New York time on December 2, 2016, or such other date, time or place as may be agreed upon by the parties hereto. The hour and date of such closing are herein called the "Closing Date". The Bonds will be delivered in New York, New York in registered form in the name of a nominee of The Depository Trust Company, and will be made available to the Underwriter for inspection at such place as may be agreed upon by the Issuer, the Company and the Underwriter.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in

(e) The execution and delivery by the Issuer of the Loan Agreement and the Indenture, the pledge and assignment by the Issuer to the Trustee of certain of its rights under the Loan Agreement, the consummation by the Issuer on its part of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms hereof by the Issuer and the compliance by the Issuer with all the terms and provisions of the Indenture and the Loan Agreement will not conflict with, or constitute a breach of or default under, any constitutional provision, statute or ordinance, any indenture, mortgage, deed of trust, resolution or other agreement or instrument to which the Issuer is now a party or by which it is now bound, or, to the knowledge of the Issuer, any order, rule or regulation applicable to the Issuer of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities or properties.

(f) Except as disclosed in or contemplated by the Official Statement, as it may be amended or supplemented, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body to which the Issuer is a party, pending or, to the knowledge of the Issuer, threatened against the Issuer, (i) to restrain or enjoin the issuance or sale of the Bonds or the performance by the Issuer of the Loan Agreement or the Indenture including without limitation assignment to the Trustee of the Issuer's right to receive Loan Repayments (as defined in the Loan Agreement) and certain other rights under the Loan Agreement as security for the Bonds, or (ii) wherein an unfavorable decision, ruling or finding would (A) have a material adverse effect on the transactions contemplated herein or in the Official Statement or (B) adversely affect or put in question the validity or enforceability of the Bonds, the Indenture, the Loan Agreement, this Agreement, the Letter of Representation, dated the date hereof, in the form attached hereto as Exhibit E (the "Letter of Representation") from the Company to the Issuer and the Underwriter or any other agreement, instrument or document to which the Issuer is a party or by which it is bound relating to the consummation of the transactions contemplated herein or in the Official Statement.

4. Underwriter's Representation. The Underwriter intends to make a public offering of the Bonds for sale upon the terms set forth in the Official Statement.

5. Covenants of the Issuer. The Issuer agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "SEC") under the Exchange Act, the Issuer shall direct the Company to deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Issuer will direct the Company to deliver to the Underwriter copies of all amendments and supplements to the Official Statement (other than documents incorporated by reference therein).

(b) It will cooperate with the Company and the Underwriter in connection with the preparation of the Official Statement and any amendment or supplement thereto which the Company may be required to furnish the Underwriter pursuant to the Letter of Representation.

transactions contemplated herein and in the Official Statement, and containing no provision unacceptable to the Underwriter by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution hereof by the Underwriter contains any such unacceptable provision.

(e) At the Closing Date, the Underwriter shall have received opinions, dated the Closing Date, of: Knot Ebelini Hart, as counsel to the Issuer, substantially in the form of Exhibit A hereto, Nabors, Giblin & Nickerson, P.A., as Bond Counsel substantially in the forms of Appendix C-1 to the Official Statement and Exhibit B hereto, Squire Patton Boggs (US) LLP, as special tax counsel, substantially in the forms of Appendix C-2 to the Official Statement and Exhibit C hereto, and Ballard Spahr LLP, as counsel for the Underwriter, substantially in the forms of Exhibit D, but with such changes as the Underwriter shall approve.

(f) At the Closing Date, the Underwriter shall have received from Deloitte & Touche LLP an "agreed-upon procedures letter", in form and substance satisfactory to the Underwriter, setting forth the procedures undertaken with respect to the review of the audited financial statements of the Company appearing in the Official Statement and providing certain conclusions regarding the information with respect to which such review procedures were applied.

(g) At the Closing Date, the Underwriter shall have received from the Issuer a certificate of its Chairman, dated the Closing Date, stating in effect that each of the representations and warranties of the Issuer set forth herein is true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Issuer hereunder to be performed by it at or prior to the Closing Date has been performed.

(h) At the Closing Date, the Underwriter shall have received a certified copy of the Resolution of the Issuer authorizing the issuance and sale of the Bonds.

(i) Since the date of the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), and up to the Closing Date, there shall have been no material adverse change in the business, properties or financial condition of the Company and its subsidiaries taken as a whole, except as reflected in or contemplated by the Official Statement, as it may be so amended or supplemented, and, since such date and up to the Closing Date, there shall have been no transaction entered into by the Company or any of its subsidiaries that is material to the Company and its subsidiaries taken as a whole, other than transactions reflected in or contemplated by the Official Statement, as it may be so amended or supplemented, and transactions in the ordinary course of business.

(j) At the Closing Date, the Underwriter shall have received from the Company a certificate, dated the Closing Date, signed by the President or any Vice President or the Treasurer or any Assistant Treasurer of the Company to the effect of paragraph (i) above and stating in effect that the representations and warranties of the Company set forth in the Letter of Representation are true, accurate and complete in all material respects at and as of the Closing Date and that each of the obligations of the Company under the Letter of Representation to be performed at or prior to the Closing Date has been performed.

(v) a stop order, release, regulation or no-action letter by or on behalf of SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering or sale of the Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including, but not limited to, the Securities Act and the Trust Indenture Act of 1939, as amended; or

(vi) there shall have occurred a material adverse change in the financial markets of the United States, the effect of which shall make it impracticable for the Underwriter to enforce contracts for the sale of the Bonds.

(b) This Agreement shall terminate upon the termination of the Letter of Representation as provided in Section 4 thereof.

(c) Any termination of this Agreement pursuant to this Section 7 shall be without liability of any party to any other party except as otherwise provided in Section 3 of the Letter of Representation.

8. Truth-In-Bonding Statement. The Issuer is proposing to issue $30,000,000 principal amount of Bonds for the purpose of loaning the proceeds of the Bonds to the Company for its acquisition, construction and equipping of certain wastewater facilities and solid waste facilities, including functionally related and subordinate facilities, at its plant sites located in Lee County, Florida and Okeechobee County, Florida as more fully described in the Indenture. The Bonds are expected to be repaid over a period of 30 years. The Bonds will initially bear interest at a variable rate. At an assumed interest rate of 3% total interest paid over the life of the Bonds will be $27,000,000.

The source of repayment or security for this proposal is the payments by the Company under a Loan Agreement securing the Bonds. Assuming the aforementioned interest rate, authorizing the Bonds will result in an average of $1,690,081.60 average annual debt service of such moneys of the Company not being available to finance other services of the Company each year for 30 years. An itemized list setting forth the nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Bonds is set forth on Schedule II attached hereto.

9. Miscellaneous. The validity and interpretation of this Agreement shall be governed by the law of the State of Florida. This Agreement shall inure to the benefit of the Issuer, the Underwriter and the Company, and their respective successors. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The term "successors" as used in this Agreement shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman
Douglas S. Ayure

Attest:

_____
Secretary
Wayne R. Harkwood

SUNTRUST ROBINSON HUMPHREY, INC.

By:_____
Name: Henry B. Harris
Title: Managing Director,
Public Finance Origination

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____

IN WITNESS WHEREOF, the parties hereto, in consideration of the mutual covenants set forth herein and intending to be legally bound, have caused this Agreement to be executed and delivered as of the date first written above.

LEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

_____
Secretary

SUNTRUST ROBINSON HUMPHREY, INC.

By: _____
Name: Henry B. Harris
Title: Managing Director,
Public Finance Origination

Approved:

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

SCHEDULE II

Itemized List of Expenses:	Day Loan.....$833.33 DTC Charges.....$350.00
Finders:	None
Underwriting Fee:	$18,750.00
Management Fee:	None
Compensation to Others:	None
Name and Address of Underwriter:	SunTrust Robinson Humphrey, Inc. 3333 Peachtree Road, 11th Floor Atlanta, Georgia 30326
Other Required Disclosures:	None

3. The Authority has full and lawful authority under Parts II and III of Chapter 159, Florida Statutes, as amended and Part I of Chapter 163, Florida Statutes, as amended to execute and deliver the Series 2016 Bonds; the Indenture; the Loan Agreement; the Underwriting Agreements; the Tax Certificate and Agreement, dated December 2 2016, among the Authority, the Borrower and The Bank of New York Mellon Trust Company, N.A.; the Resolution; and the Interlocal Agreement, dated April 22, 2016, between the Authority and Okeechobee County, Florida (collectively, the "Authority Documents").

4. The Series 2016 Bonds and the Authority Documents have been duly authorized, executed and delivered by and for, and on behalf of, the Authority.

5. The authorization, execution and delivery by the Authority of the Series 2016 Bonds and the Authority Documents, and compliance with the provisions thereof by the Authority, under the circumstances contemplated therein, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach or default under any existing regulation, order or consent decree known to us of any court or governmental tribunal to which the Authority is subject.

6. No approval, consent or authorization of any Florida governmental authority or public agency not already obtained is required in connection with the consummation by the Authority of the transactions contemplated by the Official Statement, dated November 21, 2016 (the "Official Statement") or the Authority Documents or the performance of the Authority's obligations under the Authority Documents other than any approval, consent or authorization required by Florida's securities or blue sky laws, as to which we express no opinion.

7. The Authority has duly approved the use and distribution of the Official Statement at the meeting wherein the Resolution was adopted and has duly authorized such changes therein as shall be approved by the Borrower in order to reflect the final terms and details of the Series 2016 Bonds.

8. To our knowledge and except as disclosed in or contemplated by the Official Statement: (i) there is not now pending or threatened any suit or proceeding against or affecting the Authority in any court or before or by any governmental entity, agency, tribunal or board seeking to restrain or enjoin the issuance, sale or delivery of the Series 2016 Bonds, or questioning or affecting the validity or enforceability against the Authority in accordance with the terms of the Series 2016 Bonds, the other Authority Documents or the Authority's proceedings or authority under which the Series 2016 Bonds are to be issued; (ii) neither the creation, organization or existence of the Authority nor the title of current members or other officials of the Authority to their respective offices is being contested; and (iii) there is no suit or proceeding pending or threatened which in any manner questions the right of the Authority (a) to enter into the Authority Documents, (b) to secure the Series 2016 Bonds in the manner provided in the Indenture,

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

(to be addressed to the Underwriter)

We have served as Bond Counsel to Lee County Industrial Development Authority (the "Issuer") in connection with the issuance and sale of its $30,000,000 Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Series 2016A Bonds") to Morgan Stanley & Co. LLC (the "Series 2016A Underwriter") pursuant to the Underwriting Agreement, dated December 1, 2016, between the Issuer and the Series 2016A Underwriter (the "Series 2016A Underwriting Agreement") and its $30,000,000 Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Series 2016B Bonds," and together with the Series 2016A Bonds, collectively the "Bonds") to SunTrust Robinson Humphrey, Inc. (the "Series 2016B Underwriter" and together with the Series 2016A Underwriter, the "Underwriters") pursuant to the Underwriting Agreement, dated December 1, 2016, between the Issuer and the Series 2016B Underwriter (the "Series 2016B Underwriting Agreement" and together with the Series 2016A Underwriting Agreement, the "Underwriting Agreements"), and we have participated in various proceedings related thereto. Capitalized terms used herein which are defined in the Underwriting Agreements shall have the meanings specified therein.

We have examined, among other things, the Act, the Bond Resolution, the proceedings of the Issuer with respect to the authorization and issuance of the Bonds, the Official Statement and the Underwriting Agreements, and have made such other examination of applicable Florida and other laws as we have deemed necessary in giving this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Bond Resolution and the Underwriting Agreements, the certified proceedings and other certifications of public officials furnished to us, and certifications furnished to us by or on behalf of the Issuer, without undertaking to verify the same by independent investigation

Based on the foregoing, under existing law, we are of the opinion that:

(a) The Bonds are not subject to the registration requirement of the Securities Act of 1933, as amended, and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(b) The information contained in the Official Statement for the Bonds dated November 21, 2016 (the "Official Statement") under the captions "THE SERIES 2016

EXHIBIT C

FORM OF SPECIAL COUNSEL TO THE COMPANY'S OPINION

December 2, 2016

To: Lee County Industrial Development Authority
Fort Myers, Florida

Suntrust Robinson Humphrey, Inc.
Atlanta, GA

(the "Underwriter" named in
the Underwriting Agreement dated
December 1, 2016 (the "Agreement") relating
to the Bonds referred to below)

Re: $30,000,000 Lee County Industrial Development Authority, Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B

We have acted as counsel to our client, Florida Power & Light Company (the "Company"), in connection with the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of the Issuer's Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Bonds"), issued under the Trust Indenture, dated as of December 1, 2016 (the "Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and in connection with the sale of the Bonds to the Underwriter in accordance with the Agreement.

