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# COAL SUPPLY AGREEMENT

**BETWEEN**

**PEABODY COALSALES, LLC**

**AND**

**LOUISVILLE GAS AND ELECTRIC COMPANY**

**AND**

**KENTUCKY UTILTIES COMPANY**

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# TABLE OF CONTENTS

PAGE

Recitals ..... 1
Section 1. General ..... 2
Section 2. Term ..... 3
Section 3. Quantity ..... 3
3.1 Base Quantity ..... 3
3.2 Make-Up Tons ..... 4
3.3 Nomination and Delivery Schedule ..... 6
Section 4. Source ..... 6
4.1 Source ..... 6
4.2 Assurance of Operation and Quantity ..... 6
4.3 Non-Diversion of Coal ..... 7
4.4 Seller's Preparation of Mining Plan ..... 8
4.5 Substitute Coal ..... 9
4.6 Authority ..... 9
Section 5. Delivery ..... 10
5.1 Barge Delivery Point ..... 10
5.2 Barge Title and Risk of Loss ..... 11
5.3 Barge Cost of Transportation ..... 11
5.4 Barge Shipping Logistics ..... 13
Section 6. Quality ..... 13
6.1 Specifications ..... 14
6.2 Definition of "Shipment" ..... 15
6.3 Rejection ..... 16
6.4 Suspension and Termination ..... 17
Section 7. Weights, Sampling and Analysis ..... 19
7.1 Weights ..... 19
7.2 Sampling and Analysis ..... 21
7.3 Failure to obtain Weight or Sample ..... 23
Section 8. Price ..... 23
8.1 Base Price ..... 23
8.2 Quality Price Adjustments ..... 27
8.3 Payment Calculation ..... 30
8.4 Price Adjustments for Changes in Governmental Impositions ..... 30
Section 9. Invoices, Billing and Payment ..... 33
9.1 Invoicing Address ..... 33
9.2 Invoice Procedures for Coal Shipments ..... 33
9.3 Payment Procedures for Coal Shipments ..... 33
9.4 Withholding ..... 35
9.5 Payment by Buyer ..... 35
9.6 Credit Rating ..... 35
9.7 Guaranty ..... 36
Section 10. Force Majeure ..... 36

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3

10.1 General Force Majeure ..... 36
10.2 Environmental Law Force Majeure ..... 41
Section 11. Notices ..... 42
11.1 Form and Place of Notice ..... 42
11.2 Change of Person or Address ..... 42
11.3 Electronic Data Transmittal ..... 43
Section 12. Indemnity and Insurance ..... 43
12.1 Indemnity ..... 43
12.2 Insurance ..... 45
12.3 Coverage Conditions ..... 47
12.4 Quality of Insurance Coverage ..... 47
12.5 Insurance Policies ..... 47
12.6 Claims Made Policies ..... 48
12.7 Other Notices ..... 48
12.8 Certificates of Insurance ..... 48
12.9 Self-Insured Retentions ..... 49
12.10 Seller's Insurance ..... 49
Section 13. Termination for Default ..... 50
Section 14. Taxes, Duties and Fees ..... 51
Section 15. Documentation and Right of Audit ..... 52
Section 16. Equal Employment Opportunity ..... 52
Section 17. Coal Properties Inspections ..... 53
Section 18. Miscellaneous ..... 54
18.1 Applicable Law ..... 54
18.2 Headings ..... 54
18.3 Waiver ..... 54
18.4 Remedies Cumulative ..... 54
18.5 Severability ..... 54
18.6 Binding Effect ..... 54
18.7 Relationship of the Parties ..... 55
18.8 Several Liability ..... 55
18.9 Limitation of Remedies ..... 55
18.10 Forward Contract ..... 56
18.11 Counterparts ..... 56
18.12 Assignment ..... 56
18.13 Resale ..... 57
18.14 Entire Agreement ..... 57
18.15 Amendments ..... 57
Signature Page ..... 59
Schedule I Sample Coal Payment Calculations ..... 63
Exhibit A Guaranty ..... 65
Exhibit B Producers' Information ..... 73
Exhibit C Adjustment Period ..... 74

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3

**Peabody COALSALES, LLC**
**LGE&E/KU Contract No. J26005**

# COAL SUPPLY AGREEMENT

This is a coal supply agreement (the "Agreement") dated as of December 1, 2025 between LOUISVILLE GAS AND ELECTRIC COMPANY ("LG&E") and KENTUCKY UTILITIES COMPANY ("KU"), each a Kentucky corporation, with a common address at 2701 Eastpoint Parkway, Louisville, Kentucky 40223 (LG&E and KU are each individually sometimes herein called a "Buyer" as more particularly described below) and Peabody COALSALES, LLC ("Peabody"), a Delaware limited liability company, with an address at 701 Market Street, St. Louis, Missouri 63101 (herein called the "Seller").

## WITNESSETH:

WHEREAS, LG&E and KU are electric utility companies which desire to purchase steam coal; and

WHEREAS, Buyer and Seller desire to enter into a coal supply agreement pursuant to which the Seller will supply coal to Buyer under the terms as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



**SECTION 1. GENERAL.**

(a) The above recitals are true and correct and comprise a part of this Agreement.

(b) The Seller acknowledges that, while there will be no effect on the Base Quantity set forth in Section 3 below, LG&E and KU will allocate the quantity of coal to be purchased and received hereunder between themselves and that such allocation may change from time to time, at the sole discretion of LG&E and KU. Therefore, the term "Buyer" as used herein shall mean: (a) with respect to any particular "Shipment" (as such term is defined in §6.2 below) actually received by either LG&E or KU, the party who actually received such shipment; and (b) as may be determined by LG&E and KU, in their sole discretion with respect to any time or circumstance under this Agreement that the party or parties constituting "Buyer" is not determined pursuant to clause (a) immediately above (including, without limitation, matters involving exercise of rights or remedies by Buyer or enforcing obligations, duties and liability against Buyer by Seller not involving Shipments or prior to receipt of Shipments), LG&E or KU (and in such percentage allocation, if applicable) as may be determined by LG&E and KU in their sole discretion. As provided in §18.8 below, Seller agrees that the liability of each of LG&E and KU shall at all times be several and not joint. Each party shall have the obligations, duties and liability of a Buyer hereunder only to the extent (and in the percentage, if applicable) that each such party is determined to be a "Buyer" pursuant to this paragraph. Also, LG&E and KU each shall have the rights and remedies of a Buyer hereunder only to the extent (and in the percentage, if applicable) that each of them is determined to be a "Buyer" pursuant to this paragraph. In the event the

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



determination of the "Buyer" pursuant to this paragraph is found contrary to law or unenforceable by any court of law, or cannot be reasonably made with respect to any particular circumstance for any reason, the rights, remedies, obligations, duties and liabilities of Buyer shall be allocated to each of LG&E and KU, severally and not jointly, 50% to each party.

(c) Seller will sell and deliver to Buyer, and Buyer agrees to purchase and receive from Seller, steam coal subject to the terms and conditions set forth herein.

(d) Each covenant, representation and warranty given by Seller herein is a material inducement for Buyer to enter into this Agreement.

**SECTION 2. TERM.** The term of this Agreement shall commence as of the date hereof and shall continue through December 31, 2028, unless sooner terminated pursuant to any of the terms set forth herein. Deliveries shall be made starting December 1, 2025. The term may be extended as provided herein.

**SECTION 3. QUANTITY.**

§3.1 Base Quantity. Subject to the terms and conditions set forth in this Agreement, Seller shall sell and deliver, or cause to be delivered and Buyer shall purchase and receive, or cause to be received, a total of 1.5 million tons subject to the following annual base quantity of coal ("Base Quantity").

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



| YEAR | BASE QUANTITY (TONS) |
|---|---|
| 2026 * | 500,000 |
| 2027 | 500,000 |
| 2028 | 500,000 |

*The Parties mutually agree delivery of the 2026 Base Quantity may begin in December 2025, subject to a mutually agreeable delivery schedule.

The Base Quantity of coal scheduled to be delivered in a given calendar year as set forth in the table above, plus any Make-Up Tons required to be delivered pursuant to §3.2 (the Base Quantity plus any Make-Up Tons being hereafter collectively referred to as the "Annual Quantity") shall be delivered during that calendar year. The Base Quantities or Annual Quantities may be modified as mutually-agreed in writing by the parties from time-to-time, to achieve 1.5 million tons delivered and received by December 31, 2028, subject to a party's applicable rights or obligations pursuant to other terms and conditions herein including, but not limited to, Make-Up Tons, Force Majeure, and applicable suspension or termination rights.

§3.2 Make-Up Tons. Notwithstanding the provisions of §3.1 above, if Seller or Buyer fails to supply to or to take delivery of (as applicable) the entire Base Quantity scheduled for a particular year for any reason including a Force Majeure Event (as provided in Section 10 hereof), then the non-defaulting party, may, at its sole option and without any obligation to do so, elect to make up such undelivered or unreceived quantities ("Make-Up Tons") by having the defaulting party deliver or take delivery of the Make-Up Tons during the calendar year immediately

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



following the calendar year in which such Make-Up Tons should have been delivered (the "Make-Up Year"). If necessary, the term of this Agreement will be automatically extended to include the Make-Up Year. Prior to making such election, the non-defaulting party may request from the defaulting party adequate assurances, satisfactory to non-defaulting party, that the defaulting party is capable of delivering or receiving, and will deliver or receive (i) the Base Quantity established for the Make-Up Year by this Agreement and (ii) the Make-Up Tons during the Make-Up Year.

In the event the non-defaulting party makes the election to deliver or receive Make-Up Tons, as applicable, the defaulting party shall deliver or receive both the Base Quantity and the Make-Up Tons during the Make-Up Year pursuant to a new, mutually-agreed delivery schedule incorporating the delivery of the additional Make-Up Tons. In such event, for accounting and payment purposes, the first tons delivered in the Make-Up Year shall be considered to be the Make-Up Tons, and deliveries of Make-Up Tons will not be considered a part of the Base Quantity established for the Make-Up Year.

If the defaulting party's failure to deliver or receive all of the Base Quantity during a particular year constitutes a breach of this Agreement, the existence of this §3.2 shall not act as a waiver by the non-defaulting party of such breach, nor shall it act as a limitation on the non-defaulting party's remedies. However, if the non-defaulting party elects to deliver or receive the Make-Up Tons as provided in this §3.2, then such election and the receipt or delivery of the Make-Up Tons in the Make-Up Year shall be the non-defaulting party's sole and exclusive remedy. Nothing in this §3.2 shall limit the remedies of the non-defaulting party for any failure of the

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



defaulting party to perform with regard to the delivery or receipt of Make-Up Tons. The parties acknowledge to the extent that Make-Up Tons, as defined in this §3.2, are not elected to be made-up such will reduce the applicable Base Quantity in the particular year that the tons were scheduled to be delivered and will reduce the total amount to be delivered under this Agreement, but shall not as a waiver or limitation of the parties' rights, duties or remedies with respect to failures to deliver or receive the original Base Quantity or total amount, which failures constitute breaches or other violations of this Agreement.

§3.3 Delivery Schedule. Shipments are to be made on a ratable basis as adjusted during the year to reflect Buyer's outages, Seller's annual miner's vacation, and minor delays in transportation. The parties will cooperate in the development of any adjustments to the delivery schedule. Initial shipments shall begin after December 1, 2025. Time is of the essence with respect to the Seller's deliveries once a schedule is established.