We have participated in the preparation of or reviewed (1) the Indenture, (2) the Loan Agreement, dated as of December 1, 2016 (the "Loan Agreement"), by and between the Company and the Issuer; (3) the Letter of Representation, dated December 1, 2016 (the "Letter of Representation"), from the Company to the Issuer and the Underwriter; (4) the Official Statement, dated November 21, 2016, including Appendix A and all documents incorporated by reference therein (the "Official Statement"), (5) the Remarketing Agreement, dated December 2, 2016 (the "Remarketing Agreement"), by and between the Company and SunTrust Robinson Humphrey, Inc.; (6) the Continuing Disclosure Undertaking, dated December 2, 2016 (the "Continuing Disclosure Undertaking"), by and between the Company and the Trustee; and (7) such corporate records, certificates and other documents and such questions of law as we have considered necessary or appropriate for purposes of this opinion. We have also participated in the preparation of the Company's application to the Florida Public Service Commission for the authorization of, among other things, the issuance and sale of debt securities during 2016.

other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought and the effect of applicable public policy on the enforceability of provisions relating to indemnification contained in Section 4 therein.

7. The Continuing Disclosure Undertaking has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding agreement of the Company enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, fraudulent conveyance, receivership, moratorium and other laws affecting the rights and remedies of creditors generally and of general principles of equity and to concepts of materiality, reasonableness, good faith and fair dealing and the discretion of the court before which any matter is brought.

8. The consummation by the Company of the transactions contemplated in the Letter of Representation, and the fulfillment by the Company of the terms of the Loan Agreement and the Letter of Representation, will not result in a breach of any of the terms or provisions of, or constitute a default under, the Charter or the Amended and Restated Bylaws of the Company, or any indenture, mortgage, deed of trust or other agreement or instrument, the terms of which are known to us, to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties or financial condition of the Company.

9. The Loan Agreement is being executed and delivered pursuant to the authority contained in an order of the Florida Public Service Commission, which authority is adequate to permit such action. To the best of our knowledge, said authorization is still in full force and effect, and no further approval, authorization, consent or order of any public board or body is legally required for the performance of the Company's obligations under the Loan Agreement.

10. The offer and sale of the Bonds do not require registration of the Bonds under the Securities Act of 1933, as amended, and, in connection therewith, the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended; provided that, in giving this opinion, we have, with your consent, relied on the opinion of even date herewith rendered to you by Nabors, Giblin & Nickerson P.A. as Bond Counsel, as to the legal status of the Issuer and we have made no independent factual investigation with respect to such exclusion.

Additionally, we refer you to the Official Statement. As counsel to the Company and as Special Tax Counsel, we reviewed the Official Statement and participated in discussions with your representatives and certain officers and employees of the Company, certain of its other legal counsel, its independent registered public accounting firm, Bond Counsel and your counsel regarding such documents and information and related matters. The purpose of our professional engagement was not to establish or confirm factual matters set forth in the Official Statement and we have not undertaken any obligation to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Official Statement involve matters of a non-legal nature.

EXHIBIT D

December 2, 2016

SunTrust Robinson Humphrey, Inc., as Underwriter
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

Re: $30,000,000 Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016B

Ladies and Gentlemen:

We have acted as counsel to SunTrust Robinson Humphrey, Inc. (the "Underwriter") in connection with the issuance by Lee County Industrial Development Authority (the "Issuer") of the above-captioned bonds (the "Series 2016B Bonds"). The Series 2016B Bonds are being issued on the date hereof pursuant to a Trust Indenture dated as of December 1, 2016 (the "Indenture") between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") on behalf of Florida Power & Light Company (the "Borrower"). Each term used but not defined herein has the meaning assigned to such term in the Underwriting Agreement dated December 1, 2016 (the "Underwriting Agreement") between the Issuer and the Underwriter.

In connection with our engagement, we have examined originals or copies of the documents delivered at the closing on December 2, 2016, as listed in the List of Closing Documents dated as of the closing date, and such laws as we deemed necessary. We have also reviewed, and believe you may reasonably rely upon, the opinions delivered to you today pursuant to the provisions of the Underwriting Agreement by Knot Ebelini Hart, as counsel to the Issuer, Nabors, Giblin & Nickerson, P.A., as Bond Counsel and Squire Patton Boggs LLP, as counsel to the Company.

Based upon the foregoing, we are of the opinion that:

(1) The conditions in the Underwriting Agreement relating to your obligation to purchase the Series 2016B Bonds have been satisfied or waived by you.

(2) No registration need be made with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in connection with the offering and sale of the Series 2016B Bonds, and neither the Indenture nor any other instrument is required to be qualified under the Trust Indenture Act of 1939, as amended, in connection with the offering and sale of the Series 2016B Bonds.

(3) The Continuing Disclosure Undertaking dated December 1, 2016 between the Borrower and the Trustee, complies as to form with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934.

We have participated in the preparation of the Official Statement, dated November 21, 2016 (including the appendices thereto, the "Official Statement") relating to the offering and sale of the Series 2016 Bonds. We have also participated in certain discussions with the officials of the Borrower and others in order to assist the Underwriter in its investigation of the business affairs of the Borrower. In addition to our examination of the Closing Documents, we have participated with the Underwriter by telephone with officials of the Borrower and its counsel on November 21, 2016 to review the present business of the Borrower and its operations and financial condition, and to inquire about the prospective business, operations and financial condition of the Borrower and the accuracy of the factual statements contained in the Official Statement.

EXHIBIT E

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

December 1, 2016

To: Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

(the "Underwriter" named in the
Underwriting Agreement dated
the date hereof (the "Agreement")
relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016B (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Agreement):

11. Representations and Warranties of the Company. The Company represents and warrants that:

(a) When the Official Statement shall be issued and at the Closing Date, the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "TAX MATTERS", "UNDERWRITING" (second paragraph only) and "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS" or in Appendices B, C, D and E or in the statements on the cover page with respect to the initial public offering price, tax matters or

(g) The terms and conditions of the Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

1A. Acknowledgment of the Company. The Company acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Company; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Company and has not assumed any advisory or fiduciary responsibility the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Company on other matters); (iii) the only obligations the Underwriter has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement and, with respect to its role as remarketing agent, in the Indenture and the Remarketing Agreement, dated December 1, 2016, between the Company and the Underwriter; and (iv) the Company has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

12. Covenants of the Company. The Company agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the SEC under the Exchange Act, the Company shall deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Company will deliver to the Underwriter copies of all amendments and supplements to the Official Statement.

(b) At its expense, if requested by the Underwriter, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

Company that the representations and warranties contained in Section 3 of the Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

16. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference, shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the indemnity agreement contained in this Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "TAX MATTERS" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects (as defined in the Loan Agreement) contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "UNDERWRITING" (second paragraph only) or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and provided, further, that the indemnity agreement contained in this Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents

defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action).

17. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of Florida. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Agreement.

18. Notices. All communications hereunder shall be in writing or by telecopy and shall be mailed or delivered as follows:

If to the Underwriter: SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By:_____
Secretary

Accepted and agreed as of the date first above written:

SUNTRUST ROBINSON HUMPHREY, INC.

By:_____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

Exhibit 4 (c)

Letter of Representation, dated December 1, 2016, with respect to the Lee County Series 2016A Bonds.

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

December 1, 2016

To: Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

(the "Underwriter" named in the
Underwriting Agreement dated
the date hereof (the "Agreement")
relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Agreement):

1. Representations and Warranties of the Company. The Company represents and warrants that:

(a) When the Official Statement shall be issued and at the Closing Date, the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "TAX MATTERS", "UNDERWRITING" (second paragraph only) and "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS" or in Appendices B, C, D and E or in the statements on the cover page with respect to the initial public offering price, tax matters or

in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter.

(b) The documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented, fully complied, at the time they were filed with the Securities and Exchange Commission (the "Commission"), in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder.

(c) The financial statements contained or incorporated by reference in Appendix A to the Official Statement present fairly the consolidated financial condition and results of operations of the Company and its subsidiaries taken as a whole at the respective dates or for the respective periods to which they apply; and such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Official Statement.

(d) Since the most recent dates as of which information is given in the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), there has not been any material adverse change in the business, properties or financial condition of the Company, and its subsidiaries taken as a whole, nor has any transaction been entered into by the Company or any of its subsidiaries that is material to FPL and its subsidiaries taken as whole, other than changes and transactions reflected in or contemplated by the Official Statement, as it may be amended or supplemented, and transactions in the ordinary course of business. The Company and its subsidiaries do not have any material contingent obligation which is not reflected in or contemplated by the Official Statement, as it may be amended or supplemented.

(e) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation, on the part of the Company to be fulfilled, have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), its Amended and Restated Bylaws (the "Bylaws") and applicable law, and this Letter of Representation constitutes, and the Loan Agreement and the Continuing Disclosure Undertaking ("CDU") when executed and delivered by the Company will constitute, legal, valid and binding obligations of the Company in accordance with their terms, except as limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and general equity principles, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 6 herein and Section 7.3 of the Loan Agreement.

(f) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement, the CDU and this Letter of Representation will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or Bylaws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties, or financial condition of the Company and its subsidiaries taken as a whole.

(g) The terms and conditions of the Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

1A. Acknowledgment of the Company. The Company acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Company; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Company and has not assumed any advisory or fiduciary responsibility the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Company on other matters); (iii) the only obligations the Underwriter has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement and, with respect to its role as remarketing agent, in the Indenture and the Remarketing Agreement, dated December 1, 2016, between the Company and the Underwriter; and (iv) the Company has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

2. Covenants of the Company. The Company agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the SEC under the Exchange Act, the Company shall deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Company will deliver to the Underwriter copies of all amendments and supplements to the Official Statement.

(b) At its expense, if requested by the Underwriter, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

3. Expenses.

(a) Upon the issuance and delivery of the Bonds by the Issuer to the Underwriter, the Company will pay, or cause to be paid, all expenses (including reasonable out-of-pocket expenses of the Underwriter) and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the underwriting papers, the Bonds, the Official Statement, this Letter of Representation and the blue sky survey, including without limitation: (A) any taxes, other than transfer taxes, in connection with the issuance of the Bonds hereunder; (B) any rating agency fees; (C) the fees of the Trustee; (D) the fees and disbursements of Bond Counsel, Issuer Counsel and the Company; (E) the fees of the Issuer; and (F) the fees and disbursements (including filing fees) of Ballard Spahr LLP, counsel for the Underwriter.

(b) If the Agreement is terminated in accordance with the provisions of Sections 6 or 7(b) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, and the reasonable out-of-pocket expenses of the Underwriter, not in excess, however, of an aggregate of $5,000 and the Underwriter will pay the remainder of its expenses.

(c) If the Agreement is terminated in accordance with the provisions of Section 7(a) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3 and the Underwriter will pay the remainder of its expenses.

(d) If the Underwriter shall fail or refuse, otherwise than for some reason sufficient to justify, in accordance with the terms of the Agreement, the cancellation or termination of its obligation thereunder, to purchase and pay for the Bonds as provided in Section 2 thereof, the Underwriter will pay all the expenses referred to in subsection (a) of this Section 3.

(e) The Issuer shall not in any event be liable to the Underwriter or the Company for any expenses or costs incident to the issuance and sale of the Bonds nor for damages on account of loss of anticipated profits. The Company shall not in any event be liable to the Underwriter for damages on account of loss of anticipated profits. Nothing herein shall be construed to relieve the Underwriter of its liability for its default under the Agreement.

4. Conditions of the Company's Obligation. The obligation of the Company to participate in the transactions contemplated herein and in the Official Statement shall be subject to the condition that, on the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in such transactions, and containing no provision unacceptable to the Company by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution of this Letter of Representation contains any such unacceptable provision. In case the aforesaid condition shall not have been fulfilled, this Letter of Representation and the Company's obligation to participate in the transactions contemplated herein and in the Official Statement may be terminated by the Company, upon mailing or delivering written notice thereof to the Underwriter, except that the obligations of the Company under Section 3 hereof shall survive.

5. Representation of the Issuer. The acceptance and confirmation of this Letter of Representation by the Issuer shall constitute a representation and warranty by the Issuer to the Company that the representations and warranties contained in Section 3 of the Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

6. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference, shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the indemnity agreement contained in this Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "TAX MATTERS" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects (as defined in the Loan Agreement) contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "UNDERWRITING" (second paragraph only) or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and provided, further, that the indemnity agreement contained in this Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to

such person, a copy of any amendment or supplement to the Official Statement which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery. The Issuer agrees to notify promptly the Company, and the Underwriter agrees to notify promptly the Company and the Issuer, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any official or employee thereof, and the Company, its officers and directors, and each person who controls the Company within the meaning of Section 15 of the Securities Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, but only with respect to information contained under the caption "UNDERWRITING" (second paragraph only) or in the statements on the cover page with respect to the initial public offering price and terms of offering or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter. The Issuer and the Company each agree promptly to notify the Underwriter, the Issuer and the Company, as the case may be, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees, or any of its aforesaid officers and directors or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(c) The Company, the Underwriter and the Issuer each agree that, upon the receipt of notice of the commencement of any action against it, any of its aforesaid officers and directors, any of its aforesaid officials or employees or any person controlling it as aforesaid, as the case may be, in respect of which indemnity may be sought on account of any indemnity agreement contained herein, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties satisfactory to the indemnified party or parties and who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or

parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action).

7. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of Florida. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Agreement.

8. Notices. All communications hereunder shall be in writing or by telecopy and shall be mailed or delivered as follows:

If to the Underwriter:

Morgan Stanley & Co. LLC
1585 Broadway, New York
New York 10036
Attention: Municipal Short Term Products

If to the Issuer:

Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

If to the Company: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer

[Signature Page Follows]

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By: _____
Secretary

Accepted and agreed as of the date first above written:

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman
Douglas S. Ayure

Attest:

By: _____
Secretary
WARNER Rickwood

Accepted and agreed as of the date first above written:

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By: _____
Secretary

Accepted and agreed as of the date first above written:

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Exhibit 4 (d)

Letter of Representation, dated December 1, 2016, with respect to the Lee County Series 2016B Bonds.

FLORIDA POWER & LIGHT COMPANY

LETTER OF REPRESENTATION

December 1, 2016

To: Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

(the "Underwriter" named in the
Underwriting Agreement dated
the date hereof (the "Agreement")
relating to the Bonds referred to below)

Ladies and Gentlemen:

In consideration of the issuance and sale by the Lee County Industrial Development Authority (the "Issuer") of $30,000,000 aggregate principal amount of its Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project) Series 2016B (the "Bonds") and the purchase of the Bonds by the Underwriter pursuant to the Agreement, Florida Power & Light Company (the "Company") represents, warrants and covenants to and agrees with the Issuer and the Underwriter, and the Issuer and the Underwriter by their acceptance hereof agree with the Company as follows (all terms not specifically defined in this Letter of Representation shall have the same meanings herein as in the Agreement):

1. Representations and Warranties of the Company. The Company represents and warrants that:

(a) When the Official Statement shall be issued and at the Closing Date, the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, that the foregoing representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Official Statement under the captions "TAX MATTERS", "UNDERWRITING" (second paragraph only) and "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS" or in Appendices B, C, D and E or in the statements on the cover page with respect to the initial public offering price, tax matters or

in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter.

(b) The documents incorporated by reference in Appendix A to the Official Statement, as amended or supplemented, fully complied, at the time they were filed with the Securities and Exchange Commission (the "Commission"), in all material respects with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable instructions, rules and regulations of the Commission thereunder.

(c) The financial statements contained or incorporated by reference in Appendix A to the Official Statement present fairly the consolidated financial condition and results of operations of the Company and its subsidiaries taken as a whole at the respective dates or for the respective periods to which they apply; and such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods involved except as otherwise indicated in the Official Statement.

(d) Since the most recent dates as of which information is given in the Official Statement, as it may be amended or supplemented (including amendments or supplements resulting from the filing of documents incorporated by reference therein), there has not been any material adverse change in the business, properties or financial condition of the Company, and its subsidiaries taken as a whole, nor has any transaction been entered into by the Company or any of its subsidiaries that is material to FPL and its subsidiaries taken as whole, other than changes and transactions reflected in or contemplated by the Official Statement, as it may be amended or supplemented, and transactions in the ordinary course of business. The Company and its subsidiaries do not have any material contingent obligation which is not reflected in or contemplated by the Official Statement, as it may be amended or supplemented.

(e) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement and this Letter of Representation, on the part of the Company to be fulfilled, have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its Restated Articles of Incorporation, as amended (the "Charter"), its Amended and Restated Bylaws (the "Bylaws") and applicable law, and this Letter of Representation constitutes, and the Loan Agreement and the Continuing Disclosure Undertaking ("CDU") when executed and delivered by the Company will constitute, legal, valid and binding obligations of the Company in accordance with their terms, except as limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and general equity principles, and subject to any principles of public policy limiting the right to enforce the indemnification provisions contained in Section 6 herein and Section 7.3 of the Loan Agreement.

(f) The consummation of the transactions contemplated herein and in the Official Statement and the fulfillment of the terms of the Loan Agreement, the CDU and this Letter of Representation will not result in a breach of any of the terms or provisions of, or constitute a default under the Charter or Bylaws of the Company or any indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party, except where such breach or default would not have a material adverse effect on the business, properties, or financial condition of the Company and its subsidiaries taken as a whole.

(g) The terms and conditions of the Agreement as they relate to the Company and the Company's participation in the transactions contemplated thereby are satisfactory to it.

1A. Acknowledgment of the Company. The Company acknowledges and agrees that: (i) the primary role of the Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm's length commercial transaction among the Issuer, the Company and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Company; (ii) the Underwriter is acting solely as principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Company and has not assumed any advisory or fiduciary responsibility the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or are currently providing other services to the Company on other matters); (iii) the only obligations the Underwriter has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement and, with respect to its role as remarketing agent, in the Indenture and the Remarketing Agreement, dated December 1, 2016, between the Company and the Underwriter; and (iv) the Company has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

2. Covenants of the Company. The Company agrees that:

(a) As soon as practicable following execution hereof (but in no event later than the earlier of two business days after the date hereof and the day prior to the Closing Date), in order that the Underwriter may comply with paragraph (b)(3) of Rule 15c2-12 ("Rule 15c2-12") promulgated by the SEC under the Exchange Act, the Company shall deliver to the Underwriter the final Official Statement, in such quantities as the Underwriter may reasonably request. Upon the issuance thereof, the Company will deliver to the Underwriter copies of all amendments and supplements to the Official Statement.

(b) At its expense, if requested by the Underwriter, it will cause to be prepared and furnished to the Underwriter one copy of each of the documents incorporated by reference in the Official Statement, as it may be amended or supplemented, and as many additional copies of such documents incorporated by reference as shall be requested of the Underwriter by prospective purchasers of the Bonds.

(c) It will furnish such proper information as may be lawfully required and otherwise cooperate in qualifying the Bonds for offer and sale under the blue sky laws of such jurisdictions as the Underwriter may designate, provided that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any consents to service of process, under the laws of any jurisdiction, or to meet other requirements deemed by the Company to be unduly burdensome.

(d) It will not take or omit to take any action the taking or omission of which would cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Indenture and the Loan Agreement, as each may be amended from time to time.

3. Expenses.

(a) Upon the issuance and delivery of the Bonds by the Issuer to the Underwriter, the Company will pay, or cause to be paid, all expenses (including reasonable out-of-pocket expenses of the Underwriter) and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the underwriting papers, the Bonds, the Official Statement, this Letter of Representation and the blue sky survey, including without limitation: (A) any taxes, other than transfer taxes, in connection with the issuance of the Bonds hereunder; (B) any rating agency fees; (C) the fees of the Trustee; (D) the fees and disbursements of Bond Counsel, Issuer Counsel and the Company; (E) the fees of the Issuer; and (F) the fees and disbursements (including filing fees) of Ballard Spahr LLP, counsel for the Underwriter.

(b) If the Agreement is terminated in accordance with the provisions of Sections 6 or 7(b) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3, and the reasonable out-of-pocket expenses of the Underwriter, not in excess, however, of an aggregate of $5,000 and the Underwriter will pay the remainder of its expenses.

(c) If the Agreement is terminated in accordance with the provisions of Section 7(a) thereof, the Company will pay all the expenses referred to in subsection (a) of this Section 3 and the Underwriter will pay the remainder of its expenses.

(d) If the Underwriter shall fail or refuse, otherwise than for some reason sufficient to justify, in accordance with the terms of the Agreement, the cancellation or termination of its obligation thereunder, to purchase and pay for the Bonds as provided in Section 2 thereof, the Underwriter will pay all the expenses referred to in subsection (a) of this Section 3.

(e) The Issuer shall not in any event be liable to the Underwriter or the Company for any expenses or costs incident to the issuance and sale of the Bonds nor for damages on account of loss of anticipated profits. The Company shall not in any event be liable to the Underwriter for damages on account of loss of anticipated profits. Nothing herein shall be construed to relieve the Underwriter of its liability for its default under the Agreement.

4. Conditions of the Company's Obligation. The obligation of the Company to participate in the transactions contemplated herein and in the Official Statement shall be subject to the condition that, on the Closing Date, there shall be in full force and effect an authorization of the Florida Public Service Commission with respect to the participation of the Company in such transactions, and containing no provision unacceptable to the Company by reason of the fact that it is materially adverse to the Company, it being understood that no authorization in effect at the time of the execution of this Letter of Representation contains any such unacceptable provision. In case the aforesaid condition shall not have been fulfilled, this Letter of Representation and the Company's obligation to participate in the transactions contemplated herein and in the Official Statement may be terminated by the Company, upon mailing or delivering written notice thereof to the Underwriter, except that the obligations of the Company under Section 3 hereof shall survive.

5. Representation of the Issuer. The acceptance and confirmation of this Letter of Representation by the Issuer shall constitute a representation and warranty by the Issuer to the Company that the representations and warranties contained in Section 3 of the Agreement are true as of the date hereof and will be true in all material respects as of the Closing Date.

6. Indemnification.

(a) The Company agrees to indemnify and hold harmless the Issuer and any official or employee thereof, the Underwriter and each person who controls the Underwriter within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Securities Act"), against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto, including documents incorporated by reference, shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the indemnity agreement contained in this Section 6 shall not apply to the Underwriter (or any person controlling the Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon, any such untrue statement or alleged untrue statement, or any such omission or alleged omission, under the captions "TAX MATTERS" (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects (as defined in the Loan Agreement) contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder) and "UNDERWRITING" (second paragraph only) or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter or in the statements on the cover page with respect to the initial public offering price or tax matters (except to the extent that such statement or omission is based upon an untrue statement of or an omission to state, or an alleged untrue statement of or omission to state, a material fact in the engineering facts and representations and conclusions of the Company concerning the Projects contained in the closing certificate furnished to Nabors, Giblin & Nickerson, P.A., as Bond Counsel, and/or Squire Patton Boggs (US)LLP, as Special Tax Counsel, and except to the extent that such statement or omission is based upon the Company's continuing compliance with Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder); and provided, further, that the indemnity agreement contained in this Section 6 shall not inure to the benefit of the Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of Bonds to any person if such Underwriter shall have failed to send or give to such person (i) with or prior to the written confirmation of such sale, a copy of the Official Statement or the Official Statement as amended or supplemented, if any amendments or supplements thereto shall have been timely furnished at or prior to the time of written confirmation of the sale involved, but exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement is not corrected in such amendment or supplement at the time of confirmation, or (ii) with or prior to the delivery of such Bonds to

such person, a copy of any amendment or supplement to the Official Statement which shall have been furnished subsequent to such written confirmation and prior to the delivery of such Bonds to such person, exclusive of any documents incorporated by reference therein unless, with respect to the delivery of any amendment or supplement, the alleged omission or alleged untrue statement was not corrected in such amendment or supplement at the time of such delivery. The Issuer agrees to notify promptly the Company, and the Underwriter agrees to notify promptly the Company and the Issuer, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(b) The Underwriter agrees to indemnify and hold harmless the Issuer and any official or employee thereof, and the Company, its officers and directors, and each person who controls the Company within the meaning of Section 15 of the Securities Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Official Statement, as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, but only with respect to information contained under the caption "UNDERWRITING" (second paragraph only) or in the statements on the cover page with respect to the initial public offering price and terms of offering or in the statement on the page (i) with respect to stabilization of the market price of the Bonds by the Underwriter. The Issuer and the Company each agree promptly to notify the Underwriter, the Issuer and the Company, as the case may be, of the commencement of any litigation or proceedings against it, any of its aforesaid officials or employees, or any of its aforesaid officers and directors or any person controlling it as aforesaid, in connection with the issuance and sale of the Bonds.

(c) The Company, the Underwriter and the Issuer each agree that, upon the receipt of notice of the commencement of any action against it, any of its aforesaid officers and directors, any of its aforesaid officials or employees or any person controlling it as aforesaid, as the case may be, in respect of which indemnity may be sought on account of any indemnity agreement contained herein, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder, but the omission so to notify such indemnifying party or parties of any such action shall not relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party or parties satisfactory to the indemnified party or parties and who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying party will reimburse such indemnified party or

parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action).

7. Miscellaneous. The validity and interpretation of this Letter of Representation shall be governed by the law of the State of Florida. This Letter of Representation shall inure to the benefit of the Company, the Issuer, the Underwriter and, with respect to the provisions of Section 6 hereof, each official, employee, officer, director and controlling person referred to in said Section 6, and their respective successors. Nothing in this Letter of Representation is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Letter of Representation or any provision herein contained. The term "successors" as used herein shall not include any purchaser, as such purchaser, of any Bonds from or through the Underwriter.

The indemnity agreements of the Company and the Underwriter contained in Section 6 hereof and the representations and warranties of the Company and the Issuer contained herein shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Issuer or any official or employee thereof, the Underwriter or any controlling person thereof, or the Company or any director, officer or controlling person thereof, and shall survive the delivery of the Bonds. The agreements contained in Section 3 hereof to pay expenses shall survive the termination of the Agreement and this Letter of Representation.

This Letter of Representation may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same agreement. This Letter of Representation shall become effective upon the execution and acceptance thereof and the effectiveness of the Agreement, and it shall terminate as provided in Section 4 hereof or upon the termination of the Agreement.

8. Notices. All communications hereunder shall be in writing or by telecopy and shall be mailed or delivered as follows:

If to the Underwriter: SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

If to the Issuer: Lee County Industrial Development Authority
2201 Second Street, Suite 500
Fort Myers, Florida 33901
Attention: Executive Director

If to the Company: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer

[Signature Page Follows]

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By: _____
Secretary

Accepted and agreed as of the date first above written:

SUNTRUST ROBINSON HUMPHREY, INC.

By: _____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman
Douglas S. Gayne

Attest:

By: _____
Secretary
Wayne R. Kirkwood

Accepted and agreed as of the date first above written:

SUNTRUST ROBINSON HUMPHREY, INC.