**SECTION 4. SOURCE.**

§4.1 Source. The coal sold hereunder shall be supplied (a) from geological seam Illinois #6 from Seller's Gateway Underground Mine, located in Randolph County, Illinois, except to the extent Seller provides substitute coal in accordance with the terms of this Agreement. Seller represents that its affiliated company or the producer identified in Exhibit B (the "Producer") have title to or legal control over the Coal Properties and the coal located on the Coal Properties. Seller also represents and warrants that the coal, when delivered to Buyer will be free and clear of all liens and encumbrances and that Buyer will have good and marketable title to the delivered coal.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



§4.2 Assurance of Capacity, Operation and Reserves. Subject to the provisions of this Agreement, Seller represents and warrants that the Coal Properties contain coal of such quality and in such quantities as will be sufficient to satisfy all the requirements of this Agreement. Seller agrees and warrants that it will have at the Coal Properties adequate machinery, equipment and other facilities to produce, prepare and deliver coal in the quantities and of the quality required by this Agreement. Seller further agrees to operate and maintain such machinery, equipment and facilities in accordance with good mining practices so as to efficiently and economically produce, prepare and deliver such coal. Seller agrees that Buyer is not providing any capital for the purchase of such machinery, equipment and/or facilities and that Seller shall operate and maintain same at its sole expense. Seller has or timely will obtain, and will maintain, all required permits and licenses for the production and delivery of the coal as required by this Agreement. Seller recognizes that the process of obtaining permits may be subject to delays and regulatory uncertainties. Seller agrees and covenants to plan the permit acquisitions so as to prevent any interruption in its planned operations. Seller represents and warrants that it has the right and authority to sufficient coal meeting the quality specifications hereof and lying on or in the Coal Properties to fulfill the Seller's obligations hereunder. For the avoidance of doubt, nothing herein this Section shall give Buyer an independent cause of action for a breach of a representation or warranty contained in this §4.2, so long as the Seller otherwise continues to supply the coal required to be delivered hereunder in accordance with the other terms and conditions of this Agreement, or unless the Buyer has suffered actual losses as a result of such breach.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



§4.3 Non-Diversion of Coal. Seller agrees that it will not, without Buyer's express prior written consent, use or sell coal from the Coal Properties in a way that will reduce the quantity of coal to less than the quantity required to be supplied hereunder to Buyer.

§4.4 Sellers Preparation of Mining Plan. Seller shall, upon Buyer's request, allow Buyer to review at the respective Coal Properties, information constituting a mining plan which shall contain maps and a narrative describing areas and seams of coal to be mined and shall include (but not be limited to) the following information: (i) reserves from which the coal will be produced during the term hereof and the mining sequence, by year (or such other time intervals as mutually agreed) during the term of this Agreement, (ii) methods of mining such coal; (iii) methods of transporting and washing the coal to insure compliance with the quantity and quality requirements of this Agreement including a description and flow sheet of the preparation plant; (iv) quality data plotted on the maps depicting data points and isolines by ash, sulfur, and Btu; (v) quality control plans including sampling and analysis procedures; and (vi) Seller's aggregate commitments to redacted third parties to sell coal from the Coal Properties during the term of this Agreement. Buyer shall not be entitled to remove or make copies of such information from the mine.

Buyer's receipt of the mining plan or other information or data furnished by Seller (the "Mining Information") shall not in any manner relieve Seller of any of Seller's obligations or responsibilities under this Agreement; nor shall Buyer's review of the Mining Information be construed as constituting an approval of Seller's proposed mining plan for any purposes. Review by Buyer of Mining Information is solely for the purpose of allowing Buyer to evaluate Seller's

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



capability to supply coal as required by this Agreement, and the provision of Mining Information by Seller shall not provide Buyer with any right, or impose upon Buyer any duty or obligation, to exercise any direction or control over Seller's mining or reclamation operations. Seller agrees that it shall not rely upon its provision of Mining Information in response to any claim by Buyer that Seller has breached or failed to properly perform any of Seller's obligations under this Agreement. To the extent it can legally do so, Buyer shall maintain as confidential all Mining Information disclosed by Seller and shall not disclose or use such Mining Information for any purposes other than to evaluate Seller's performance and compliance with the provisions of this Agreement.

Upon request, Buyer shall have the right to request a mining plan update ("Update") showing progress to date, Seller's conformity to original mining plan, then-known changes in reserve data, and planned changes in mining progression, plans or procedures.

§4.5 Substitute Coal. In the event that Seller is unable to produce or obtain coal from the Coal Properties in the quantities and of the quality required by this Agreement, and such inability is not caused by a Force Majeure Event as defined in Section 10, then Buyer will have the option of requiring that Seller supply substitute coal, if available, from other facilities and mines under its control or the control of its affiliates in accordance with all the terms and conditions of this Agreement including without limitation the price provisions of Section 8, the quality specifications of §6.1, and the provisions of Section 5 concerning reimbursement to Buyer for increased transportation costs. Seller's delivery of coal not produced from the Coal Properties

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



without having received the express written consent of Buyer shall constitute a material breach of this Agreement.

§4.6 Authority. Seller and Seller's affiliated company operating the mine shall each have sole and exclusive authority to direct and control its respective activities and operations, and those of any subcontractors, undertaken in the performance of Seller's obligations under this Agreement. Seller and Producer shall each exercise full and complete control over its respective work force and labor relations policies. Buyer shall have no authority or control over either Seller's or Producer's operations or work force.

**SECTION 5. DELIVERY.**

§5.1 Barge Delivery Point. Seller will load and deliver coal hereunder F.O.B. barge at the following facility: the Cora Dock at Mile Point 98.5 on the Mississippi River (the "Barge Delivery Point"). Provided, however, if the Buyer or Buyer's barging contractor ("Contractor") is not permitted or able to take possession and control of the barge at such dock (for example, if the dock is part of a closed harbor), then the coal is not considered delivered hereunder unless and until Buyer or Contractor actually takes possession and control of such barge. In such case, the point where Buyer or Contractor actually takes possession and control of the barge shall be considered the Barge Delivery Point hereunder. Seller shall have the right, but not the obligation, to deliver the coal at a mutually-agreeable location different from the Barge Delivery Point; subject to Buyer's approval which shall not be unreasonably withheld. (For avoidance of doubt material changes or risks related to transportation logistics, access of Buyer's contractor,

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



additional fees, weather, or other related delays shall be reasonable basis for non-approval.) In such a case, the Base Price shall be adjusted (if necessary) so the total cost to Buyer of acquiring and transporting coal from the mutually-agreeable alternate location will be the same as the cost of acquiring and transporting such coal from the Cora Dock.

For the avoidance of doubt, if (a) the change in location results in an increases in the cost of transporting the coal to the destination designated by Buyer the Base Price will be reduced to reimburse Buyer for such additional costs and (b) if the change in location results in a savings in the cost of transporting the coal to the destination designated by Buyer the Base Price will be increased to pass through such transportation savings to Seller.

Cora Dock loading hours are between 0700 to 1500 CST on weekdays, excluding Holidays (New Year's Day, Memorial Day, Fourth of July Labor Day, Thanksgiving Day, Christmas Eve and Christmas Day) (the "Loading Hours"). Holiday hours begin 0700 of the respective Holiday and continue through 0700 of the following day. Seller will use commercially reasonable efforts to have barges loaded on weekends subject to Cora Dock being available to load barges; provided, however, Seller is not obligated to incur additional fees or costs related to such Saturday loadings. The parties agree that Loading Hours govern active loading operations but does not preclude ordinary-course non-loading activities, including fleeting, harboring, security and similar operations relating to empty, partially-loaded or fully-loaded barges, which are permitted and can occur outside of Loading Hours. During the term of this Agreement hours at the dock are subject

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



to change. In the event of a change, Seller will provide Buyer thirty (30) days advance written notice of such change.

§5.2 Barge Title and Risk of Loss. Title to and risk of loss of coal sold will pass to Buyer, and the coal will be considered to be delivered, when barges containing the coal are disengaged by Contractor from the Barge Delivery Point, or any alternative location agreed to by Buyer pursuant to §5.1.

§5.3 Barge Cost of Transportation. Seller shall arrange and pay for all costs of: (i) transporting the coal from the Coal Properties or other authorized source mines as provided herein to the Barge Delivery Point, (including without limitation, all truck, rail, barge and transloading costs, and all fleeting, switching, harbor and other port charges) and (ii) loading and trimming the coal into barges to the proper draft and the proper distribution within the barges. Buyer shall arrange and pay for transporting the coal by barge from the Barge Delivery Point to the destination designated by Buyer.

Additionally, the parties acknowledge that Buyer has limited ability to control or coordinate with the Seller's loading contractor's operation, schedule, and timing at Cora Dock. Accordingly, the parties agree that after the completion of each quarter (and any make-up ton volumes) any standby loading charges incurred by Buyer in connection to loading coal from Cora Dock in the preceding quarter shall be reimbursed by Seller to Buyer. Buyer will provide the reasonable supporting documentation no later than thirty (30) days after the end of the quarter. Upon receipt of the supporting documentation, Seller shall provide such reimbursement in the form

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



of a credit appearing in the next invoice. In the event a required credit is larger than an invoice or an excess remaining credit occurs, the excess or remaining credit shall be applied to a subsequent invoice or paid in cash, as applicable.

Each party acknowledges that Seller contracts with third parties to transport the coal from the Gateway Mine to Cora Dock and to load coal into barges at Cora Dock. Seller further represents and warrants that it has binding contracts in place with such third parties, with commercially reasonable terms and conditions under the circumstances, designed to cover the anticipated term, volumes and transactions represented by this Agreement, and that it will use commercially reasonable efforts to enforce its rights under the contracts.

The parties acknowledge that Seller's railroad contract supporting this transaction does not guarantee supply of railroad cars or equipment (including crews, rail cars and locomotives). Seller shall not be liable to Buyer for any costs or expenses incurred by Buyer for any delays due to the unavailability of railroad cars or equipment.

In no event shall one party be responsible to the other party in the event the second party, or its transporters, contractors or other vendors, incurs, seeks or bills additional costs or expenses due to delays in loading barges at Cora Dock caused by (a) barges being unable to be loaded at Cora Dock during or outside of the Loading Hours, (b) delays due to the unavailability of rail equipment or both (a) and (b), and each party shall be solely responsible for their own such charges, and those charges of their transporters, contractors and other vendors, in all respects.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Seller shall provide Buyer, and its barge contractor, prompt notice of the nature and anticipated timing of such dock, harbor, railroad, or other delays and unavailability, as they arise, and provide updates regarding changes to the statuses thereafter.

No such dock or railroad delays or unavailability shall relieve a party of its rights or obligations as to quantity, quality or price terms of this Agreement, unless and solely to extent (a) of a valid force majeure event or (b) as otherwise specifically provided in this Agreement.

Seller shall also be responsible for and promptly pay all penalties for loading less than the specified minimum tonnage per barge, or other penalties assessed for barges not loaded in conformity with applicable requirements.

§5.4 Barge Shipping Logistics. Buyer shall be responsible to deliver barges in as clean and dry condition as practicable and shall furnish suitable barges in accordance with a delivery schedule provided by Buyer to Seller. Seller shall require of the loading dock operator that: (i) the barges and towboats provided by Buyer or Contractor be provided convenient and safe berth, free of wharfage, dockage, fleeting, switching, and other harbor and port charges; (ii) that while the barges are in the care and custody of the loading dock, all U.S. Coast Guard regulations and other applicable laws, ordinances, rulings, and regulations shall be complied with, including adequate mooring and display of warning lights; (iii) that any water in the cargo boxes of the barges be pumped out by the loading dock operator prior to loading; (iv) the loading operations

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



be performed in a workmanlike manner and in accordance with the reasonable loading requirements of Buyer and Contractor.

**SECTION 6. QUALITY.**

§6.1 Specifications. The coal under this Agreement shall conform to the following specifications on an "as received" basis:

| Specifications | Guaranteed Monthly Weighted Average (1) | Rejection Limits (per shipment) |
|---|---|---|
| BTU/LB. | min. 11,000 | < 10,800 |
| LBS/MMBTU: | | |
| MOISTURE | max. 13.0 | > 15 |
| ASH | max. 9.0 | > 10.5 |
| SULFUR | max.2.70 | > 3.30 |
| SULFUR | min. 2.00 | < 1.70 |
| CHLORINE (parts per million) | max. 1300 | > 1450 |
| NITROGEN | max. 1.4 | > 1.7 |
| ARSENIC (parts per million) | max. 3.0 | > 5.0 |
| CALCIUM OXIDE (% of Ash) | 2.60 | < 4.50 |
| SIZE (2" x 0"): | | |
| Top size (inches)* | max. 2.0 | > 3.0 |
| Fines (% by wgt) Passing 1/4" screen | max. 50% | > 55% |
| % BY WEIGHT: | | |
| VOLATILE | min. 42.4 | < 35 |
| FIXED CARBON | min. 46.5 | < 40 |
| GRINDABILITY (HGI) | min. 54 | < 52 |
| BASE ACID RATIO (B/A) | max. 0.3 | > 0.5 |
| SLAGGING FACTOR** | max. 1.2 | >1.4 |
| FOULING FACTOR*** | max. 0.40 | > 0.50 |

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



ASH FUSION TEMPERATURE (°F) (ASTM D1857)

| | | |
|---|---|---|
| REDUCING ATMOSPHERE | | |
| Initial Deformation | min. 2,035 | min. 1,935 |
| Softening (H=W) | min. 2,150 | min. 2,000 |
| Softening (H=1/2W) | min. 2,240 | min. 2,140 |
| Fluid | min. 2,350 | min. 2,250 |
| OXIDIZING ATMOSPHERE | | |
| Initial Deformation | min. 2,390 | min. 2,290 |
| Softening (H=W) | min. 2,450 | min. 2,350 |
| Softening (H=1/2W) | min. 2,500 | min. 2,400 |
| Fluid | min. 2,530 | min. 2,430 |

(1) An actual Monthly Weighted Average will be calculated as applicable for each specification for coal loaded hereunder during a calendar month.

* All the coal will be of such size that it will pass through a screen having circular perforations two (2) inches in diameter, but shall not contain more than fifty per cent (50%) by weight of coal that will pass through a screen having circular perforations one-quarter (1/4) of an inch in diameter.

** Slagging Factor ($R_s$)=(B/A) x (Percent Sulfur by $Weight_{Dry}$)

*** Fouling Factor ($R_f$)=(B/A) x (Percent $Na_20$ by $Weight_{Dry}$)

The Base Acid Ratio (B/A) is herein defined as:

BASE ACID RATIO (B/A) = $(Fe_2O_3 + CaO + MgO + Na_2O + K_2O) \div (SiO_2 + Al_2O_3 + TiO_2)$

Note: As used herein > means greater than:
< means less than.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Each Shipment shall have coal of substantially the same quality throughout.

§6.2 Definition of "Shipment". As used herein, a "Shipment" shall mean one (1) barge that is loaded.

§6.3 Rejection. Buyer has the right, but not the obligation, to reject any Shipment which is subject to rejection based on any or all of the Rejection Limits set forth in §6.1 or which contains extraneous materials ("Non-Conforming Coal"). Buyer must reject Non-Conforming Coal within seventy-two (72) hours of Buyer's receipt of the coal analysis provided for in §7.2 and prior to unloading, or the right to reject such Non-Conforming Coal is waived. If the Buyer rejects such Non-Conforming Coal, title to and risk of loss of the Non-Conforming Coal shall be considered to have never passed to Buyer ("Rejected Coal"), and Buyer shall return the coal to Seller, or at Seller's request, the Buyer shall allow Seller to receive the Non-Conforming Coal or divert such coal to Seller's designee, all at Seller's sole cost and risk.

Seller shall use commercially reasonable efforts to replace the Rejected Coal as soon as possible after receipt of notice of rejection with coal from the Coal Properties that is of a quality not subject to any of the Rejection Limits set forth in §6.1 ("Replacement Coal"). If Seller fails to replace the Rejected Coal within a ten (10) business day period after the notice of rejection, or if the Replacement Coal is rightfully rejected, Buyer may purchase coal from another source in order to replace the Rejected Coal ("Cover Coal"). In such a case, Seller shall reimburse Buyer for (i) any amount by which the actual price plus transportation costs to Buyer of Cover Coal exceeds the price Buyer would have paid for such coal under this Agreement plus the transportation costs to

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Buyer from the Delivery Point; and (ii) any and all transportation, storage, handling, or other expenses that have been incurred by Buyer in connection with Rejected Coal. Rejected Coal tonnages shall not be included in the calculation of the actual Monthly Weighted Average quality of the coal loaded during the Delivery Month (as defined in §8.2 below) or any quality price adjustments for the Delivery Month. Tonnages of Rejected Coal shall not be included in the total of tons delivered under this Agreement. Tonnages of Replacement Coal and/or Cover Coal shall be included in the total of tons delivered under this Agreement and in the calculation of the actual Monthly Weighted Average.

If Buyer fails to reject a Non-Conforming Coal which it had the right to reject, then such Non-Conforming Coal shall be deemed accepted by Buyer, and its quality characteristics shall be included in any quality calculations for the Delivery Month. However, Buyer shall have the option, in its sole discretion, to exclude accepted Non-Conforming Coal from the total annual tonnage of coal that Seller is obligated to sell to Buyer under this Agreement. Accepted Non-Conforming Coal shall nevertheless be considered "rejectable" for purposes of §6.4. For Shipments containing extraneous materials, which include, but are not limited to, slate, rock, wood, corn husks, mining materials, metal, steel, etc., the estimated weight of such materials shall be deducted from the weight of the applicable Shipment.

§6.4 Suspension and Termination.

If (a) the coal sold hereunder during a month fails to meet one (1) or more of the Guaranteed Monthly Weighted Average specifications set forth in §6.1 for any two (2) Delivery Months in a

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



six (6) consecutive month period, or (b) two (2) barge Shipments in a thirty (30) consecutive day period are rejectable by Buyer, then Buyer may upon notice (which need not comply with Section 11) confirmed in writing and sent in accordance with Section 11, suspend future Shipments of coal hereunder, except for coal already loaded into barges at the time notice is given. Seller shall, within ten (10) days of such notice, provide Buyer with reasonable assurances that future Shipments of coal will meet or be of a quality superior to the Guaranteed Monthly Weighted Average specifications set forth in §6.1 and will be of a quality superior to the rejection limits set forth in §6.1.

Buyer may not invoke its right to reject a Shipment for exceedance of the per Shipment basis moisture and BTU specification if Seller demonstrates to Buyer's satisfaction that the moisture content of the Shipment has been increased due to heavy precipitation during production and shipment, however its quality characteristics shall be included in any quality calculations for the Delivery Month.

If Seller fails to provide such assurances within said ten (10) day period, Buyer may terminate this Agreement by giving written notice of such termination at the end of the ten (10) day period. If Seller provides such assurances to Buyer's reasonable satisfaction, shipments hereunder shall resume, and any tonnage deficiencies resulting from suspension may be made up at Buyer's sole option, based on a mutually agreeable schedule. Buyer shall not unreasonably withhold its acceptance of Seller's assurances or delay the resumption of shipments.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



If after deliveries resume, Seller's deliveries fail to meet any of the Guaranteed Monthly Weighted Average specifications for any one (1) Delivery Month within the next six (6) consecutive months or if one (1) barge shipment are rejectable within any one (1) Delivery Month during such Six (6) consecutive month period, then Buyer may terminate this Agreement and exercise all its other rights and remedies available to it under applicable law and in equity for Seller's breach.

If Buyer refrains from terminating this Agreement as a result of one or more Non-Conforming Shipments of coal as provided herein, Buyer shall not be deemed to have waived its right to terminate this Agreement for any future breach of the Agreement.

**SECTION 7. WEIGHTS, SAMPLING AND ANALYSIS.**

§7.1 Weights. Seller shall determine and transmit to Buyer loading weights on the basis of certified scales or barge draft weights at the loading point and qualitative analysis for each Shipment of coal, as quickly as possible. However, except as otherwise provided herein or if the parties agree otherwise, the weight of each coal Shipment under this Agreement shall be determined for payment purposes (the "Payment Weight") by Seller on the basis of certified scale weights at the Barge Delivery Point, or if drafting is necessary, draft weights are to be calculated by a third party ("Drafting Contractor") at the Barge Delivery Point. Seller shall provide Buyer with a written copy of Seller's drafting procedure. Seller shall notify Buyer of any requested changes to the drafting procedure, and gain Buyer's approval prior to making any changes to the drafting procedure. Buyer shall have the right, at Buyer's expense and upon reasonable notice,

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



to have the draft survey checked for accuracy at any reasonable time or frequency. If the draft survey is found to be over or under tolerance range allowable for the draft survey based on industry accepted standards, either party shall pay to the other any amounts owed due to such inaccuracy for a period not to exceed thirty (30) days before the time any inaccuracy of draft survey is determined.

If Seller's scale is inoperable or if Seller fails to obtain a sample of the coal for qualitative analysis upon loading, the Buyer's unloading weight shall be used for the relevant Shipment, and the Buyer's analysis shall be the analysis used in determining the payment for the relevant Shipment (the "Payment Analysis"). Buyer will be notified as soon as possible whenever the Seller's certified scale or sampling equipment is out of operation.

For all coal delivered and unloaded at Buyer's Trimble County Generating Station, the unloaded weight for each Shipment, shall be determined using a barge lot weighing method. If more than one (1) of Seller's barges are unloaded sequentially, an actual unloaded weight shall be recorded, on the basis of Buyer's scale weights for the total of all Seller's barges unloaded in this sequence. The assigned unloaded weight for each such Shipment shall be proportioned based upon Seller's load weight for each barge and the total weight for all Seller's barges unloaded in that sequence.

Scales (whether Buyer's or Seller's) shall be operated in accordance with NIST Handbook 44. Such scales shall be duly reviewed by an appropriate testing agency and maintained in an accurate condition and certified (i.e. material tested) at least annually in accordance with NIST

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Handbook 44 with a third-party oversight. Buyer shall have the right, at Buyer's expense and upon reasonable notice, to have the Seller's scales checked for accuracy at any reasonable time or frequency.

If the Seller's scales are found to be over or under the tolerance range allowable for the scale based on industry-accepted standards, then the Seller shall recalculate the payments for coal weighed on those scales for the period of inaccuracy (not to exceed 30 days) based on the weights for such coal provided by Buyer. Buyer or the Seller, as applicable, shall pay to the other such amounts owed as a result of that recalculation, and Seller shall reimburse Buyer for the expenses incurred in checking the accuracy of said scales.

If the Buyer's scales are used for payment purposes and are found to be over or under the tolerance range allowable for the scale based on industry-accepted standards (the "Tolerance"), the Buyer shall recalculate the payments for coal weighed on those scales for the period of inaccuracy (not to exceed 30 days) based on the percentage of variance identified for the scales from the Tolerance, plus the amount of the Tolerance. Buyer or Seller, as applicable, shall pay to the other such amounts owed as a result of the recalculation, and Buyer shall reimburse Seller for the expenses incurred in checking the accuracy of said scales.

§7.2 Sampling and Analysis. The sampling and analysis of the coal shall be performed by Seller, and the results thereof shall be accepted and used as defining the quality and characteristics of the coal under this Agreement except as otherwise provided. All analyses, for moisture %, ash %, sulfur % and Btu, shall be made by an independent commercial testing

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



laboratory at Seller's expense in accordance with ASTM standards where applicable, or industry-accepted standards in other cases. Samples for analyses shall be taken in accordance with ASTM standards or other methods mutually acceptable to both parties. Seller shall transmit its "as-loaded" quality analysis to Buyer as soon as possible. Buyer's "unloaded" quality shall be the Payment Analysis only when Seller's sampler and/or scales are inoperable, or if Seller fails to obtain a sample upon loading.

Buyer represents that it is familiar with Seller's sampling and analysis practices, and that it finds them to be acceptable. Seller shall notify Buyer in writing of any significant changes in Seller's sampling and analysis practices. Any such changes in Seller's sampling and analysis practices shall, except for ASTM or industry-accepted changes in practices, provide for no less accuracy than the sampling and analysis practices existing at the time of the execution of this Agreement, unless Buyer and Seller otherwise mutually agree.