By: _____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter agreement and your acceptance shall constitute a binding agreement between us.

Very truly yours,

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

Accepted and confirmed as of the date first above written:

LEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

By: _____
Chairman

Attest:

By: _____
Secretary

Accepted and agreed as of the date first above written:

SUNTRUST ROBINSON HUMPHREY, INC.

By: _____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

Exhibit 4 (e)

Remarketing Agreement, dated December 2, 2016, with respect to the Lee County Series 2016A Bonds.

REMARKETING AGREEMENT

This Remarketing Agreement (the "Agreement") dated December 2, 2016 is made by and between Florida Power & Light Company (the "Company") and Morgan Stanley & Co. LLC (the "Remarketing Agent").

Lee County Industrial Development Authority, a public body company and politic duly created and existing under the laws of the State of Florida (the "Issuer"), is issuing $30,000,000aggregate principal amount of its Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Bonds") under and pursuant to a Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"), dated as of December 1, 2016 (the "Indenture"). The Bonds will be secured by an assignment of rights to receive payments from the Company under a Loan Agreement, dated as of December 1, 2016 between the Issuer and the Company (the "Loan Agreement"). The Bonds will initially bear interest at a Daily Interest Rate (as defined in the Indenture). Intending to be legally bound, the parties hereto agree as follows:

1. Appointment and Acceptance. The Company hereby appoints Morgan Stanley & Co. LLC as the Remarketing Agent (the "Remarketing Agent") for the Bonds, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Remarketing Agent under the Indenture and hereunder, including, without limitation, the duties and obligations to take such actions and enter into such documents as may be necessary to effectuate a direction given pursuant to Section 201(j) of the Indenture, and agrees to use its best efforts to offer for sale and to sell the Bonds which it has been advised by The Bank of New York Mellon Trust Company, N.A., as tender agent (the "Tender Agent"), have been tendered pursuant to and in accordance with the Indenture.

2. Fees and Expenses. The Company shall pay the Remarketing Agent, as compensation for its services hereunder, a fee equal to 0.07% per annum of the weighted average principal amount of the Bonds outstanding during each three month period that the Bonds bear interest at a Daily Interest Rate, a Weekly Interest Rate (as defined in the Indenture) or a Commercial Paper Term Rate (as defined in the Indenture), payable quarterly on each January 1, April 1, July 1 and October 1, commencing January 1, 2017. The parties expect other arrangements to be made in the event that the Bonds are adjusted to bear interest at a Long-Term Interest Rate (as defined in the Indenture) or to an alternate interest rate established in accordance with Section 201(j) of the Indenture. The Remarketing Agent will not be entitled to compensation after this Agreement shall be terminated or after the term of appointment of the Remarketing Agent shall have expired except for a pro rata portion of the fee in respect of the period in which such termination or expiration occurs. The Trustee shall have no responsibility, obligation or liability with respect to any payment hereunder.

3. Disclosure Document. If the Remarketing Agent determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Remarketing Agent will notify the Company of such determination. If the Remarketing Agent or the Company determines that it is necessary or desirable to use a

disclosure document in connection with the remarketing of the Bonds, the Company will provide the Remarketing Agent with a disclosure document satisfactory to the Remarketing Agent and its counsel in respect of the Bonds. The Company will supply the Remarketing Agent with such number of copies of the disclosure document as the Remarketing Agent reasonably requests from time to time. The Company will supplement and amend the disclosure document (which may include the Official Statement distributed in connection with the initial sale of the Bonds (the "Official Statement")) so that at all times the document will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the disclosure document, in the light of the circumstances under which they were made, not misleading.

4. Indemnification. The Company agrees to indemnify and hold harmless the Remarketing Agent and any member, officer, official or employee of the Remarketing Agent, and each person, if any, who controls the Remarketing Agent, within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Act") (collectively called the "Indemnified Parties"), against any and all losses, claims, damages or liabilities to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the disclosure document referred to in Section 3 hereof or the alleged omission from the disclosure document referred to in Section 3 hereof of any material fact relating to the Projects (as defined in the Indenture) or the Company necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability, expense or action arises out of or is based upon an untrue statement or alleged untrue statement or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by the Remarketing Agent specifically for use therein. This indemnity agreement is in addition to any liability which the Company may otherwise have. In case any action shall be brought against one or more of the Indemnified Parties based upon the disclosure document referred to in Section 3 hereof and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly give written notice to the Company, but the omission so to notify the Company of any action shall not relieve the Company from any liability that it may have to the Indemnified Party otherwise than on account of this indemnity agreement. In case such notice of any action shall be so given, the Company shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Company and satisfactory to the Indemnified Party or Indemnified Parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Company shall elect not to assume the defense of such action, the Company will reimburse such Indemnified Party or Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, that if the defendants in any such action include both an Indemnified Party and the Company, and counsel for the Company shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the Company and any Indemnified Party, the Indemnified Parties shall have the right to

select separate counsel, satisfactory to the Company, to participate in the defense of such action on behalf of such Indemnified Parties at the expense of the Company (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel representing the Indemnified Party or Indemnified Parties who are parties to such action). The Company shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action with or without consent, the Company agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

5. Remarketing Agent's Liabilities. The Remarketing Agent shall incur no liability to the Company or to any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Indenture except for its negligence or willful misconduct and except as otherwise specifically provided herein. The Remarketing Agent will not be liable to the Company on account of the failure of any person to whom the Remarketing Agent has sold a Bond to pay for it or to deliver any document in respect of such sale. The undertaking of the Remarketing Agent to remarket any Bonds pursuant to the Indenture shall be on a "best efforts" basis.

6. Resignation or Removal and Expiration of Term of Appointment of Remarketing Agent. The Company may remove the Remarketing Agent at any time by giving at least 5 business days' notice to the Remarketing Agent, the Issuer and the Trustee. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Agreement by giving at least 45 calendar days' notice to the Company, the Issuer, the Tender Agent and the Trustee. The term of appointment of the Remarketing Agent shall expire upon each adjustment of the interest rate determination method for the Bonds pursuant to the Indenture; provided, however, that if the Company appoints the Remarketing Agent as the successor Remarketing Agent with respect to such new interest rate determination method, then this Agreement shall, at the option of the Company, remain in full force and effect without necessity of supplement or amendment and the Remarketing Agent shall be deemed to accept its appointment as successor Remarketing Agent as of the date of conversion to such new interest rate determination method. The provisions of Sections 4 and 5 will continue in effect as to transactions prior to the date of termination or expiration, and each party will pay the other any amounts owing at the time of termination or expiration.

7. Suspension. The Remarketing Agent may suspend its remarketing obligations under this Agreement at any time that any of the following circumstances shall have occurred and be continuing and, in the reasonable judgment of the Remarketing Agent, render it impracticable for the Remarketing Agent to perform its obligations under this Agreement:

(i) Any event shall have occurred, or information shall have become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the disclosure document referred to in Section 3 hereof, as the information contained therein may have been supplemented or amended by the other information furnished to the Remarketing Agent in accordance with the terms and provisions contained herein, or causes such disclosure document, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a

material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) There shall have occurred any general suspension of trading in securities on the New York Stock Exchange;

(iii) There shall have occurred a general banking moratorium declared by New York or Federal authorities;

(iv) There shall have occurred any new outbreak of hostilities including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement or other national or international calamity or crisis;

(v) There shall have occurred a material adverse change in the financial markets of the United States;

(vi) For any reason, a change in applicable tax laws or securities laws would require registration under the Act in connection with the remarketing of the Bonds; or

(vii) There shall have occurred a material adverse change in the financial condition of the Company and its subsidiaries taken as a whole, which material adverse change, in the Remarketing Agent's reasonable judgment, materially adversely affects the marketability of the Bonds (such right to be exercised by the Remarketing Agent in good faith).

In the event of any suspension pursuant to this paragraph, the Remarketing Agent declaring such suspension shall notify the Company thereof as soon as reasonably practicable in accordance with Section 14 hereof. Notwithstanding the declaration of suspension by the Remarketing Agent, the Remarketing Agent shall continue to determine and give notice of the interest rate on the Bonds as provided in the Indenture. Notwithstanding any provisions in this Agreement to the contrary, upon the declaration of suspension by the Remarketing Agent, the Company, upon approval by the Issuer and upon notification in writing to the Remarketing Agent, may immediately remove the Remarketing Agent

8. Dealing in Securities by Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may in its sole discretion, buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any bondholder may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Company and may act as depositary, trustee or agent for any committee or body of bondholders with respect to other obligations of the Company, as freely as if it did not act in any capacity hereunder. The Company acknowledges that the Remarketing Agent is a full service firm that, together with its affiliates, is engaged in securities trading and brokerage activities and provides investment banking, financing and financial advisory services. In the ordinary course of its trading, brokerage and financing activities, the Remarketing Agent (and/or its affiliates) may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt or equity securities or financial instruments (including bank loans and other obligations) of the Company.

9. Remarketing Agent's Performance.

(i) The duties and obligations of the Remarketing Agent as Remarketing Agent shall be determined solely by the express provisions of this Agreement, the Indenture and the Tender Agreement by and among the Trustee, the Borrower and the Underwriter, dated December 1, 2016 (the "Tender Agreement"). The Remarketing Agent as Remarketing Agent shall not be responsible for the performance of any duties or obligations other than as are specifically set forth in this Agreement, the Indenture, and the Tender Agreement and no implied covenants or obligations shall be read into this Agreement or the Indenture against the Remarketing Agent.

(ii) The Remarketing Agent may conclusively rely upon any notice or document given or furnished to the Remarketing Agent and conforming to the requirements of this Agreement, the Indenture or the Tender Agreement and shall be protected in acting upon any such notice or document reasonably believed by it to be genuine and to have been given, signed or presented by the proper party or parties.

10. Compliance with MSRB Rule 34(c) and Agreement to Provide Liquidity Documents.

(i) In connection with its services under this Agreement, the Remarketing Agent will be required to comply with Rule G-34(c) ("Rule G-34(c)") of the Municipal Securities Rulemaking Board. Rule G-34(c) and related MSRB guidance requires the Remarketing Agent to submit to the MSRB's Short-term Obligation Rate Transparency System (the "SHORT System"):

(a) certain information with respect to each interest rate determination for variable rate demand obligations; and

(b) current copies of (A) the Indenture, (B) the Loan Agreement, (C) any other document that establishes an obligation to provide liquidity for variable rate demand obligations, and (D) those documents that include provisions detailing critical aspects of the liquidity provisions for variable rate demand obligations, including, but not limited to, (1) the notice period for bondholder tenders and (2) the term out (amortization) period for variable rate demand obligations held by the liquidity provider; ((A) through (D), collectively, the "Liquidity Documents").

(ii) In order to assist the Remarketing Agent to comply with its obligations under Rule G-34(c), the Company shall provide the Remarketing Agent, in the form of a word-searchable PDF file or in such other form as the Remarketing Agent shall notify the Company in writing as required by the MSRB, the following documents at the following times:

(a) A copy of the executed Liquidity Documents;

(b) No later than ten business days prior to the proposed date of any amendment, including an extension or renewal of the expiration date, or replacement or termination of the then current Liquidity Documents, written

notice that the current Liquidity Documents are proposed to be amended, extended, renewed, replaced or terminated and the expected date of execution and delivery of the amendment, extension, renewal, replacement or termination of the Liquidity Documents;

(c) Within one business day after the execution and delivery of any amendment, including any renewal, extension, replacement or termination of the then current Liquidity Documents, a copy of the executed amendment, renewal, extension, replacement or termination thereof; and

(d) No later than ten business days after receiving a request from the Remarketing Agent for any document relating to the liquidity supporting the Bonds, such document requested by the Remarketing Agent relating to the liquidity supporting the Bonds.

(iii) The Company agrees with the Remarketing Agent as follows:

(a) the Remarketing Agent will not redact any information in the Liquidity Documents that the Company provides to the Remarketing Agent, and will have no liability to the Company or any other party for any disclosure of confidential or sensitive information resulting from its compliance with Rule G-34(c);

(b) all Liquidity Documents and information filed by the Remarketing Agent pursuant to the requirements of Rule G-34(c) will be publicly available on the SHORT System, in the form such Liquidity Documents and information is provided to the Remarketing Agent; and

(c) in the event the Company does not provide the Remarketing Agent with a copy of a document described in this Section 10, the Company acknowledges that the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such time as is specified by the MSRB and in the SHORT System users' manual.

(iv) The Remarketing Agent acknowledges and agrees that pursuant to Rule G-34 and MSRB Notice 2011-17, the Company has the right to redact certain information that may be contained in a Liquidity Document. The Company represents and warrants that any Liquidity Document that is redacted by the Company and provided to the Remarketing Agent pursuant to this Section of the Agreement shall be redacted in a manner that is not inconsistent with MSRB Notice 2011-17.

(v) The Company shall pay or reimburse the Remarketing Agent for all reasonable charges and expenses incurred in obtaining the documents required to be filed pursuant to Rule G-34(c).

(vi) In the event additional legal or regulatory requirements are imposed on the Remarketing Agent's performance of its obligations under this Agreement, the Company agrees to cooperate with the Remarketing Agent and shall provide such documents and

take such other steps as may be reasonably requested by the Remarketing Agent in order to comply with such additional requirements.