Each sample taken by Seller shall be divided into four (4) parts and put into airtight containers, properly labeled and sealed. One (1) part shall be used for analysis by Seller. One (1) part shall be used by Seller as a check sample, if Seller in its sole judgment determines it is necessary. One (1) part shall be retained by Seller until thirty (30) days after the sample is taken ("Disposal Date") and shall be delivered to Buyer for analysis if Buyer so requests before the Disposal Date. One (1) part (the "Referee Sample") shall be retained by Seller until the Disposal Date.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Buyer, on reasonable notice to Seller, shall have the right to have a representative present to observe the sampling and analyses performed by Seller. Unless Buyer requests an analysis of the Referee Sample before the Disposal Date, Seller's analysis shall be used to determine the quality of the coal under this Agreement and shall be the Payment Analysis. The Monthly Weighted Averages of specifications referenced in §6.1 shall be based on the individual Shipment analyses.

If any dispute arises with regard to the analysis of any sample before the Disposal Date for such sample, the Referee Sample retained by Seller shall be submitted for analysis to an independent commercial testing laboratory ("Independent Lab") mutually chosen by Buyer and Seller.

For each coal quality specification in question, if the analysis of the Independent Lab differs by more than the applicable ASTM reproducibility standards, the Independent Lab results will govern, and the prior analysis shall be disregarded. All testing of the Referee Sample by the Independent Lab shall be at requestor's expense unless the Independent Lab results differ from the original Payment Analysis for any specification by more than the applicable ASTM reproducibility standards as to that specification. In such case, the cost of the analysis made by the Independent Lab shall be borne by the party who provided the original Payment Analysis.

§ 7.3 Failure to obtain Weight or Sample. If Buyer and Seller fail to obtain a certified weight or sample, then the parties will use commercially reasonable, mutually agreed-upon practices to determine the weight and/or analysis.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



**SECTION 8. PRICE.**

§8.1 Base Price

(a) Base Price. The base price of the coal to be sold hereunder will be firm and will be determined by the total cumulative contract volume range in which the coal is loaded as defined in §3.1 in accordance with the following schedule "Base Price":

| CUMULATIVE VOLUME RANGE (tons) | BASE PRICE ($/ton) |
|---|---|
| 0 – 500,000 | $43.25 |
| 500,001 – 1,000,000 | $45.25 |
| 1,000,001 – 1,500,000 | $46.75 |

(b) Make-up Tons Pricing. For the avoidance of doubt, the Base Price for any Make-Up Tons (as such term is defined in §3.2 hereof) shall be the Base Price in effect at the time such Make up Tons are actually delivered in the Make-Up Year (as such term is defined in §3.2 hereof).

§8.2 Quality Price Adjustments. The price paid by the Buyer for the coal sold hereunder will be adjusted based on the quality of the coal as follows:

(a) BTU True Up. The Base Price for coal loaded hereunder in any particular calendar month (a "Delivery Month") is based on the assumption that the actual "as received" Monthly Weighted Average BTU/LB (the "BTU AMWA") for coal loaded during a Delivery Month is equal to the minimum Guaranteed Monthly Weighted Average BTU/LB set forth in §6.1 (the "BTU GMWA"). If the BTU AMWA varies from the BTU GMWA

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



for any Delivery Month, then the price applicable to such loaded coal will be adjusted to account for such variation in BTU's. The BTU adjustment for that Delivery Month will be determined as follows:

(i) Calculate the per ton BTU adjustment for a Delivery Month using the following formula (where Price per Ton is the applicable Base Price set forth in §8.1 above): ((BTU AMWA – BTU GMWA) ÷ (BTU GMWA) X Price per Ton = Per Ton BTU Adjustment.

(ii) Determine the price adjustment for BTU's for the Delivery Month by multiplying the Per Ton Adjustment (as calculated in (i) above) by the total number of tons of coal loaded under this Agreement during the Delivery Month.

Depending on whether the BTU AMWA is greater than or less than the BTU GMWA in a Delivery Month, the Per Ton BTU Adjustment for the Delivery Month can be positive or negative. If the BTU adjustment (as calculated above) for a Delivery Month is positive, then Buyer shall pay the amount of such BTU adjustment to Seller. If the BTU adjustment (as calculated above) for a Delivery Month is negative, then Seller shall pay or credit the amount of such BTU adjustment to Buyer. Buyer shall be responsible for making the BTU adjustment calculations and shall send a written statement to Seller of the amount of the BTU adjustment for each Delivery Month. BTU adjustment payments shall be due when the next payment for coal is due hereunder.

For the avoidance of doubt, the parties agree to the following example. If the AMWA for a Delivery Month equals 11,250 BTU/LB, the GMWA equals 11,000 BTU/LB and the Base Price

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Per Ton is $42.75/ton, then the Per Ton BTU Adjustment would be ((11,250 – 11,000) ÷ 11,000) x $42.75 = $0.97159 per ton. If a total of 30,000 tons were loaded during the Delivery Month, then the BTU adjustment would equal $29,147.73 (30,000 x $0.97159). Since it is positive, this amount would be due and owing to Seller by Buyer with respect to the coal loaded during that Delivery Month.

(b) Other Quality Price Reductions. The Base Price is based on Buyer's receipt of coal of a quality that is consistent with or superior to all of the GMWA specifications as set forth in §6.1. Quality price reductions shall be applied for each specification each Delivery Month to account for the Seller's failure to provide coal of a quality superior to the "Discount Values" set forth below.

| DISCOUNT VALUES | |
|---|---|
| | $/MMBTU |
| BTU/LB. | 0.2604 |
| | $/LB./MMBTU |
| SULFUR | 0.1232 |
| ASH | 0.0083 |
| MOISTURE | 0.0016 |

For each specification during each Delivery Month with respect to the quality price discounts listed above, there shall be no discount if the AMWA for a specification meets the applicable Discount Point set forth below for that specification. If the AMWA fails to meet the Discount Point, then the applicable Discount Value shall apply, and the quality price reduction

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



shall be calculated on the basis of the difference between the AMWA and the GMWA for such specification.

| Guaranteed Monthly Weighted Average | | Discount Point |
|---|---|---|
| BTU | Min. 11,000 BTU/LB | 10,900 BTU/LB |
| ASH | Max. 9.00 LB/MMBTU | 9.50 LB/MMBTU |
| MOISTURE | Max. 13.00 LB/MMBTU | 14.00 LB/MMBTU |
| SULFUR | Max. 2.70 LB/MMBTU | 2.85 LB/MMBTU |

For example, if the Actual Monthly Weighted Average of sulfur equals 3.15 lb/MMBTU, then the applicable discount would be (3.15 lb. – 2.70 lb.) X .1232/lb/MMBTU = $0.05544/MMBTU.

(c) Notwithstanding loading, Rejected Coal shipments shall not be included in the calculation of the AMWA quality of the coal during the Delivery Month or any quality price adjustments under 8.2(a) and (b) above and payments under 8.3 below. As loaded Replacement Coal and/or Cover Coal shall be included in the calculation of the AMWA.

§8.3 Payment Calculation. Schedule I attached hereto shows the methodology for calculating the coal payment, the BTU adjustment and quality price reductions for the Delivery Month. If there are any such price adjustments, Buyer shall apply a credit for such adjustments to amounts owed Seller for the month the coal was loaded.

§8.4 Price Adjustments for Changes in Governmental Impositions. The above Base Price shall be subject to adjustment pursuant to this Section only in the event that the requesting party can clearly demonstrate that: (a) new, industry-wide Federal or state statutes, regulations or other governmental impositions affecting the industry and the coal to be supplied hereunder or the

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



production thereof, including but not limited to tax increases or decreases (other than taxes measured by income); or (b) amendments, modifications or changes to the text, interpretation, application or enforcement (excluding changes in frequency, rigor or thoroughness of enforcement) of any existing generally-applicable Federal or state statutes, regulations, or other governmental impositions that occur after September 17, 2025 (all collectively a "Requirement") which causes Seller's direct out-of-pocket cost of providing coal to Buyer under this Agreement to increase or decrease (generally an "Imposition"). As used herein, a Requirement shall mean a Federal or state statute, regulation or other governmental action meeting the requirements of (a) and (b) above that pertains to coal mining or handling practices, to health and safety of miners or associated workers or to air, water or waste quality or disposal standards, but shall not include other Federal or state statute, regulation or other governmental imposition applicable to businesses generally (such as, by way of example only, wage, benefit, health care, insurance or retirement requirements). In the event a party desires to obtain a price adjustment based on an Imposition, the affected party shall notify the other party in writing of the Requirement or potential Requirement within fifteen (15) days of the time such party becomes aware of such Requirement and the resulting Imposition, setting forth the Requirement, specific legal basis for the Imposition, the anticipated or actual financial impact of the Imposition and the anticipated or actual effective date. Either Buyer or Seller may request a Base Price adjustment, which shall be comprised of no more than the actual costs directly associated with the effect of such change on the cost of producing the coal to be supplied hereunder. Additionally, an Imposition adjustment shall only

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



be made hereunder if the price adjustment is allocated evenly to all coal produced by Seller, including all coal that is produced from the Coal Properties, so that Buyer is allocated only its proportionate share of such Imposition, and the Base Price shall likewise be decreased for any savings resulting from any Requirement or Imposition. There shall be no change to the Base Price based on reductions or loss of production or production capacity as a result of an Imposition.

By way of example, and not of limitation, an Imposition that requires the purchase of special or additional equipment shall be prorated over the number of years of useful life of the equipment and over the total tons in any year during the useful life of the equipment. In such a case, the change in the Base Price would not exceed the per-ton prorated cost of the equipment.

After Seller has determined the actual, direct cost impact of any Imposition, which may be after the conclusion of the applicable calendar year, Seller shall notify Buyer in writing of the amount and effective date of any claimed adjustment to the Base Price as a result of one or more Impositions and shall furnish Buyer with the specific legal basis for the Imposition, and accurate and detailed computations and data reasonably necessary to substantiate the claimed adjustment. Buyer shall have the right to inspect all books and records of Seller relevant to the claimed adjustment. Buyer shall notify Seller of any disagreement Buyer has with the claimed adjustment within a reasonable time after receipt of such notice and computations, taking into account any audits or requests for additional information by Buyer. It is Seller's obligation to ensure that Imposition decreases are given to Buyer.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



If the amount of the actual or anticipated Impositions exceeds one-dollar ($1.00) per ton on a cumulative basis for any particular calendar year, Buyer may terminate this Agreement upon not less than thirty (30) days written notice to Seller. Alternatively, Seller may elect, by forwarding written notice to Buyer within ten (10) days after receiving Buyer's notice of termination, to limit the cumulative amount of Impositions for any year to a maximum of one dollar ($1.00) per ton. In the event Seller makes such election, the increase shall be so limited, and the remainder of this Agreement shall continue in full force and effect.

**SECTION 9. INVOICES, BILLING AND PAYMENT.**

§9.1 Invoicing Address. Invoices will be sent electronically to Buyer at the following address: fuels.accounting@lge-ku.com

§9.2 Invoice Procedures for Coal Shipments. By the fifth ($5^{th}$) working day of the month following the Delivery Month (the "Payment Month"), the Buyer will provide Seller with a price calculation for all coal loaded during the Delivery Month based on the applicable Base Price, and taking into account all quality price adjustments provided for in Section 8 (the "Buyer's Statement"). By the tenth ($10^{th}$) day of the Payment Month the Seller will provide Buyer with its invoice for all coal loaded during the Delivery Month taking into account all quality price adjustments (the "Monthly Invoice"). In the appropriate Monthly Invoice, Buyer will also provide the adjustment for any costs reimbursable from Seller to Buyer under Section 5.3.

§9.3 Payment Procedures for Coal Shipments. For all coal loaded at the Barge Delivery Point between the first (1st) and fifteenth (15th) days of any Delivery Month, Buyer shall make a

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



"Preliminary Payment" of one-hundred percent (100%) of the Base Price for such coal (based on the assumption that the coal will meet all GMWA parameters) by the twenty-fifth (25th) day of such Delivery Month. All Preliminary Payments shall be calculated based solely on the then-current Base Price on a dollar-per-ton basis. By the fifteenth (15th) day of the Payment Month, Buyer will pay for all coal loaded at the Barge Delivery Point between the sixteenth (16th) and the last day of any Delivery Month plus any quality adjustments for the Delivery Month as provided in §8.2 above.