11. No Advisory or Fiduciary Role. The Company acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Company and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal and is not acting as a "municipal advisor" (as defined in Section 15B of the Exchange Act), financial advisor or fiduciary to the Company; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Remarketing Agent or its affiliates have provided other services or is currently providing other services to the Company on other matters); (iii) the only obligations the Remarketing Agent has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Company has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Company agrees that it will not claim that the Remarketing Agent is a "municipal advisor" within the meaning of Section 15B of the Exchange Act, or owes a fiduciary or similar duty to the Company in connection with the transaction contemplated by this Agreement or the process leading thereto.

12. Intention of Parties. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

13. Compliance with Indenture and Tender Agreement. The Remarketing Agent represents that it is qualified to act as Remarketing Agent and agrees to abide by all of the provisions of the Indenture and the Tender Agreement, insofar as they govern its activities as Remarketing Agent for the Bonds. In particular, the Remarketing Agent (in its capacity as Remarketing Agent) hereby agrees to keep such books and records as shall be consistent with prudent industry practice and will make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and the Company at all reasonable times.

14. Notices. Unless otherwise provided, all notices, requests, demands and formal actions hereunder shall be in writing and mailed or delivered, as follows:

If to the Company:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway

Jacksonville, Florida 32256
Attention: Corporate Trust Department

If to the Issuer:

Lee County Industrial Development Authority
2201 Second Street, Suite 500,
Fort Myers, Florida 33901
Attention: Executive Director

If to the Tender Agent:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department

If to the Remarketing Agent, at its Principal Office, as defined in the Indenture, which is:

Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036
Attention: Municipal Short Term Products

Each of the above parties may, by written notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

15. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

[Signatures on following page]

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

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

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

FLORIDA POWER & LIGHT COMPANY

By: _____
Joseph Balzano
Assistant Treasurer

MORGAN STANLEY & CO. LLC

By: _____
Francis J. Sweeney
Managing Director

Exhibit 4 (f)

Remarketing Agreement, dated December 2, 2016, with respect to the Lee County Series 2016B Bonds.

REMARKETING AGREEMENT

This Remarketing Agreement (the "Agreement") dated December 2, 2016 is made by and between Florida Power & Light Company (the "Company") and SunTrust Robinson Humphrey, Inc. (the "Remarketing Agent").

Lee County Industrial Development Authority, a public body company and politic duly created and existing under the laws of the State of Florida (the "Issuer"), is issuing $30,000,000 aggregate principal amount of its Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Bonds") under and pursuant to a Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"), dated as of December 1, 2016 (the "Indenture"). The Bonds will be secured by an assignment of rights to receive payments from the Company under a Loan Agreement, dated as of December 1, 2016 between the Issuer and the Company (the "Loan Agreement"). The Bonds will initially bear interest at a Daily Interest Rate (as defined in the Indenture). Intending to be legally bound, the parties hereto agree as follows:

1. Appointment and Acceptance. The Company hereby appoints SunTrust Robinson Humphrey, Inc., as the Remarketing Agent (the "Remarketing Agent") for the Bonds, and the Remarketing Agent hereby accepts such appointment and agrees to perform the duties and obligations imposed upon it as Remarketing Agent under the Indenture and hereunder, including, without limitation, the duties and obligations to take such actions and enter into such documents as may be necessary to effectuate a direction given pursuant to Section 201(j) of the Indenture, and agrees to use its best efforts to offer for sale and to sell the Bonds which it has been advised by The Bank of New York Mellon Trust Company, N.A., as tender agent (the "Tender Agent"), have been tendered pursuant to and in accordance with the Indenture.

2. Fees and Expenses. The Company shall pay the Remarketing Agent, as compensation for its services hereunder, a fee equal to 0.07% per annum of the weighted average principal amount of the Bonds outstanding during each three month period that the Bonds bear interest at a Daily Interest Rate, a Weekly Interest Rate (as defined in the Indenture) or a Commercial Paper Term Rate (as defined in the Indenture), payable quarterly on each January 1, April 1, July 1 and October 1, commencing January 1, 2017. The parties expect other arrangements to be made in the event that the Bonds are adjusted to bear interest at a Long-Term Interest Rate (as defined in the Indenture) or to an alternate interest rate established in accordance with Section 201(j) of the Indenture. The Remarketing Agent will not be entitled to compensation after this Agreement shall be terminated or after the term of appointment of the Remarketing Agent shall have expired except for a pro rata portion of the fee in respect of the period in which such termination or expiration occurs. The Trustee shall have no responsibility, obligation or liability with respect to any payment hereunder.

3. Disclosure Document. If the Remarketing Agent determines that it is necessary or desirable to use a disclosure document in connection with the remarketing of the Bonds, the Remarketing Agent will notify the Company of such determination. If the Remarketing Agent or the Company determines that it is necessary or desirable to use a

disclosure document in connection with the remarketing of the Bonds, the Company will provide the Remarketing Agent with a disclosure document satisfactory to the Remarketing Agent and its counsel in respect of the Bonds. The Company will supply the Remarketing Agent with such number of copies of the disclosure document as the Remarketing Agent reasonably requests from time to time. The Company will supplement and amend the disclosure document (which may include the Official Statement distributed in connection with the initial sale of the Bonds (the "Official Statement")) so that at all times the document will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the disclosure document, in the light of the circumstances under which they were made, not misleading.

4. Indemnification. The Company agrees to indemnify and hold harmless the Remarketing Agent and any member, officer, official or employee of the Remarketing Agent, and each person, if any, who controls the Remarketing Agent, within the meaning of Section 15 of the Securities Act of 1933, as amended (the "Act") (collectively called the "Indemnified Parties"), against any and all losses, claims, damages or liabilities to which they or any of them may become subject and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) when and as incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the disclosure document referred to in Section 3 hereof or the alleged omission from the disclosure document referred to in Section 3 hereof of any material fact relating to the Projects (as defined in the Indenture) or the Company necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability, expense or action arises out of or is based upon an untrue statement or alleged untrue statement or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Company by the Remarketing Agent specifically for use therein. This indemnity agreement is in addition to any liability which the Company may otherwise have. In case any action shall be brought against one or more of the Indemnified Parties based upon the disclosure document referred to in Section 3 hereof and in respect of which indemnity may be sought against the Company, the Indemnified Parties shall promptly give written notice to the Company, but the omission so to notify the Company of any action shall not relieve the Company from any liability that it may have to the Indemnified Party otherwise than on account of this indemnity agreement. In case such notice of any action shall be so given, the Company shall be entitled to participate at its own expense in the defense or, if it so elects, to assume the defense of such action, in which event such defense shall be conducted by counsel chosen by the Company and satisfactory to the Indemnified Party or Indemnified Parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the Company shall elect not to assume the defense of such action, the Company will reimburse such Indemnified Party or Indemnified Parties for the reasonable fees and expenses of any counsel retained by them; provided, however, that if the defendants in any such action include both an Indemnified Party and the Company, and counsel for the Company shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the Company and any Indemnified Party, the Indemnified Parties shall have the right to

select separate counsel, satisfactory to the Company, to participate in the defense of such action on behalf of such Indemnified Parties at the expense of the Company (it being understood, however, that the Company shall not be liable for the expenses of more than one separate counsel representing the Indemnified Party or Indemnified Parties who are parties to such action). The Company shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Company or if there be a final judgment for the plaintiff in any such action with or without consent, the Company agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

5. Remarketing Agent's Liabilities. The Remarketing Agent shall incur no liability to the Company or to any other party for its actions as Remarketing Agent pursuant to the terms hereof and of the Indenture except for its negligence or willful misconduct and except as otherwise specifically provided herein. The Remarketing Agent will not be liable to the Company on account of the failure of any person to whom the Remarketing Agent has sold a Bond to pay for it or to deliver any document in respect of such sale. The undertaking of the Remarketing Agent to remarket any Bonds pursuant to the Indenture shall be on a "best efforts" basis.

6. Resignation or Removal and Expiration of Term of Appointment of Remarketing Agent. The Company may remove the Remarketing Agent at any time by giving at least 5 business days' notice to the Remarketing Agent, the Issuer and the Trustee. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Agreement by giving at least 45 calendar days' notice to the Company, the Issuer, the Tender Agent and the Trustee. The term of appointment of the Remarketing Agent shall expire upon each adjustment of the interest rate determination method for the Bonds pursuant to the Indenture; provided, however, that if the Company appoints the Remarketing Agent as the successor Remarketing Agent with respect to such new interest rate determination method, then this Agreement shall, at the option of the Company, remain in full force and effect without necessity of supplement or amendment and the Remarketing Agent shall be deemed to accept its appointment as successor Remarketing Agent as of the date of conversion to such new interest rate determination method. The provisions of Sections 4 and 5 will continue in effect as to transactions prior to the date of termination or expiration, and each party will pay the other any amounts owing at the time of termination or expiration.

7. Suspension. The Remarketing Agent may suspend its remarketing obligations under this Agreement at any time that any of the following circumstances shall have occurred and be continuing and, in the reasonable judgment of the Remarketing Agent, render it impracticable for the Remarketing Agent to perform its obligations under this Agreement:

(i) Any event shall have occurred, or information shall have become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the disclosure document referred to in Section 3 hereof, as the information contained therein may have been supplemented or amended by the other information furnished to the Remarketing Agent in accordance with the terms and provisions contained herein, or causes such disclosure document, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a

material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) There shall have occurred any general suspension of trading in securities on the New York Stock Exchange;

(iii) There shall have occurred a general banking moratorium declared by New York or Federal authorities;

(iv) There shall have occurred any new outbreak of hostilities including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement or other national or international calamity or crisis;

(v) There shall have occurred a material adverse change in the financial markets of the United States;

(vi) For any reason, a change in applicable tax laws or securities laws would require registration under the Act in connection with the remarketing of the Bonds; or

(vii) There shall have occurred a material adverse change in the financial condition of the Company and its subsidiaries taken as a whole, which material adverse change, in the Remarketing Agent's reasonable judgment, materially adversely affects the marketability of the Bonds (such right to be exercised by the Remarketing Agent in good faith).

In the event of any suspension pursuant to this paragraph, the Remarketing Agent declaring such suspension shall notify the Company thereof as soon as reasonably practicable in accordance with Section 14 hereof. Notwithstanding the declaration of suspension by the Remarketing Agent, the Remarketing Agent shall continue to determine and give notice of the interest rate on the Bonds as provided in the Indenture. Notwithstanding any provisions in this Agreement to the contrary, upon the declaration of suspension by the Remarketing Agent, the Company, upon approval by the Issuer and upon notification in writing to the Remarketing Agent, may immediately remove the Remarketing Agent

8. Dealing in Securities by Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may in its sole discretion, buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any bondholder may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Company and may act as depositary, trustee or agent for any committee or body of bondholders with respect to other obligations of the Company, as freely as if it did not act in any capacity hereunder. The Company acknowledges that the Remarketing Agent is a full service firm that, together with its affiliates, is engaged in securities trading and brokerage activities and provides investment banking, financing and financial advisory services. In the ordinary course of its trading, brokerage and financing activities, the Remarketing Agent (and/or its affiliates) may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own accounts or the accounts of customers, in debt or equity securities or financial instruments (including bank loans and other obligations) of the Company.

9. Remarketing Agent's Performance.

(i) The duties and obligations of the Remarketing Agent as Remarketing Agent shall be determined solely by the express provisions of this Agreement, the Indenture and the Tender Agreement by and among the Trustee, the Borrower and the Underwriter, dated December 1, 2016 (the "Tender Agreement"). The Remarketing Agent as Remarketing Agent shall not be responsible for the performance of any duties or obligations other than as are specifically set forth in this Agreement, the Indenture, and the Tender Agreement and no implied covenants or obligations shall be read into this Agreement or the Indenture against the Remarketing Agent.

(ii) The Remarketing Agent may conclusively rely upon any notice or document given or furnished to the Remarketing Agent and conforming to the requirements of this Agreement, the Indenture or the Tender Agreement and shall be protected in acting upon any such notice or document reasonably believed by it to be genuine and to have been given, signed or presented by the proper party or parties.

10. Compliance with MSRB Rule 34(c) and Agreement to Provide Liquidity Documents.

(i) In connection with its services under this Agreement, the Remarketing Agent will be required to comply with Rule G-34(c) ("Rule G-34(c)") of the Municipal Securities Rulemaking Board. Rule G-34(c) and related MSRB guidance requires the Remarketing Agent to submit to the MSRB's Short-term Obligation Rate Transparency System (the "SHORT System"):

(a) certain information with respect to each interest rate determination for variable rate demand obligations; and

(b) current copies of (A) the Indenture, (B) the Loan Agreement, (C) any other document that establishes an obligation to provide liquidity for variable rate demand obligations, and (D) those documents that include provisions detailing critical aspects of the liquidity provisions for variable rate demand obligations, including, but not limited to, (1) the notice period for bondholder tenders and (2) the term out (amortization) period for variable rate demand obligations held by the liquidity provider; ((A) through (D), collectively, the "Liquidity Documents").