For example, Buyer will make a Preliminary Payment by August 25 for coal loaded between August 1 through August 15. On or before the fifth ($5^{th}$) working day of September, Buyer will provide Seller with the Buyer's Statement. On or before the tenth (10th) day of September, the Seller shall provide Buyer the Monthly Invoice for all coal loaded in August. The Monthly Invoice for August deliveries, to the extent it is verified by Buyer, will be paid by the fifteenth (15th) day of September. In every case referenced in this Section for payment, if a specific day is not a banking day and regular work-day for Buyer, payment shall be made on the next regular work day for Buyer.

Notwithstanding loading, Rejected Coal shipments shall not be included in the invoicing and payment with respect to coal during the Delivery Month. As loaded quality and quantity of Replacement Coal and/or Cover Coal shall be included in the invoicing and payment with respect to coal during the Delivery Month.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Buyer shall electronically transfer funds, via ACH, to Seller's Account based upon information (including Bank name, ABA number and Account Number) provided in writing, in a form reasonably acceptable to Buyer, prior to the first (1st) Shipment under this Agreement. Seller reserves the right to modify such account information on prior written notice reasonably acceptable to Buyer.

Buyer shall email remittance advice to salesaccounting@peabody.com

§9.4 Withholding. Buyer shall have the right to withhold from payment of any billing or billings: (i) any sums which it is not able in good faith to verify or which it otherwise in good faith disputes, (ii) any damages resulting from any breach of this Agreement by Seller; and (iii) any amounts owed to Buyer from Seller. Buyer shall immediately notify Seller in writing of the basis for the dispute and pay the portion of such statement not in dispute no later than the due date. If any amount withheld under dispute by Buyer is ultimately determined to be due Seller, it shall be paid within (5) business days after such determination.

§9.5 Payment by Buyer. Payment by Buyer whether knowing or inadvertent, of any amount in dispute shall not be deemed a waiver of any claims or rights by Buyer with respect to any disputed amounts or payments made.

§9.6 Credit Rating. If the credit rating of either Buyer (if Buyer has a public rating) or Buyer's affiliates that have public ratings falls below investment grade (BBB - as defined by Standard & Poor's or the equivalent as defined by other public ratings agencies), Buyer shall,

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



within thirty (30) days after Seller's written request, provide Seller with a mutually agreed upon form of credit enhancement (e.g., letter of credit, guaranty from an investment grade entity, etc.). Until the mutually acceptable assurances of good credit are received, Seller has the right to require payment in cash at the time of delivery and in the event Buyer does not make such payments, suspend deliveries in addition to any other remedies available hereunder or pursuant to law. Such mutually acceptable assurances of good credit shall not be more than the average monthly outstanding net balance.

§9.7 Guaranty. Seller's Guarantor, Peabody Energy Corporation, shall provide a guarantee in form consistent with the attached Exhibit A, prior to the execution of this Agreement.

**SECTION 10. FORCE MAJEURE.**

§10.1 General Force Majeure. If a party hereto is delayed in or prevented in whole or part, from performing any of its obligations or from utilizing the coal sold under this Agreement as a result of one or more events or occurrences which are both: (a) beyond the reasonable control of the affected party, and (b) not the result of fault or negligence of the affected party (a "Force Majeure Event"), then the obligations of both parties hereto shall be suspended to the extent made necessary by such Force Majeure Event; provided that the affected party gives written notice to the other party as early as practicable of the existence, nature and probable duration of the Force Majeure Event and makes all commercially reasonable efforts to terminate and/or limit the effect of the Force Majeure Event. As used herein, the term Force Majeure Event shall include but not be limited to acts of God, war, terrorism, riots, civil insurrection, acts of the public enemy, strikes,

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



lockouts, industry-wide labor shortages, labor disputes which cause work stoppages, industry-wide shortages of materials and supplies, unforeseen breakdown, outage or unavailability of equipment, adverse geological conditions in coal seams not discernable by prudent engineering, fires, explosions, severe storms, floods or earthquakes, pandemic disease or other emergency situations declared by a relevant jurisdiction, notices or declarations of Force Majeure by transportation carriers or coal terminals, embargoes, legislation, court orders, governmental regulation, or orders or acts of any governmental or military authority (in each case, to the extent causing material disruption of the claiming party's operations that is greater than such disruption existing at the time of execution of the Agreement, or other causes, whether of a similar or dissimilar nature and otherwise meeting the requirements earlier set forth in this sentence. Force Majeure shall not be based on: (1) the loss of Buyer's markets; (2) Buyer's inability economically to use or resell the coal purchased hereunder; (3) Seller's ability to sell the coal at a price greater than the Base Price; (4) Buyer's ability to buy the coal at a price less than the Base Price; or (5) Seller's inability to economically produce or obtain the coal.

The party declaring force majeure shall keep the other party advised as to the continuance of the Force Majeure Event and, in the event such party desires to suspend its obligations hereunder, then such party must notify the other party of the impact of the Force Majeure Event within sixty (60) days after the end of the Force Majeure Event.

During any period in which Seller's ability to perform hereunder is affected by a Force Majeure Event, Seller shall not deliver any coal from each Coal Property to any other buyers other

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



than "Other FM Buyers" (as herein after defined). With respect to any given month and each particular Coal Property, "Other FM Buyers" are other buyers to whom Seller is contractually committed to make deliveries to in that particular month under a contract which (a) includes such Coal Property and (b) has been in place at the onset of the Force Majeure Event (a "Permitted Contract"). Further, if Seller is delivering coal to Other FM Buyers during the period of Force Majeure Event, Seller shall during each month deliver to Buyer under this Agreement at least a pro rata portion of its monthly aggregate production from each Coal Property, in accordance with the below methodology:

$$\text{Required Monthly Delivery to Buyer (During Each FM Month for Each Coal Property)} = \frac{mBQ}{(\sum mOBQ) + mBQ} \times STMP$$

Where:

OFMB = Other Force Majeure Buyers for such Coal Property

PC = Permitted Contracts for such Coal Property

BQ = annual Base Quantity (under this Agreement)

mBQ = BQ / 12

STMP = Seller's total production during such month from such Coal Property

OBQ = Annualized contractual base quantities under OFMB's PC's at time of FM Event

mOBQ = OBQ / 12

For purposes of this calculation:

In any particular monthly calculation, OBQ (and its sum $\sum$ OBQ) shall not include (a) any base quantities for OFMB whose PC base quantity delivery months have since expired or (b) any

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



base quantities for OFMB whose PC base quantity delivery months have not yet commenced. Further, for PCs with terms of greater or less than 1-year OBQ shall use an annualized base quantity amount for such PC.

In any particular monthly calculation, STMP shall be the aggregate tons of coal produced by Seller in that month from such Coal Property. The term "production" hereunder shall be defined and calculated consistently with the use of that term in the federal Quarterly Mine Employment and Coal Production Report (MSHA Form 7000-2) as reported to Department of Labor-Mine Safety and Health Administration.

In any particular monthly calculation, Seller shall not be required to deliver to Buyer an amount in excess of the ratable annual Base Quantity hereunder (namely mBQ).

Example: CALCULATION OF MONTHLY TONNAGE ALLOCATION DURING FORCE MAJEURE EVENT.

If during Month 1, Coal Property Source A experiences a Force Majeure event that limits or prevents the production of coal used to supply Contract 1 and 4, then the calculation of the monthly allocation of coal production to Buyer under Contract 1 would be as follows:

| Company | Contract # | Coal Properties | BQ | mBQ |
|---|---|---|---|---|
| LG&E-KU | 1 | A, B, C, D | 400,000 | 33,333 |

| OFMB | PC | Coal Properties | OBQ | mOBQ |
|---|---|---|---|---|
| X | 2 | B, C, D | 300,000 | 25,000 |
| Y | 3 | C, D | 200,000 | 16,667 |
| Z | 4 | A | 150,000 | 12,500 |

**ALLOCATION OF STMP to CONTRACT #1**

| Coal Properties | STMP | Allocation |
|---|---|---|
| A | 0 | 0 |
| B | 30,000 | 17,143 |
| C | 10,000 | 4,444 |
| D | 15,000 | 6,667 |

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



**Allocation of STMP not to exceed mBQ or mOBQ**

| | |
|---|---|
| Mbq<br>((∑ mOBQ) + mBQ) | x STMP |
| Allocation of A:<br>33,333<br>45,833 | x 0 = 0<br>(Contract 1, 4) |
| Allocation of B:<br>33,333<br>58,333 | x 30,000 = 17,143<br>(Contract 1, 2) |
| Allocation of C:<br>33,333<br>75,000 | x 10,000 = 4,444<br>(Contract 1, 2, 3) |
| Allocation of D:<br>33,333<br>75,000 | x 15,000 = 6,667<br>(Contract 1, 2, 3 |

An event which affects the Seller's ability to produce or obtain coal from a mine other than the Coal Properties will not be considered a Force Majeure Event hereunder.

Changes in market conditions, commercial frustration, commercial impracticability or the occurrence of unforeseen events rendering performance of this Agreement uneconomical for either Party shall not constitute a Force Majeure Event. Minor transportation delays which can be resolved by an amendment to the delivery schedule without materially disrupting future shipments will not be considered Force Majeure Events, but shall be resolved by schedule amendments.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Tonnage deficiencies resulting from a Force Majeure Event shall be made up at sole option of the non-affected party and shall be treated as Make-Up Tons pursuant to §3.2 above, and to the extent necessary, the term of this Agreement and any Make-Up Years will automatically be extended for the period necessary for the receipt or delivery of the Make-Up Tons.

If a Force Majeure Events continues for more than one hundred and eighty (180) days, the non-affected party shall have the right to terminate this Agreement, in its sole discretion, without further obligation on the part of either party, except for obligations incurred prior to such termination.

§10.2 Environmental Law Force Majeure. In addition to, and not in limitation of, the provisions of §10.1 above, if Buyer concludes that any new environmental law is enacted or new rule, or regulation is promulgated (including without limitation, an amendment to or a new interpretation of an existing law, rule or regulation) after the date of execution of this Agreement which becomes effective during the term of this Agreement, which makes it unnecessary, impossible, commercially impracticable or uneconomical for Buyer to utilize this or like kind and quality coal which thereafter would be delivered under this Agreement, Buyer shall so notify Seller. Thereupon, Buyer and Seller shall promptly consider whether corrective actions can be taken in the mining and preparation of the coal at Seller's mine and/or in the handling and utilization of the coal at Buyer's generating station. If in Buyer's sole judgment any such actions will not, without unreasonable expense to Buyer, make it possible, commercially practicable and economical for Buyer to use the coal which would be delivered hereunder without violating any

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



applicable law, regulation, policy or order, Buyer shall promptly notify Seller, in writing, of the new required coal quality specifications for any replacement tonnage. Seller shall consider and evaluate what steps can be reasonably taken in the mining and/or preparation of the coal from the existing primary sources to meet the new coal quality specifications. Seller shall determine and communicate to Buyer the increased costs, if any, anticipated by Seller if meeting the new quality specifications is possible. Thereafter the parties will have the following sequential options:

1. Seller can offer to Buyer the option, but not the obligation, to pay to Seller said total increased costs and shipments will continue under the current coal supply Agreement, as modified for the new coal quality specification, or
2. If Buyer does not agree to pay to Seller increased costs or Seller does not meet the new coal quality specifications, then Seller has the option, but not the obligation, to provide substitute coal meeting the revised coal quality specifications under said Agreement at the current equivalent delivered price on a Btu basis.
3. If neither Buyer or Seller exercises their respective option above, then this Agreement shall terminate in ninety (90) days from Buyer's notification, without further obligation hereunder on the part of either party except for obligations incurred prior to the time of such termination.