(ii) In order to assist the Remarketing Agent to comply with its obligations under Rule G-34(c), the Company shall provide the Remarketing Agent, in the form of a word-searchable PDF file or in such other form as the Remarketing Agent shall notify the Company in writing as required by the MSRB, the following documents at the following times:

(a) A copy of the executed Liquidity Documents;

(b) No later than ten business days prior to the proposed date of any amendment, including an extension or renewal of the expiration date, or replacement or termination of the then current Liquidity Documents, written

notice that the current Liquidity Documents are proposed to be amended, extended, renewed, replaced or terminated and the expected date of execution and delivery of the amendment, extension, renewal, replacement or termination of the Liquidity Documents;

(c) Within one business day after the execution and delivery of any amendment, including any renewal, extension, replacement or termination of the then current Liquidity Documents, a copy of the executed amendment, renewal, extension, replacement or termination thereof; and

(d) No later than ten business days after receiving a request from the Remarketing Agent for any document relating to the liquidity supporting the Bonds, such document requested by the Remarketing Agent relating to the liquidity supporting the Bonds.

(iii) The Company agrees with the Remarketing Agent as follows:

(a) the Remarketing Agent will not redact any information in the Liquidity Documents that the Company provides to the Remarketing Agent, and will have no liability to the Company or any other party for any disclosure of confidential or sensitive information resulting from its compliance with Rule G-34(c);

(b) all Liquidity Documents and information filed by the Remarketing Agent pursuant to the requirements of Rule G-34(c) will be publicly available on the SHORT System, in the form such Liquidity Documents and information is provided to the Remarketing Agent; and

(c) in the event the Company does not provide the Remarketing Agent with a copy of a document described in this Section 10, the Company acknowledges that the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such time as is specified by the MSRB and in the SHORT System users' manual.

(iv) The Remarketing Agent acknowledges and agrees that pursuant to Rule G-34 and MSRB Notice 2011-17, the Company has the right to redact certain information that may be contained in a Liquidity Document. The Company represents and warrants that any Liquidity Document that is redacted by the Company and provided to the Remarketing Agent pursuant to this Section of the Agreement shall be redacted in a manner that is not inconsistent with MSRB Notice 2011-17.

(v) The Company shall pay or reimburse the Remarketing Agent for all reasonable charges and expenses incurred in obtaining the documents required to be filed pursuant to Rule G-34(c).

(vi) In the event additional legal or regulatory requirements are imposed on the Remarketing Agent's performance of its obligations under this Agreement, the Company agrees to cooperate with the Remarketing Agent and shall provide such documents and

take such other steps as may be reasonably requested by the Remarketing Agent in order to comply with such additional requirements.

11. No Advisory or Fiduciary Role. The Company acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the Company and the Remarketing Agent in which the Remarketing Agent is acting solely as a principal and is not acting as a "municipal advisor" (as defined in Section 15B of the Exchange Act), financial advisor or fiduciary to the Company; (ii) the Remarketing Agent has not assumed any advisory or fiduciary responsibility to the Company with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Remarketing Agent or its affiliates have provided other services or is currently providing other services to the Company on other matters); (iii) the only obligations the Remarketing Agent has to the Company with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (iv) the Company has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Company agrees that it will not claim that the Remarketing Agent is a "municipal advisor" within the meaning of Section 15B of the Exchange Act, or owes a fiduciary or similar duty to the Company in connection with the transaction contemplated by this Agreement or the process leading thereto.

12. Intention of Parties. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds, as herein provided, shall constitute or be construed to be the extinguishment of any Bond or the indebtedness represented thereby or the reissuance of any Bond or the refunding of any indebtedness represented thereby.

13. Compliance with Indenture and Tender Agreement. The Remarketing Agent represents that it is qualified to act as Remarketing Agent and agrees to abide by all of the provisions of the Indenture and the Tender Agreement, insofar as they govern its activities as Remarketing Agent for the Bonds. In particular, the Remarketing Agent (in its capacity as Remarketing Agent) hereby agrees to keep such books and records as shall be consistent with prudent industry practice and will make such books and records available for inspection by the Issuer, the Trustee, the Tender Agent and the Company at all reasonable times.

14. Notices. Unless otherwise provided, all notices, requests, demands and formal actions hereunder shall be in writing and mailed or delivered, as follows:

If to the Company:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Treasurer

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway

Jacksonville, Florida 32256
Attention: Corporate Trust Department

If to the Issuer:

Lee County Industrial Development Authority
2201 Second Street, Suite 500,
Fort Myers, Florida 33901
Attention: Executive Director

If to the Tender Agent:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256
Attention: Corporate Trust Department

If to the Remarketing Agent, at its Principal Office, as defined in the Indenture, which is:

SunTrust Robinson Humphrey, Inc.
3333 Peachtree Road, 11th Floor
Atlanta, Georgia 30326

Each of the above parties may, by written notice given hereunder to the others, designate any further or different addresses to which subsequent notices, certificates, requests, or other communications shall be sent. In addition, the parties hereto may agree to any other means by which subsequent notices, certificates, requests or other communications may be sent.

15. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York.

[Signatures on following page]

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

FLORIDA POWER & LIGHT COMPANY

By: _____
Name: Joseph Balzano
Title: Assistant Treasurer

SUNTRUST ROBINSON HUMPHREY, INC.

By: _____
Name: Henry B. Harris
Title: Managing Director,
Public Finance Origination

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

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
Title: Assistant Treasurer

SUNTRUST ROBINSON HUMPHREY, INC.

By:_____
Name: Henry B. Harris
Title: Managing Director,
Public Finance Origination

Exhibit 4 (g)

Tender Agreement, dated as of December 1, 2016, with respect to the Lee County Series 2016A Bonds.

TENDER AGREEMENT

among

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee, Tender Agent and Registrar

and

FLORIDA POWER & LIGHT COMPANY

and

MORGAN STANLEY & CO. LLC
as Remarketing Agent

Dated as of December 1, 2016

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016A

TENDER AGREEMENT

This TENDER AGREEMENT, dated as of December 1, 2016, is among THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar (in such respective capacities, the "Trustee", the "Tender Agent" and the "Registrar"); FLORIDA POWER & LIGHT COMPANY (the "Company"); and MORGAN STANLEY & CO. LLC as Remarketing Agent (the "Remarketing Agent"); or the permitted successors and assigns of any of the foregoing;

WHEREAS, Lee County Industrial Development Authority (the "Issuer") proposes to issue its Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016A (the "Bonds"), in the aggregate principal amount of $30,000,000 pursuant to the Trust Indenture dated as of December 1, 2016 (the "Indenture") from the Issuer to the Trustee; and

WHEREAS, the Company has appointed The Bank of New York Mellon Trust Company, N.A., as Tender Agent and Registrar, and The Bank of New York Mellon Trust Company, N.A. has accepted such appointment and agreed to perform the duties and obligations imposed on it as Tender Agent and Registrar under the Indenture; and

WHEREAS, the Bonds and the Indenture provide, among other things, that the Bonds may be tendered for purchase from time to time by the Owners thereof at their option and that the Bonds shall be tendered for purchase from time to time by the Owners thereof upon the occurrence of certain events, in accordance with the provisions of the Bonds and the Indenture; and

WHEREAS, pursuant to the terms of the Indenture, the Remarketing Agent has agreed to use its best efforts to remarket any Bond tendered for purchase;

NOW, THEREFORE, in consideration of the premises and in order to provide for the coordination of said arrangements, the parties hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Qualification of Tender Agent and Registrar. The Tender Agent and Registrar hereby represents that it is qualified to serve as Tender Agent under the requirements of Section 1402(b) of the Indenture and as Registrar under the requirements of Section 920 of the Indenture.

Section 3. Establishment of Purchase Fund.

(a) In accordance with Section 1401(b)(ii) of the Indenture, there is hereby established with the Tender Agent a separate segregated trust fund designated the "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016 Purchase Fund" and any Series 2016A subaccount therein (the "Purchase Fund"). In accordance with Section 1401(b)(ii) of the Indenture, there are also

hereby established two separate accounts in such Purchase Fund to be designated respectively the "Remarketing Account" and the "Company Moneys Account." The Tender Agent may establish one or more additional accounts in the Purchase Fund for such purposes as the Tender Agent determines to be necessary including, but not limited to, an account for the deposit of moneys held for the Owners of Undelivered Bonds.

(b) All moneys received by the Tender Agent pursuant to Section 1403(b)(i) or (iii) of the Indenture shall be deposited in the Company Moneys Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

(c) All moneys received by the Tender Agent from the Remarketing Agent on behalf of purchasers of Bonds pursuant to Section 1403(b)(ii) of the Indenture on account of remarketed Bonds shall be deposited in the Remarketing Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

Section 4. Deposit of Bonds. The Tender Agent agrees to accept and hold all Bonds delivered to it for purchase pursuant to the Indenture as agent and bailee of, and in escrow for the benefit of the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners pursuant to the Indenture.

Section 5. Remarketing Mechanics for Bonds.

(a) Daily Interest Rate Period. (i) Not later than 11:00 a.m. (New York City time) on each Business Day, the Tender Agent shall give electronic notice to the Remarketing Agent, the Trustee and the Company of each notice from an Owner pursuant to Section 202(a) of the Indenture that the Tender Agent has received on such Business Day (or during the immediately preceding Business Day if received after 10:30 a.m. on such preceding Business Day). Such electronic notice by the Tender Agent shall specify the principal amount of the Bonds for which it has received such notice (the "Daily Put Bonds"), the names of the Owners thereof, if any of such Owners shall have provided instructions to the Tender Agent regarding the payment or purchase of its Bonds (the "Standing Payment Instructions") and any requested change therein and the date specified as the date such Bonds are to be purchased (each such date, and any other date on which Bonds are to be purchased under the Indenture, is referred to herein as a "Tender Purchase Date"); provided that, if the Tender Purchase Date is a date other than the Business Day on which notice is received from an Owner, the Tender Agent shall specify the purchase price for such Bonds not later than 11:00 a.m. (New York City time) on such Tender Purchase Date.

(ii) Not later than 11:45 a.m. (New York City time) on the Tender Purchase Date with respect to all Daily Put Bonds, the Tender Agent shall electronically confirm with the Trustee the aggregate amount of the interest payable as of the Tender Purchase Date on such Daily Put Bonds. Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of

(A) the principal amount of Daily Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on such Tender Purchase Date by the Remarketing Agent on behalf of the purchasers (the "New Purchasers") of the Daily Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the name, address, taxpayer identification number of the New Purchasers (such information is hereinafter referred to as "New Registration Information") necessary for the Registrar to prepare replacement certificates for the New Purchasers and any requested Standing Payment Instructions from such New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Daily Put Bonds on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Daily Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Daily Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Daily Put Bonds specified in the electronic notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Daily Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(b) Weekly Interest Rate Period. (i) Not later than 10:30 a.m. (New York City time) on each Business Day succeeding a day on which the Tender Agent receives a notice from an Owner pursuant to Section 202(b) of the Indenture, the Tender Agent shall give electronic notice to the Remarketing Agent and the Company, specifying the principal amount of the Bonds for which it has received such notice (the "Weekly Put Bonds"), the Tender Purchase Date for such Weekly Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 11:00 a.m. (New York City time) on the Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of Weekly Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing

Agent on behalf of the New Purchasers of such Weekly Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent (or to be held by the Remarketing Agent on the Tender Purchase Date) for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Weekly Put Bonds for delivery on such Tender Purchase Date, not later than 11:00 a.m. (New York City time) on the Tender Purchase Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Weekly Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Weekly Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Weekly Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Weekly Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(c) Mandatory Tenders for Purchase on First Day of Each Interest Rate Period.

(i) Not later than 10:30 a.m. (New York City time) on the Business Day succeeding the date of mailing of any notice of mandatory tender for purchase sent to Owners of the Bonds in accordance with the Indenture, the Tender Agent shall give electronic notice to the Trustee, the Company, and the Remarketing Agent specifying the principal amount (together with any premium, if applicable) of Bonds subject to mandatory tender for purchase (the "Mandatory Put Bonds"), the Tender Purchase Date for such Mandatory Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of Mandatory Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Mandatory Put Bonds stating that

such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Mandatory Put Bonds for delivery on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Mandatory Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Mandatory Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Mandatory Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Mandatory Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(d) Mandatory Tender for Purchase on Day Next Succeeding the Last Day of Each Commercial Paper Term.

(i) Not later than 10:15 a.m. (New York City time) on the day next succeeding the last day of any Commercial Paper Term (the "CP Date") with respect to a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 5(c) hereof shall be applicable), the Tender Agent shall give electronic notice to the Remarketing Agent and the Company, specifying the principal amount of each Bond then bearing interest at a Commercial Paper Term Rate, and to which such CP Date relates, the principal amount of such Bonds to be purchased on such CP Date (the "CP Put Bonds"), and the names of the Owners of the CP Put Bonds and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on each CP Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of CP Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund by the Remarketing Agent on behalf of the New Purchasers of the CP Put Bonds stating that such amount paid as such purchase price is then held by the

Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers and the Commercial Paper Term and the Commercial Paper Term Rate for each CP Put Bond so remarketed. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such CP Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all CP Put Bonds on such CP Date, not later than 12:30 p.m. (New York City time) on such CP Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such CP Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all CP Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the CP Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the CP Date to pay the purchase price of such CP Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such CP Date the amount so demanded.