**SECTION 11. NOTICES.**

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



§11.1 Form and Place of Notice. Any official notice, request for approval or other document required to be given under this Agreement shall be in writing, unless otherwise provided herein, and shall be deemed to have been sufficiently given when delivered in person, transmitted by email (provided acknowledgment of receipt is received), delivered to an established mail service for same day or overnight delivery, or dispatched in the United States mail, postage prepaid, for mailing by first class, certified, or registered mail, return receipt requested, and addressed as follows:

If to Buyer: Louisville Gas and Electric Company/Kentucky Utilities Company
2701 Eastpoint Parkway
Louisville, Kentucky 40223
Attn.: Director Coal Supply and By-Products Marketing
Email: Matthew.Mengelberg@lge-ku.com

If to Seller: Peabody COALSALES, LLC
701 Market Street, Suite 930
St. Louis, Missouri 63101
Attn: Vice President Sales – US

Email: MSiebers@peabodyenergy.com and
Cragan@peabodyenergy.com

Notice will be deemed received when actually received by the addressee.

§11.2 Change of Person or Address. Either party may change the person or address specified above upon giving written notice to the other party of such change.

§11.3 Electronic Data Transmittal. Seller hereby agrees, at Seller's cost, to electronically transmit shipping notices and/or other data to Buyer in a commercially reasonable format acceptable to and established by Buyer upon Buyer's request. Buyer shall provide Seller with the

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



appropriate format and will inform Seller as to the electronic data requirements at the appropriate time.

## SECTION 12. INDEMNITY AND INSURANCE

§12.1 Indemnity. Seller agrees to indemnify and save harmless Buyer, its officers, directors, employees and representatives from any responsibility or liability for any and all third party claims, demands, costs, charges, losses, legal actions for personal injuries, property damage or pollution (including without limitation, reasonable inside and outside attorney's fees) (collectively "Claims") arising from or relating in any manner to the performance or failure to perform of this Agreement which accrue prior to the acceptance of the coal by Buyer, provided that Seller's indemnity obligations with respect to any Claims regarding Seller's title to any coal delivered to Buyer, shall extend regardless of the time at which the same accrue or arise. Seller's indemnity shall include but not be limited to Claims: (i) relating to the barges provided by Buyer or Buyer's contractor while such barges are in the care and custody of the loading dock or loading facility, (ii) due to any failure of Seller to comply with laws, regulations or ordinances related to Seller's production of coal and its performance under this Agreement, or (iii) due to the acts or omissions of Seller in the performance of this Agreement.

Buyer agrees to indemnify and save harmless Seller, its officers, directors, employees and representatives from any responsibility or liability for any and all Claims accruing or resulting from occurrences subsequent to the acceptance of the coal by Buyer, except any Claims relating to Seller's title to any coal, against which Seller shall indemnify Buyer regardless of when the

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



same accrues or arises. Buyer's indemnity shall include but not be limited to claims (i) due to any failure of Buyer to comply with laws, regulations or ordinances related to Buyer's performance under the Agreement, or (ii) due to the negligence of any representatives, agents or employees of Buyer who inspect the Coal Properties; or (iii) due to the acts or omissions of Buyer in the performance of this Agreement.

The parties' respective obligations of indemnity shall survive the termination, expiration or cancellation of this Agreement for a period of five (5) years from the date hereof.

§12.2 Insurance. In addition to any indemnity obligations, and not in lieu thereof, Seller shall carry insurance coverage with minimum limits as follows:

a) Workers' Compensation and Employer's Liability Policy, which shall include:
   i. Workers' Compensation (Coverage A);
   ii. Employer's Liability (Coverage B) with minimum limits of $1,000,000 Bodily Injury by Accident, each Accident, $1,000,000 Bodily Injury by Disease, each Employee;
   iii. 30 Day Cancellation Clause;
   iv. Endorsement for States in which Peabody operates;
   v. Seller's terminal operator/subcontractor shall carry U.S. Longshore and Harbor Workers Compensation Act coverage (required at all times workers of Seller or Seller's subcontractors are performing work that falls under such Act any time during the contract period);

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



vi. Seller's marine subcontractors shall carry Maritime Employers Liability (MEL) including Jones Act coverage (required at all times workers of the Seller or Seller's subcontractors are working on commercial vessels)

b) Commercial General Liability Policy, which shall have minimum limits of $1,000,000 each occurrence in all cases subject to $2,000,000 in the General Aggregate for all such claims, and including:

i. 30 Day Cancellation Clause;

ii. Blanket Written Contractual Liability to the extent covered by the policy against liability assumed by Seller under this Agreement;

iii. Additional Insured Endorsement GC 2010 or CG2037, or its equivalent

iv. Coverage shall include sudden & accidental pollution liability

c) Commercial Automobile Liability Insurance covering the use of all owned, non-owned, and hired automobiles, with a bodily injury, including death and property damage combined single minimum limit of $1,000,000 each occurrence with respect to Seller's or Seller's subcontractor's vehicles.

d) Umbrella/Excess Liability Insurance with minimum limits of $5,000,000 per occurrence and $5,000,000 in aggregate, to apply to Employer's Liability, Commercial General Liability, and Automobile Liability. Seller's terminal operator/subcontractor should also carry Marine Umbrella coverage with minimum limits of $5,000,000 per occurrence and $5,000,000 in aggregate.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



i. Umbrella/Excess Liability Insurance policies must include "Follow Form" provisions including marine & pollution coverages, if applicable.

e) Marine Liability & Maritime Employers Liability coverage is required at all times during the term of the Agreement, with limits of $5,000,000 per occurrence. Marine coverage shall include protection & indemnity, landing owners', stevedoring, wharfingers, collision & towers liability, Jones Act, and pollution liabilities, including coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs. Seller may satisfy this requirement by requiring all applicable subcontractors (e.g. marine terminal subcontractor/operator) to carry this coverage. Coverage shall be primary and non-contributory.

§12.3 Coverage Conditions: Except with regard to Workers' Compensation, Seller shall name Buyer and all of its affiliates as additional insured. All policies will waive any rights of subrogation against Buyer and all of its affiliates and their insurance carriers where applicable by law. All policies will be primary/non-contributory in favor of Buyer. Condition applies to Seller's contractors and subcontractors.

§12.4 Quality of Insurance Coverage: The policies shall be written by insurance companies which have a Best Rating of not less than "A -, VII". These policies shall not be materially changed or canceled except with 30 Days' written notice to Buyer from Seller and the insurance carrier. Evidence of coverage, notification of cancellation or other changes shall be

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



mailed to the following address: LG&E and KU Services Company, 2701 Eastpoint Parkway, Louisville, Kentucky 40223, Attention: Manager Coal Supply Services.

§12.5 Insurance Policies: Upon Buyer's request, Seller shall provide Buyer with insurance policies from Seller's insurer and Seller's subcontractor's insurer (if applicable) evidencing the insurance coverage specified in this Agreement. Any receipt of such documents or their review by Buyer shall not relieve Seller or Seller's subcontractors from or be deemed a waiver of Buyer's rights to insist on strict fulfillment of Seller's obligations under this Agreement.

§12.6 Claims Made Policies: If any of the foregoing policies that are issued on a claims-made basis,

a) Such policy (or policies) shall have a retroactive date satisfactory to Buyer. For retroactive date to be satisfactory, such date needs to be prior to the effective date of the Agreement.

b) After termination of this Agreement, Seller shall maintain such policies in place (and/or provide comparable tail coverage) for at least five years after all of Seller's obligations under the Agreement have been fulfilled.

§12.7 Other Notices:

a) Seller shall provide notice of incidents, accidents, occurrences, or claims as respects to work performed under the Agreement and provide it to LG&E and KU Services Company, 2701 Eastpoint Parkway, Louisville, Kentucky 40223, Attention: Manager Coal Supply Services.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



b) Seller shall notify Buyer of any threatened, pending or paid-off claims to third parties, individually or in the aggregate, which from time to time may affect the coverage inuring to the benefit of Buyer and all of its affiliates as hereinafter specified.

§12.8 Certificates of Insurance: Seller shall provide certificates of insurance to Buyer for each policy of insurance required above and evidence the items noted below.

a) Each certificate shall properly identify the certificate holder as Buyer.

b) Certificate shall evidence 30 days prior notice of cancellation.

c) Certificate shall verify additional insured status on all coverages outlined above.

d) Certificate shall verify Blanket Waiver of Subrogation. All policies of insurance shall include waivers of subrogation, under subrogation or otherwise, against Buyer and its Affiliates. Except where not applicable by law.

e) Certificate shall verify Primary/Non-Contributory wording in favor of Buyer. Certificate shall identify policies written in a claims-made coverage form and state the retroactive date.

§12.9 Self-Insured Retentions: Self-Insured Retentions are not acceptable without the Buyer's consent, except for a $(25,000,000) maintenance retention on Umbrella coverage.

§12.10 Seller's Insurance. Each policy of insurance required to be maintained by Seller (except the Workers' Compensation and Employer's Liability Policy) shall cover all losses and claims of Seller regardless of whether they arise directly to Seller or indirectly through Seller's subcontractors (e.g., Seller's CGL policy must cover Seller and additional insureds against

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



negligent acts of Seller's subcontractors, etc.). These provisions represent minimum insurance requirements; neither Seller's nor Seller's subcontractors' liability or responsibility shall be limited to these minimum coverage requirements or their actual insurance coverages. Seller is responsible for Seller's subcontractor's insurance meeting the requirements of the Agreement."

**SECTION 13. TERMINATION FOR DEFAULT.**

13.1 Subject to the provisions of §6.4, if either party hereto commits a material breach of any of its obligations under this Agreement at any time, then the other party may give written notice describing such breach ("Notice of Default"). If such material breach is not curable or the breaching party fails to cure such material breach within thirty (30) days following receipt of the Notice of Default then, at the option of the non-breaching party, this Agreement shall terminate, in addition to all the other rights and remedies available to the non-breaching party under this Agreement and at law and in equity. A material breach as described above includes, but is not limited to, any one or more of the following:

- Any of Seller, Peabody Energy Corporation ("Peabody Energy") or Peabody Gateway North Mining, LLC ("Peabody Gateway") files a petition in bankruptcy;
- Any of Seller, Peabody Energy or Peabody Gateway makes a general assignment for the benefit of creditors;
- A bankruptcy petition is filed against any of Seller, Peabody Energy or Peabody Gateway and not dismissed within sixty (60) days;

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



- A receiver is appointed for any of Seller, Peabody Energy or Peabody Gateway or any assets of any of them;
- Any of Seller or Peabody Gateway attempts to deliver coal to a delivery point other than that specified in Section 5.1;
- The provision of Substitute Coal from a source other than geological seam Illinois #6 absent advance written consent which may be given in Buyer's sole discretion;
- Any of Seller or Peabody Gateway attempts to deliver coal qualifying as, or which could potentially qualify as, Make-Up Tons, other than in accordance with Section 3.2;
- Any of Seller or Peabody Gateway fails to perform any other material obligation under this Agreement subject to applicable notice and cure provisions hereof; or
- Material breach of the representations and warranties set forth herein and failure to cure such material breach under applicable notice and cure provisions herein.

13.2 Intentionally Left Blank

13.3 All of each party's rights and remedies upon default set forth in this Agreement, under the applicable Uniform Commercial Code, and under other applicable law are fully preserved and remain in place.

13.4 Notwithstanding anything herein to the contrary, Buyer may at its option, terminate this Agreement immediately upon voluntary bankruptcy filing by any of Seller, Peabody Energy or

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Peabody Gateway or an Order For Relief being entered following an involuntary bankruptcy petition being filed against any of them.

**SECTION 14. TAXES, DUTIES AND FEES.**

Seller shall pay when due, and the price set forth in Section 8 of this Agreement, as it may be adjusted, shall be inclusive of, all taxes, duties, fees, royalties and other assessments of whatever nature imposed by governmental authorities with respect to the transactions contemplated under this Agreement.

**SECTION 15. DOCUMENTATION AND RIGHT OF AUDIT.**

Each party (and its representatives) has the right, at its sole expense during normal working hours and upon reasonable advance notice, to examine the records of the other party, but only to the extend reasonably necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions of this Agreement.

Notwithstanding anything contained above, Seller shall maintain all records and accounts pertaining to payments, quantities, quality analyses, and source for all coal supplied under this Agreement for a period lasting through the term of this Agreement and for two (2) years thereafter. Buyer shall have the right at no additional expense to Buyer to audit, copy and inspect such records and accounts at any reasonable time upon reasonable notice during the term of this Agreement and for two (2) years thereafter, and Seller shall cooperate at no additional cost to Buyer. Buyer shall be responsible for all costs associated with travel by Buyer or Buyer's auditor.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



**SECTION 16. EQUAL EMPLOYMENT OPPORTUNITY**. To the extent applicable, Seller shall comply with all of the following provisions which are incorporated herein by reference: Equal Opportunity regulations set forth in 41 CFR § 60-1.4(a) and (c) prohibiting discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin; Vietnam Era Veterans Readjustment Assistance Act regulations set forth in 41 CFR § 50-250.4 relating to the employment and advancement of disabled veterans and veterans of the Vietnam Era; Rehabilitation Act regulations set forth in 41 CFR § 60-741.4 relating to the employment and advancement of qualified disabled employees and applicants for employment; the clause known as "Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals" set forth in 15 USC § 637(d)(3); and subcontracting plan requirements set forth in 15 USC § 637(d).

**SECTION 17. COAL PROPERTIES INSPECTIONS.** Buyer and its representatives, and others as may be required by applicable laws, ordinances and regulations in connection with Buyer ("Visitors") shall have the right at all reasonable times and at their own expense to inspect the Coal Properties, including the loading facilities, scales, sampling system(s), wash plant facilities, and mining equipment (collectively "Facilities") for conformance with this Agreement. Seller shall cooperate with such inspections at no additional cost to Buyer. Seller shall undertake reasonable care and precautions to prevent personal injuries to any Visitors who inspect the Coal Properties or the Facilities. All Visitors shall make every reasonable effort to comply with Seller's regulations and rules regarding conduct on the work site (to the extent they are made known to

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Visitors prior to entry), as well as safety measures mandated by state or federal rules, regulations and laws. Buyer understands that coal mines and related facilities are inherently high-risk environments. Buyer's inspection (or failure to inspect) the Coal Properties or Facilities or to object to defects therein shall not relieve Seller of any of its responsibilities nor be deemed to be a waiver of any of Buyer's rights hereunder.

**SECTION 18. MISCELLANEOUS.**

§18.1 Applicable Law. This Agreement shall be construed in accordance with the laws of the Commonwealth of Kentucky without regard to any conflicts of laws that would result in the application of the laws of any other jurisdiction, and all questions of performance of obligations hereunder shall be determined in accordance with such laws.

§18.2 Headings. The paragraph headings appearing in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

§18.3 Waiver. The failure of either party to insist on strict performance of any provision of this Agreement, or to take advantage of any rights hereunder, shall not be construed as a waiver of such provision or right.

§18.4 Remedies Cumulative. Remedies provided under this Agreement shall be cumulative and in addition to other remedies provided under this Agreement or by law or in equity.

§18.5 Severability. If any provision of this Agreement is found contrary to law or unenforceable by any court of law, the remaining provisions shall be severable and enforceable

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



in accordance with their terms, unless such unlawful or unenforceable provision is material to the transactions contemplated hereby, in which case the parties shall negotiate in good faith a substitute provision.

§18.6 Binding Effect. This Agreement shall bind and inure to the benefit of the parties and their successors and assigns.

§18.7 Relationship of the Parties. Seller agrees that it is not and will not hold itself out as a partner, joint venture, employee, agent or representative of Buyer. Nothing herein contained shall be construed as creating a single enterprise, joint venture, agency, partnership, joint employer, owner-contractor, or lessor-lessee relationship between Buyer and Seller or between Buyer and Producer.

§18.8 Several Liability. LG&E and KU shall be severally but not jointly liable for obligations of Buyer hereunder and shall be liable only for such obligations that pertain to a particular party constituting Buyer.

§18.9 Limitation of Remedies. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, AND EXCEPT TO THE EXTENT A CLAIM, DEMAND, LOSS, OR LEGAL ACTION ("CLAIM") BROUGHT BY A THIRD PARTY INCLUDES ONE OR MORE SUCH ITEMS FOR WHICH THERE IS AN INDEMNITY OBLIGATION UNDER THIS AGREEMENT WITH RESPECT TO SUCH CLAIM, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES, LOST REVENUES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, SELLER EXPRESSLY NEGATES ANY OTHER REPRESENTATION, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY REPRESENTATION OR WARRANTY WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

§18.10 Forward Contract. The parties agree that the transactions for the sale and purchase of coal hereunder are and shall constitute "forward contracts," and that the parties hereto are and shall be considered "forward contract merchants" within the meaning of the United States Bankruptcy Code.

§18.11 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Delivery of the manual, conformed, or other executed signature pages by facsimile, e-mail, electronic, or other transmission will constitute effective and binding execution and delivery of this Agreement and or Amendment.

§18.12 Assignment.

A. Seller shall not, without Buyer's prior written consent, which may be withheld in Buyer's sole discretion, make any assignment or transfer of this Agreement, by operation of law or otherwise, including without limitation any assignment, encumbrance or transfer as security for any obligation, and shall not assign or transfer the performance of or right or duty to perform any obligation of Seller hereunder; provided, however, that Seller may assign the right to receive payments for coal directly from Buyer to a lender as part of any accounts receivable financing or

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



other revolving credit arrangement which Seller may have now or at any time during the term of this Agreement.

B. Buyer shall not, without Seller's prior written consent, which may not be unreasonably withheld, assign this Agreement or any right or duty to perform any obligation of Buyer hereunder; except that, without such consent, Buyer may assign this Agreement in connection with a transfer by Buyer of all or a part interest in the generating station comprising the Delivery Point, or as part of a merger or consolidation involving Buyer.

C. In the event of an assignment or transfer contrary to the provisions of this Section, the non-assigning party may terminate this Agreement immediately.

D. The parties acknowledge that Buyer's performance of its rights and obligations pursuant to this Agreement may be performed by one or more agents, including without limitation LG&E and KU Services Company.

§18.13 Resale. Buyer shall have no right to resell any portion of the coal sold and purchased under this Agreement to another person not an affiliate of Buyer, without the prior written consent of Seller. In addition to the above, Buyer shall also be permitted to sell the coal purchased hereunder to unaffiliated vendors or contractors located on its plant sites in connection with facilities for production, treatment or processing of coal for environmental, operational, or other purposes.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



§18.14 Entire Agreement. This Agreement contains the entire agreement between the parties as to the subject matter hereof, and there are no representations, understandings or agreements, oral or written, which are not included herein.

§18.15 Amendments. Except as otherwise provided herein, this Agreement may not be amended, supplemented or otherwise modified except by written instrument signed by both parties hereto.

[Signatures On Next Page]

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



IN WITNESS WHEREOF, the parties hereto have executed this Agreement, intending it to be binding as of the date(s) indicated below and to be performed as set out herein.

BUYER:
LOUISVILLE GAS AND ELECTRIC COMPANY

Signed by:
By: Charles R. Schram
87EF38FE5EB2407...

Name: Charles R. Schram

Title: V.P. Energy Supply and Analysis

Date: 12/18/2025 | 12:43 PM EST

SELLER:
Peabody COALSALES, LLC

By: Michael Siebers

Name: Michael Siebers

Title: VP Sales - US

Date: December 16, 2025

KENTUCKY UTILITIES COMPANY

Signed by:
By: Charles R. Schram
87EF38FE5EB2407...

Name: Charles R. Schram

Title: V.P. Energy Supply and Analysis

Date: 12/18/2025 | 12:43 PM EST

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



# SCHEDULE I TO COAL SUPPLY AGREEMENT

## SAMPLE COAL PAYMENT CALCULATIONS

| | Section I | Base Data | |
|---|---|---|---|
| 1) | Base or Adjusted Base FOB Price Per Ton: | $42.75 | /ton |
| 1a) | Tons of coal loaded: | | tons |
| 2) | Guaranteed wt. average heat content: | 11,000 | BTU/LB. |
| 2a) | As received monthly wt. avg. heat content: | | BTU/LB. |
| 2b) | Total BTU's loaded in the month: | | Millions of BTU's |
| 3) | Guaranteed monthly wt. avg. max. sulfur | 2.70 | LBS./MMBTU |
| 3a) | As received monthly wt. avg. sulfur | | LBS./MMBTU |
| 4) | Guaranteed monthly wt. avg. ash | 9.00 | LBS./MMBTU |
| 4a) | As received monthly wt. avg. ash | | LBS./MMBTU |
| 5) | Guaranteed monthly wt. avg. max. moisture | 13.00 | LBS./MMBTU |
| 5a) | As received monthly wt. avg. moisture | | LBS./MMBTU |
| 6) | BTU True Up: {[(line 2a – line 2)] ÷ line 2} x line 1 | | Dollars/Ton |
| 6a) | BTU True Up Dollars (line 6 x line 1a) | | Dollars |

| | Section II | Discounts |
|---|---|---|
| | Assign a (-) to all discounts (round to (5) decimal places) | |
| 7) | BTU/LB.: If line 2a < 10,900 BTU/LB. then:<br>{1 – {(line 2a) / (line 2)} * $0.2604/MMBTU<br>{1 - ( ) / ( )} * $0.2604 = | $_____ /MMBTU |
| 7a) | SULFUR: If line 3a is greater than 2.85 LBS/MMBTU<br>[ (line 3a) - (line 3)] * 0.1232/lb. Sulfur<br>[ ( ) - ( ) ] * 0.1232 = | $_____ /MMBTU |
| 7b) | ASH: If line 4a is greater than 9.50 LBS/MMBTU<br>[ (line 4a) - (line 4)] * 0.0083/MMBTU<br>[ ( ) - ( ) ] * 0.0083 = | $_____ /MMBTU |
| 7c) | MOISTURE: If line 5a is greater than 14.00 LBS/MMBTU<br>[ (line 5a) - (line 5) ] * 0.0016/MMBTU<br>[ ( ) - ( ) ] * 0.0016 = | $_____ /MMBTU |

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| | Section III | Total Price Adjustments |
|---|---|---|
| | Determine total Discounts as follows: | |
| 8) | BTU/Lb. Discount Dollars (line 7 x line 2b) | $ _____ Dollars |
| 9) | Sulfur Discount Dollars (line 7a x line 2b) | $_____ Dollars |
| 10) | Ash Discount Dollars (line7b x line 2b) | $_____ Dollars |
| 11) | Moisture Discount Dollars (line 7c x line 2b) | $ _____ Dollars |
| 12) | Total Discount Dollars: Sum of lines 8 thru 11: | $_____ Dollars |
| | **Total Coal Payment Calculation** | |
| 13) | Total coal payment for month:<br>[(line 1 x line 1a) + line 6a] – line 12 | $ _____ Dollars |

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



## *EXHIBIT A*

## *GUARANTY*

**This Guaranty** (the "Guaranty") is made by **Peabody Energy Corporation** (the "Guarantor"), a Delaware corporation, in favor of **Louisville Gas and Electric Company and Kentucky Utilities Company** (collectively the "Beneficiary"), in consideration of the Beneficiary entering into agreement(s) with Peabody COALSALES, LLC (the "Counterparty").