Section 6. DTC Procedures. The parties hereto acknowledge that, as provided in the Indenture, the Bonds will on the date of issuance thereof be deposited into the book-entry-only system maintained by The Depository Trust Company ("DTC") and while so deposited shall be registered as a single bond in the name of DTC's nominee, Cede & Co. The Tender Agent and the Registrar agree that, so long as the Bonds are held by DTC in its book-entry-only system, tenders of Bonds shall be accomplished in accordance with DTC's Delivery Order Procedures and the Tender Agent shall accept notices of tender in the form set forth as Exhibit B to the Indenture.

Section 7. Undelivered Bonds. The Tender Agent shall, as to any Undelivered Bonds, (i) notify the Remarketing Agent of the existence thereof and (ii) direct the Registrar to place a stop transfer against such Undelivered Bonds. Upon the delivery of such Undelivered Bond, the Tender Agent shall direct the Registrar to release any such stop transfer.

Section 8. Delivery of Bonds. A principal amount of Bonds equal to the principal amount of Bonds purchased by New Purchasers shall be delivered by the Registrar to the Tender Agent, registered in the names of the New Purchasers. Such Bonds shall be held available at the office of the Tender Agent to be picked up by the Remarketing Agent at or after 2:00 p.m. (New York City time) (5:00 p.m., New York City time, in connection with any remarketing of Bonds described in Section 5(c) hereof in connection with an adjustment to a Long-Term Interest Rate

Period) on the Tender Purchase Date or CP Date, as the case may be, against delivery of funds for deposit into the Remarketing Account of the Purchase Fund equal to the purchase price of such Bonds which have been remarketed. Bonds which have been purchased from moneys in the Company Moneys Account of the Purchase Fund shall be held or delivered as directed by the Company in accordance with Section 1407(c) of the Indenture.

Section 9. Notices. Any notices required to be given pursuant to this Agreement shall be sent to the address, telecopy or other electronic transmission number or address for notices, if any, filed with the Trustee at the date hereof or such address, telecopy or other electronic transmission number or address of any party hereto as such party shall have specified by written notice to each of the other parties.

Section 10. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with, the laws of the State of Florida.

Section 11. General.

(a) Payment of Tender Agent, Registrar and Trustee; Indemnification. The Company shall pay all reasonable fees, charges and out-of-pocket expenses of the Tender Agent, the Registrar and the Trustee (and their respective counsel) for acting under and pursuant to this Agreement or the Indenture. In addition, the Company shall indemnify and save harmless each of the Tender Agent, the Registrar and the Trustee and their respective officers and employees from and against any and all losses, costs, charges, expenses, judgments and liabilities arising out of claims made by third parties arising out of the transactions contemplated by this Agreement or the Indenture; provided, however, that such indemnification shall not apply to any such losses, costs, charges, expenses, judgments or liabilities caused by the gross negligence or willful misconduct of the party seeking such indemnity or of its officers or employees.

(b) Tender Agent's Performance. The Tender Agent shall perform only such duties as are specifically set forth in this Agreement or the Indenture. No provision of this Agreement or the Indenture shall require the Tender Agent to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder. No provision of this Agreement or the Indenture shall be construed to relieve the Tender Agent from liability resulting primarily from its own negligent action or its own negligent failure to act, except that:

(i) the duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Agreement and the Indenture and the Tender Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and the Indenture, and no implied covenants or obligations shall be read into this Agreement or the Indenture against the Tender Agent, and the Tender Agent shall not be liable under this Agreement except for its gross negligence or willful misconduct; and

(ii) in the absence of bad faith on the part of the Tender Agent, the Tender Agent may conclusively rely, as to the truth of the statements therein, upon any telecopy or other electronically transmitted message or written certificate furnished to the Tender Agent which conforms to the requirements of this Agreement and the Indenture; and

(iii) the Tender Agent shall not be liable for any error of judgment made by a responsible officer or officers of the Tender Agent unless it shall be proved that the Tender Agent was grossly negligent in ascertaining the pertinent facts; and

(iv) the Tender Agent shall be entitled to the same exculpatory provisions as are set forth with respect to the Trustee in the Indenture.

(c) Payments. Any provisions of this Agreement or any statute to the contrary notwithstanding, the Tender Agent hereby waives any rights to, or liens for, its fees, charges and expenses for services hereunder from funds in the Purchase Fund. The Tender Agent agrees that it will be reimbursed and compensated for its fees, charges and expenses for acting under and pursuant to this Agreement only from payments to be made by the Company pursuant to Section 11(a) hereof.

(d) Term of Tender Agreement. Subject to the provisions of Section 1402(b) of the Indenture, this Agreement shall remain in full force and effect until such time as the principal of and premium, if any, and interest on all Bonds outstanding under the Indenture shall have been paid and all payments required under this Agreement shall have been made; provided, that if the Company and the Tender Agent shall have fulfilled all of their respective obligations hereunder, this Agreement shall terminate; provided further, that the obligations of the Company under Section 11(a) of this Agreement shall continue in full force and effect until such obligations shall have been satisfied.

(e) Resignation and Removal. The Tender Agent may resign from the performance of any of the duties hereunder upon at least 60 days' notice in accordance with Section 1402 of the Indenture. The Tender Agent may be removed as specified in Section 1402 of the Indenture. In the event of the resignation or removal of the Tender Agent, the Tender Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity, and shall deliver all records relating thereto, to its successor or, if there be no successor, to the Trustee. However, such resigning or removed Tender Agent may retain copies of any records turned over for archival purposes. The delivery, transfer and assignment of such moneys, Bonds and documents by the Tender Agent to its successor or the Trustee, as the case may be, shall be sufficient, without the requirement of any additional act or the requirement of any indemnity to be given by the Tender Agent, to relieve the Tender Agent of all further responsibility for the exercise of the rights and the performance of the obligations vested in the Tender Agent pursuant to this Tender Agreement. Any termination or resignation hereunder shall not affect the Tender Agent's rights to the payment of fees earned or charges incurred through the effective date of such resignation or termination, as the case may be.

(f) Force Majeure. The Tender Agent shall not be liable for any failure or delays arising out of conditions beyond its reasonable control including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, storms, electrical, mechanical, computer or communications facilities failures, acts of God and similar occurrences.

(g) Amendment of Indenture. The Company and the Trustee agree not to consent to any modification, change of or supplement to the Indenture which affects the rights or obligations of the Tender Agent without the Tender Agent's prior written consent.

(h) Successors and Assigns. The rights, duties and obligations of the Company, the Trustee, the Remarketing Agent, the Tender Agent and the Registrar hereunder shall inure, without further act, to their respective successors and permitted assigns; provided, however, that (i) the Tender Agent and the Registrar may not assign its respective obligations under this Agreement without the prior written consent of the Company, (ii) any successor or assignee of the Tender Agent must be authorized by law to perform the duties of the Tender Agent under the Indenture and (iii) no other party hereto may assign its respective obligations hereunder without the prior written consent of the Tender Agent.

(i) Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar

By:_____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
Title: Assistant Treasurer

MORGAN STANLEY & CO. LLC, as Remarketing Agent

By:_____
Francis J. Sweeney
Managing Director

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar

By:_____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers or signatories thereunto duly authorized as of the date first above written.

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By:_____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
Title: Assistant Treasurer

MORGAN STANLEY & CO. LLC, as Remarketing Agent

By:_____
Francis J. Sweeney
Managing Director

Exhibit 4 (h)

Tender Agreement, dated as of December 1, 2016, with respect to the Lee County Series 2016B Bonds.

TENDER AGREEMENT

among

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee, Tender Agent and Registrar

and

FLORIDA POWER & LIGHT COMPANY

and

SUNTRUST ROBINSON HUMPHREY, INC.
as Remarketing Agent

Dated as of December 1, 2016

$30,000,000
Lee County Industrial Development Authority
Industrial Development Revenue Bonds
(Florida Power & Light Company Project)
Series 2016B

TENDER AGREEMENT

This TENDER AGREEMENT, dated as of December 1, 2016, is among THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar (in such respective capacities, the "Trustee", the "Tender Agent" and the "Registrar"); FLORIDA POWER & LIGHT COMPANY (the "Company"); and SUNTRUST ROBINSON HUMPHREY, INC., as Remarketing Agent (the "Remarketing Agent"); or the permitted successors and assigns of any of the foregoing;

WHEREAS, Lee County Industrial Development Authority (the "Issuer") proposes to issue its Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016B (the "Bonds"), in the aggregate principal amount of $30,000,000 pursuant to the Trust Indenture dated as of December 1, 2016 (the "Indenture") from the Issuer to the Trustee; and

WHEREAS, the Company has appointed The Bank of New York Mellon Trust Company, N.A., as Tender Agent and Registrar, and The Bank of New York Mellon Trust Company, N.A. has accepted such appointment and agreed to perform the duties and obligations imposed on it as Tender Agent and Registrar under the Indenture; and

WHEREAS, the Bonds and the Indenture provide, among other things, that the Bonds may be tendered for purchase from time to time by the Owners thereof at their option and that the Bonds shall be tendered for purchase from time to time by the Owners thereof upon the occurrence of certain events, in accordance with the provisions of the Bonds and the Indenture; and

WHEREAS, pursuant to the terms of the Indenture, the Remarketing Agent has agreed to use its best efforts to remarket any Bond tendered for purchase;

NOW, THEREFORE, in consideration of the premises and in order to provide for the coordination of said arrangements, the parties hereby agree as follows:

Section 1. Defined Terms. Capitalized terms used in this Agreement and not defined herein shall have the meanings assigned to them in the Indenture.

Section 2. Qualification of Tender Agent and Registrar. The Tender Agent and Registrar hereby represents that it is qualified to serve as Tender Agent under the requirements of Section 1402(b) of the Indenture and as Registrar under the requirements of Section 920 of the Indenture.

Section 3. Establishment of Purchase Fund.

(a) In accordance with Section 1401(b)(ii) of the Indenture, there is hereby established with the Tender Agent a separate segregated trust fund designated the "Lee County Industrial Development Authority Industrial Development Revenue Bonds (Florida Power & Light Company Project), Series 2016 Purchase Fund" and any Series 2016B subaccount therein (the "Purchase Fund"). In accordance with Section 1401(b)(ii) of the Indenture, there are also

hereby established two separate accounts in such Purchase Fund to be designated respectively the "Remarketing Account" and the "Company Moneys Account." The Tender Agent may establish one or more additional accounts in the Purchase Fund for such purposes as the Tender Agent determines to be necessary including, but not limited to, an account for the deposit of moneys held for the Owners of Undelivered Bonds.

(b) All moneys received by the Tender Agent pursuant to Section 1403(b)(i) or (iii) of the Indenture shall be deposited in the Company Moneys Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

(c) All moneys received by the Tender Agent from the Remarketing Agent on behalf of purchasers of Bonds pursuant to Section 1403(b)(ii) of the Indenture on account of remarketed Bonds shall be deposited in the Remarketing Account of the Purchase Fund and held in trust until paid for the purchase of Bonds in accordance with the provisions of Section 1403 of the Indenture.

Section 4. Deposit of Bonds. The Tender Agent agrees to accept and hold all Bonds delivered to it for purchase pursuant to the Indenture as agent and bailee of, and in escrow for the benefit of the respective Owners which shall have so delivered such Bonds until moneys representing the purchase price of such Bonds shall have been delivered to or for the account of or to the order of such Owners pursuant to the Indenture.

Section 5. Remarketing Mechanics for Bonds.

(a) Daily Interest Rate Period. (i) Not later than 11:00 a.m. (New York City time) on each Business Day, the Tender Agent shall give electronic notice to the Remarketing Agent, the Trustee and the Company of each notice from an Owner pursuant to Section 202(a) of the Indenture that the Tender Agent has received on such Business Day (or during the immediately preceding Business Day if received after 10:30 a.m. on such preceding Business Day). Such electronic notice by the Tender Agent shall specify the principal amount of the Bonds for which it has received such notice (the "Daily Put Bonds"), the names of the Owners thereof, if any of such Owners shall have provided instructions to the Tender Agent regarding the payment or purchase of its Bonds (the "Standing Payment Instructions") and any requested change therein and the date specified as the date such Bonds are to be purchased (each such date, and any other date on which Bonds are to be purchased under the Indenture, is referred to herein as a "Tender Purchase Date"); provided that, if the Tender Purchase Date is a date other than the Business Day on which notice is received from an Owner, the Tender Agent shall specify the purchase price for such Bonds not later than 11:00 a.m. (New York City time) on such Tender Purchase Date.

(ii) Not later than 11:45 a.m. (New York City time) on the Tender Purchase Date with respect to all Daily Put Bonds, the Tender Agent shall electronically confirm with the Trustee the aggregate amount of the interest payable as of the Tender Purchase Date on such Daily Put Bonds. Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of

(A) the principal amount of Daily Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on such Tender Purchase Date by the Remarketing Agent on behalf of the purchasers (the "New Purchasers") of the Daily Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the name, address, taxpayer identification number of the New Purchasers (such information is hereinafter referred to as "New Registration Information") necessary for the Registrar to prepare replacement certificates for the New Purchasers and any requested Standing Payment Instructions from such New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Daily Put Bonds on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Daily Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Daily Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Daily Put Bonds specified in the electronic notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Daily Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(b) Weekly Interest Rate Period. (i) Not later than 10:30 a.m. (New York City time) on each Business Day succeeding a day on which the Tender Agent receives a notice from an Owner pursuant to Section 202(b) of the Indenture, the Tender Agent shall give electronic notice to the Remarketing Agent and the Company, specifying the principal amount of the Bonds for which it has received such notice (the "Weekly Put Bonds"), the Tender Purchase Date for such Weekly Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 11:00 a.m. (New York City time) on the Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of Weekly Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing

Agent on behalf of the New Purchasers of such Weekly Put Bonds, stating that such amount paid as such purchase price is then held by the Remarketing Agent (or to be held by the Remarketing Agent on the Tender Purchase Date) for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Weekly Put Bonds for delivery on such Tender Purchase Date, not later than 11:00 a.m. (New York City time) on the Tender Purchase Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Weekly Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Weekly Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Weekly Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Weekly Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(c) Mandatory Tenders for Purchase on First Day of Each Interest Rate Period.

(i) Not later than 10:30 a.m. (New York City time) on the Business Day succeeding the date of mailing of any notice of mandatory tender for purchase sent to Owners of the Bonds in accordance with the Indenture, the Tender Agent shall give electronic notice to the Trustee, the Company, and the Remarketing Agent specifying the principal amount (together with any premium, if applicable) of Bonds subject to mandatory tender for purchase (the "Mandatory Put Bonds"), the Tender Purchase Date for such Mandatory Put Bonds and the names of the Owners thereof and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on any such Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of Mandatory Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund on the Tender Purchase Date by the Remarketing Agent on behalf of the New Purchasers of such Mandatory Put Bonds stating that

such amount paid as such purchase price is then held by the Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such Tender Purchase Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all Mandatory Put Bonds for delivery on such Tender Purchase Date, not later than 12:30 p.m. (New York City time) on such Tender Purchase Date, the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such Mandatory Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all Mandatory Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the Mandatory Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the Tender Purchase Date to pay the purchase price of such Mandatory Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such Tender Purchase Date the amount so demanded.

(d) Mandatory Tender for Purchase on Day Next Succeeding the Last Day of Each Commercial Paper Term.

(i) Not later than 10:15 a.m. (New York City time) on the day next succeeding the last day of any Commercial Paper Term (the "CP Date") with respect to a Bond, unless such day is the first day of a new Interest Rate Period (in which event Section 5(c) hereof shall be applicable), the Tender Agent shall give electronic notice to the Remarketing Agent and the Company, specifying the principal amount of each Bond then bearing interest at a Commercial Paper Term Rate, and to which such CP Date relates, the principal amount of such Bonds to be purchased on such CP Date (the "CP Put Bonds"), and the names of the Owners of the CP Put Bonds and, if any of such Owners shall have Standing Payment Instructions, any requested changes therein.

(ii) Not later than 12:30 p.m. (New York City time) on each CP Date, the Remarketing Agent shall give electronic notice to the Tender Agent and the Registrar of (A) the principal amount of CP Put Bonds which have been remarketed in accordance with the Indenture and the portion of the purchase price thereof which shall be deposited in the Remarketing Account of the Purchase Fund by the Remarketing Agent on behalf of the New Purchasers of the CP Put Bonds stating that such amount paid as such purchase price is then held by the

Remarketing Agent for transfer to the Tender Agent and deposit into the Remarketing Account, and (B) the New Registration Information and any Standing Payment Instructions for the New Purchasers and the Commercial Paper Term and the Commercial Paper Term Rate for each CP Put Bond so remarketed. The Remarketing Agent shall deliver to the Tender Agent for deposit into the Remarketing Account of the Purchase Fund in immediately available funds on such CP Date such amount paid as such purchase price by or on behalf of the New Purchasers.

(iii) If the Remarketing Agent has been unable to remarket all CP Put Bonds on such CP Date, not later than 12:30 p.m. (New York City time) on such CP Date the Remarketing Agent shall give electronic notice to the Company, the Trustee and the Tender Agent that it has been unable to remarket all such CP Put Bonds, specifying the aggregate purchase price of the portion not remarketed.

(iv) If the Remarketing Agent has not advised the Tender Agent, in accordance with subsection (ii) above, that it is then holding moneys for transfer to the Tender Agent and deposit into the Remarketing Account, or upon receipt from the Remarketing Agent of the notice described in subsection (iii) above, and unless sufficient moneys are then on deposit in the Company Moneys Account of the Purchase Fund to pay the purchase price of all CP Put Bonds, if the Tender Agent has neither received the advice referred to in subsection (ii) above or the purchase price of the CP Put Bonds specified in the notice from the Remarketing Agent described in subsection (iii) above, the Tender Agent shall immediately demand payment from the Company electronically of the amount necessary to provide sufficient moneys on the CP Date to pay the purchase price of such CP Put Bonds. The Company shall deliver, or cause to be delivered, to the Tender Agent for deposit into the Company Moneys Account of the Purchase Fund in immediately available funds on such CP Date the amount so demanded.

Section 6. DTC Procedures. The parties hereto acknowledge that, as provided in the Indenture, the Bonds will on the date of issuance thereof be deposited into the book-entry-only system maintained by The Depository Trust Company ("DTC") and while so deposited shall be registered as a single bond in the name of DTC's nominee, Cede & Co. The Tender Agent and the Registrar agree that, so long as the Bonds are held by DTC in its book-entry-only system, tenders of Bonds shall be accomplished in accordance with DTC's Delivery Order Procedures and the Tender Agent shall accept notices of tender in the form set forth as Exhibit B to the Indenture.

Section 7. Undelivered Bonds. The Tender Agent shall, as to any Undelivered Bonds, (i) notify the Remarketing Agent of the existence thereof and (ii) direct the Registrar to place a stop transfer against such Undelivered Bonds. Upon the delivery of such Undelivered Bond, the Tender Agent shall direct the Registrar to release any such stop transfer.

Section 8. Delivery of Bonds. A principal amount of Bonds equal to the principal amount of Bonds purchased by New Purchasers shall be delivered by the Registrar to the Tender Agent, registered in the names of the New Purchasers. Such Bonds shall be held available at the office of the Tender Agent to be picked up by the Remarketing Agent at or after 2:00 p.m. (New York City time) (5:00 p.m., New York City time, in connection with any remarketing of Bonds described in Section 5(c) hereof in connection with an adjustment to a Long-Term Interest Rate

Period) on the Tender Purchase Date or CP Date, as the case may be, against delivery of funds for deposit into the Remarketing Account of the Purchase Fund equal to the purchase price of such Bonds which have been remarketed. Bonds which have been purchased from moneys in the Company Moneys Account of the Purchase Fund shall be held or delivered as directed by the Company in accordance with Section 1407(c) of the Indenture.

Section 9. Notices. Any notices required to be given pursuant to this Agreement shall be sent to the address, telecopy or other electronic transmission number or address for notices, if any, filed with the Trustee at the date hereof or such address, telecopy or other electronic transmission number or address of any party hereto as such party shall have specified by written notice to each of the other parties.

Section 10. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with, the laws of the State of Florida.

Section 11. General.

(a) Payment of Tender Agent, Registrar and Trustee; Indemnification. The Company shall pay all reasonable fees, charges and out-of-pocket expenses of the Tender Agent, the Registrar and the Trustee (and their respective counsel) for acting under and pursuant to this Agreement or the Indenture. In addition, the Company shall indemnify and save harmless each of the Tender Agent, the Registrar and the Trustee and their respective officers and employees from and against any and all losses, costs, charges, expenses, judgments and liabilities arising out of claims made by third parties arising out of the transactions contemplated by this Agreement or the Indenture; provided, however, that such indemnification shall not apply to any such losses, costs, charges, expenses, judgments or liabilities caused by the gross negligence or willful misconduct of the party seeking such indemnity or of its officers or employees.

(b) Tender Agent's Performance. The Tender Agent shall perform only such duties as are specifically set forth in this Agreement or the Indenture. No provision of this Agreement or the Indenture shall require the Tender Agent to risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder. No provision of this Agreement or the Indenture shall be construed to relieve the Tender Agent from liability resulting primarily from its own negligent action or its own negligent failure to act, except that:

(i) the duties and obligations of the Tender Agent shall be determined solely by the express provisions of this Agreement and the Indenture and the Tender Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement and the Indenture, and no implied covenants or obligations shall be read into this Agreement or the Indenture against the Tender Agent, and the Tender Agent shall not be liable under this Agreement except for its gross negligence or willful misconduct; and

(ii) in the absence of bad faith on the part of the Tender Agent, the Tender Agent may conclusively rely, as to the truth of the statements therein, upon any telecopy or other electronically transmitted message or written certificate furnished to the Tender Agent which conforms to the requirements of this Agreement and the Indenture; and

(iii) the Tender Agent shall not be liable for any error of judgment made by a responsible officer or officers of the Tender Agent unless it shall be proved that the Tender Agent was grossly negligent in ascertaining the pertinent facts; and

(iv) the Tender Agent shall be entitled to the same exculpatory provisions as are set forth with respect to the Trustee in the Indenture.

(c) Payments. Any provisions of this Agreement or any statute to the contrary notwithstanding, the Tender Agent hereby waives any rights to, or liens for, its fees, charges and expenses for services hereunder from funds in the Purchase Fund. The Tender Agent agrees that it will be reimbursed and compensated for its fees, charges and expenses for acting under and pursuant to this Agreement only from payments to be made by the Company pursuant to Section 11(a) hereof.

(d) Term of Tender Agreement. Subject to the provisions of Section 1402(b) of the Indenture, this Agreement shall remain in full force and effect until such time as the principal of and premium, if any, and interest on all Bonds outstanding under the Indenture shall have been paid and all payments required under this Agreement shall have been made; provided, that if the Company and the Tender Agent shall have fulfilled all of their respective obligations hereunder, this Agreement shall terminate; provided further, that the obligations of the Company under Section 11(a) of this Agreement shall continue in full force and effect until such obligations shall have been satisfied.

(e) Resignation and Removal. The Tender Agent may resign from the performance of any of the duties hereunder upon at least 60 days' notice in accordance with Section 1402 of the Indenture. The Tender Agent may be removed as specified in Section 1402 of the Indenture. In the event of the resignation or removal of the Tender Agent, the Tender Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity, and shall deliver all records relating thereto, to its successor or, if there be no successor, to the Trustee. However, such resigning or removed Tender Agent may retain copies of any records turned over for archival purposes. The delivery, transfer and assignment of such moneys, Bonds and documents by the Tender Agent to its successor or the Trustee, as the case may be, shall be sufficient, without the requirement of any additional act or the requirement of any indemnity to be given by the Tender Agent, to relieve the Tender Agent of all further responsibility for the exercise of the rights and the performance of the obligations vested in the Tender Agent pursuant to this Tender Agreement. Any termination or resignation hereunder shall not affect the Tender Agent's rights to the payment of fees earned or charges incurred through the effective date of such resignation or termination, as the case may be.

(f) Force Majeure. The Tender Agent shall not be liable for any failure or delays arising out of conditions beyond its reasonable control including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, storms, electrical, mechanical, computer or communications facilities failures, acts of God and similar occurrences.

(g) Amendment of Indenture. The Company and the Trustee agree not to consent to any modification, change of or supplement to the Indenture which affects the rights or obligations of the Tender Agent without the Tender Agent's prior written consent.

(h) Successors and Assigns. The rights, duties and obligations of the Company, the Trustee, the Remarketing Agent, the Tender Agent and the Registrar hereunder shall inure, without further act, to their respective successors and permitted assigns; provided, however, that (i) the Tender Agent and the Registrar may not assign its respective obligations under this Agreement without the prior written consent of the Company, (ii) any successor or assignee of the Tender Agent must be authorized by law to perform the duties of the Tender Agent under the Indenture and (iii) no other party hereto may assign its respective obligations hereunder without the prior written consent of the Tender Agent.

(i) Counterparts. This Agreement may be executed in any number of counterparts each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar

By: _____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By: _____
Name: Joseph Balzano
Title: Assistant Treasurer

SUNTRUST ROBINSON HUMPHREY, INC., as Remarketing Agent

By: _____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

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

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee, Tender Agent and Registrar

By:_____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
Title: Assistant Treasurer

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By:_____
Name: Linda Boenish
Title: Vice President

FLORIDA POWER & LIGHT COMPANY

By:_____
Name: Joseph Balzano
Title: Assistant Treasurer

SUNTRUST ROBINSON HUMPHREY, INC., as Remarketing Agent

By:_____
Name: Henry B. Harris
Title: Managing Director, Public Finance Origination

Exhibit 5 (a)

See Exhibit 1(d), Page 40 (as to Underwriters and fee) of the Official Statement with respect to the Lee County Series 2016 Bonds.

Exhibit 5 (b)

Merrill Lynch, Pierce, Fenner & Smith Incorporated, SunTrust Robinson Humphrey, Inc., Citigroup Global Markets Inc. and Goldman, Sachs & Co. act as private placement agents and/or dealers with respect to the commercial paper in return for which they receive fees based on the differential between the bid and ask price for the commercial paper.

Commercial paper dealers' agreements, and the use of placement agents/dealers in public company commercial paper programs, are standard practice, and the fees charged are consistent with fees charged to companies of similar creditworthiness for commercial paper transactions. The services provided by the placement agents/dealers are described in Exhibits 4(i) through 4(p).