1. **Guaranty**: Guarantor does hereby unconditionally and absolutely guarantee to Beneficiary the full and faithful (i) payment by Counterparty of any amounts due to the Beneficiary under and pursuant to that certain Coal Supply Agreement dated as of December 1, 2025 (identified as Contract J26005) and any amendments thereto that may be entered into from time to time hereafter, (the "Agreement") and (ii) all obligations of Counterparty now existing or hereafter arising under the Agreement, including obligations that would exist under the Agreement but for operation of any applicable provision of Title 11 (bankruptcy) of the United States Code or similar laws affecting creditor rights, or under applicable law or by agreement of Counterparty (obligations described in clauses (i) and (ii) above are referred to herein collectively as the "Guaranteed Obligations") for so long as the obligations of the Agreement remain in effect; provided, however, that the total liability of Guarantor hereunder, regardless of any amendment or modification to any Agreement, is limited to the lesser of: (a) all amounts owed by Counterparty to Beneficiary under such Agreement; or (b) **Thirty-seven Million, five hundred thousand and NO/100 US Dollars (US $37,500,000.00)** plus expenses as provided in Section 5 below. Guarantor's obligations and liability under this Guaranty shall be limited to payment obligations only, and Guarantor shall have no obligation to perform under any Agreement, including, without limitation, to sell, deliver, supply or transport coal or any other commodity.

2. **Guaranty Absolute**: The Guarantor guarantees that the Guaranteed Obligations will be paid or performed strictly in accordance with the terms of the Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Beneficiary with respect thereto. The obligations of the Guarantor under this Guaranty are independent of, but related to, the Counterparty's obligations under the Agreement and a separate action or actions may be brought and prosecuted against the Guarantor to enforce this Guaranty, irrespective of whether any action is brought against one or more of the parties constituting Counterparty or whether one or more of the parties constituting

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Counterparty is joined in any such action or actions. The liability of Guarantor under this Guaranty shall be irrevocable, absolute and unconditional irrespective of, and Guarantor hereby irrevocably waives any defenses it may now or hereafter have in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of the Agreement or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations under the Agreement, any modification, extension or waiver of any of the terms of the Agreement, or any other amendment or waiver of or any consent to departure from any term of the Agreement;

(c) any taking, exchange, release or non-perfection or the taking or failure to take any other action with respect to any collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any requirement that Beneficiary proceed against Counterparty, any other person or entity, any collateral or any manner of application of any collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any collateral for all or any of the Guaranteed Obligations;

(e) any change, restructuring or termination of the corporate structure or existence of Counterparty or any of its Subsidiaries;

(f) any lack or failure of notice or any failure of Beneficiary to disclose to Counterparty or Guarantor any information relating to the financial condition, operations, properties or prospects of Counterparty or Guarantor, or relating to the Agreement, as the case may be, now or in the future known to Beneficiary (Guarantor waiving any duty on the part of Beneficiary to disclose such information); or

(g) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by Beneficiary that might otherwise constitute a defense available to, or a discharge of, Counterparty, Guarantor or any other guarantor or surety.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Notwithstanding any provision to the contrary contained herein, Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made in accordance with the Agreement (even if such payments are deemed to be damages), and except to the extent specifically provided in the Agreement, in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, tort, or any other damages, costs, or attorney's fees.

This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Beneficiary or any other Person upon the insolvency, bankruptcy or reorganization of one or more of the parties constituting Counterparty or the Guarantor or otherwise, all as though such payments had not been made. The obligations of the Guarantor under this Guaranty shall at all times rank at least *pari passu* in right of payment with all other unsecured and unsubordinated indebtedness (actual or contingent) of the Guarantor, except as may be required by law. This Guaranty shall continue to be effective if one or more of the parties constituting Counterparty merges or consolidates with or into another entity, loses its separate legal identity or ceases to exist.

This Guaranty is a continuing guaranty of the payment (and not of collection) by each of the parties constituting Counterparty of its obligations under the Agreement. In no event shall Guarantor's liability to Beneficiary exceed Counterparty's liability under the Agreement, notwithstanding the effect of the insolvency, bankruptcy or reorganization of Counterparty. The Guarantor agrees that its obligations under this Guaranty shall not be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of one or more parties constituting Counterparty (or the estate in bankruptcy of one or more parties constituting Counterparty) resulting from the operation of any present or future provision of the federal bankruptcy law or other similar statute.

3. **Waivers and Acknowledgments**: The Guarantor hereby waives presentment, protest, acceleration, dishonor, promptness, diligence, filing of claims with a court in the event of insolvency or bankruptcy of the one or more parties constituting Counterparty, notice of acceptance of this Guaranty and any other notice with respect to any of the Guaranteed Obligations and this Guaranty and any requirement that Beneficiary protect, secure, perfect or insure any lien or any property subject thereto or exhaust any right or take any action against one or more of the parties constituting Counterparty or any other Person or entity, or any collateral. During the term hereof,

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



the Guarantor hereby waives any right to revoke this Guaranty and acknowledges that this Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

No delay of Beneficiary in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder nor shall any single or partial exercise by Beneficiary of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power. Each and every right, remedy and power hereby granted to Beneficiary or allowed it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Beneficiary from time to time.

4. **Expenses**: Guarantor agrees to pay on demand any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Beneficiary Counterparty in enforcing Guarantor's obligations under this Guaranty.

5. **Subrogation**: The Guarantor will not exercise any right that it may now or hereafter acquire against Counterparty that arise from the existence, payment, performance or enforcement of the Guarantor's Obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of Beneficiary against Counterparty or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from Counterparty, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the obligations of Counterparty under the Agreement and all other amounts payable under this Guaranty shall have been performed or paid in full in cash (and not subject to disgorgement in bankruptcy or otherwise). If any amount shall be paid to the Guarantor in violation of the preceding sentence at any time prior to the later of the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Guaranty, the Guarantor shall hold such amount as agent for the benefit of Beneficiary, which amount shall forthwith be paid to Beneficiary to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Guaranty, whether matured or unmatured, in accordance with the terms of the Agreement, or to be held as collateral for any Guaranteed Obligations or other amounts payable under this Guaranty thereafter arising. If (i) the Guarantor shall make payment to Beneficiary of all or any part of the Guaranteed Obligations and (ii) all of the Guaranteed Obligations and all other

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



amounts payable under this Guaranty shall be paid in full in cash, Beneficiary will, at the Guarantor's request and expense, execute and deliver to the Guarantor appropriate documents, without recourse and without representation or warranty by Beneficiary, of all of Beneficiary's rights and benefits under the Agreement. In the event Guarantor performs part or all of Counterparty's obligations, Guarantor shall be entitled to Counterparty's rights and benefits under the Agreement and shall be subrogated to Counterparty's rights to Beneficiary with respect to such of Counterparty's obligations so performed by Guarantor.

6. **Reservation of Defenses**: Guarantor agrees that except as expressly set forth herein, it will remain bound upon this Guarantee notwithstanding any defenses which, pursuant to the laws of suretyship, would otherwise relieve a guarantor of its obligations under a guaranty. Guarantor does reserve the right to assert defenses which Counterparty may have to payment of any Guaranteed Obligation other than defenses arising from the bankruptcy or insolvency of Counterparty and other defenses expressly waived hereby.

7. **Notices**: All demands, notices and other communications provided for hereunder shall, unless otherwise specifically provided herein, (a) be in writing addressed to the party receiving the notice at the address set forth below or at such other address as may be designated by written notice, from time to time, to the other party, and (b) be effective upon receipt, when mailed by U.S. mail, registered or certified, return receipt requested, postage prepaid, or personally delivered. Notices shall be sent to the following addresses:

**If to Guarantor**:
Peabody Energy Corporation
701 Market Street
St. Louis, Missouri 63101-1826
Attn: Credit Manager
Email: credit@peabodyenergy.com

**If to Beneficiary**:

Louisville Gas and Electric Company
2701 Eastpoint Parkway
Louisville, Kentucky 40223
Attn: Director Coal Supply and By-Products Marketing

Kentucky Utilities Company

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



2701 Eastpoint Parkway
Louisville, Kentucky 40223
Attn: Director Coal Supply and By-Products Marketing

8. **Demand and Payment**: Any demand by Beneficiary for payment hereunder shall be in writing, signed by a duly authorized officer of Beneficiary and delivered to the Guarantor pursuant to Section 7 hereof, and shall (a) reference this Guaranty, (b) specifically identify Beneficiary, the Guaranteed Obligations to be performed or paid and the amount of such Guaranteed Obligations and (c) if applicable, set forth payment instructions. There are no other requirements of notice, presentment or demand. Guarantor shall pay, or cause to be paid, such Guaranteed Obligations within thirty (30) business days of receipt of such demand.

9. **Representations and Warranties of Guarantor**: Guarantor represents and warrants that:

   (a) it is a corporation duly organized and validly existing under the laws of the State of Delaware and has the power and authority to execute, deliver and carry out the terms and provisions of the Guaranty;

   (b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guaranty; and

   (c) this Guaranty constitutes a valid and legally binding Agreement of Guarantor, except as the enforceability of this Guaranty may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws effecting creditors' rights generally and by general principles of equity.

10. **Miscellaneous:**
Default. Guarantor represents and warrants that to its best information, knowledge and belief, no default(s) of the Agreement are known to exist as of the date of this Guaranty. Following written notice by Beneficiary to Guarantor of a Counterparty default in the performance of any Guaranteed obligation under this Agreement, Guarantor shall promptly thereafter, perform or cause to be performed such obligation of Counterparty as required by the Agreement.

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



Term: This Guaranty shall continue in full force and effect until the later of a) one (1) year following the termination or expiration of the Agreement, or b) December 31, 2028. Notwithstanding the foregoing, upon termination or expiration hereof, Guarantor agrees that the obligations and liabilities hereunder shall survive and continue in full force and effect with respect to any Guaranteed Obligations that have been contracted for or arise prior to the termination or expiration date, whether such Guaranteed Obligations become due and payable prior to or after the expiration or termination date.

Assignment. The Guarantor shall not assign this Guaranty without the express written consent of the Beneficiary and any purported assignment absent such consent is void. The Beneficiary shall be entitled to assign its rights under this Agreement in its sole discretion.

Severability. If any provision or portion of a provision of this Agreement is declared void and/or unenforceable, such provision or portion shall be deemed severed from this Agreement which shall otherwise remain in full force and effect.

Amendments. No amendment of this Guaranty shall be effective unless in writing and signed by Guarantor, Counterparty and Beneficiary. No waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless such waiver or consent shall be in writing and signed by Beneficiary. Any such waiver shall be effective only in the specific instance and for the specific purpose for which it was given.

Successors and Assigns. This Guaranty shall be binding upon Guarantor, its successors and permitted assigns and inure to the benefit of and be enforceable by Beneficiary, its successors and assigns.

Prior Agreements. The Guaranty embodies the entire agreement and understanding between Guarantor and Beneficiary and supersedes all prior agreements and understandings relating to the subject matter hereof.

Headings. The headings in this Guaranty are for purposes of reference only, and shall not effect the meaning hereof.

11. **Limitation by Law**: All rights, remedies and powers provided in this Guaranty may be exercised only to the extent that the exercise thereof does not violate any

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applicable provision of law, and all the provisions of this Guaranty are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited to the extent necessary so that they will not render this Guaranty invalid, unenforceable, in whole or in part, or not entitled to be recorded, registered or filed under the provisions of any applicable law.

12. **Confidentiality:** Beneficiary shall keep the existence and the terms of this Guaranty confidential. Except as may be required or advisable under law or regulation, Beneficiary shall only disclose the existence of this Guaranty to those affiliates, regulatory agencies, officers, directors, employees, advisors and similar third parties who, in the opinion of Beneficiary, have a need to know and who agree to keep the existence and terms of this Guaranty confidential. Beneficiary shall be responsible for any breach of this confidentiality provision by its officers, directors and employees and agents.

13. **Governing Law**: This Guaranty shall in all respects be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, without regard to principles of conflicts of laws.

14. **Waiver of Right to Trial by Jury:** EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS GUARANTY.

**IN WITNESS WHEREOF**, Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer effective as of this 17th day of December, 2025 ("Effective Date").

Guarantor: **PEABODY ENERGY CORPORATION**

By: _____

Name: Greg A. Szczepan

Title: Vice President and Treasurer

Docusign Envelope ID: 63AE3B72-478C-4D77-9C8F-93547A1AC2E3



## EXHIBIT B

## PRODUCERS' INFORMATION

**PRODUCERS:**

GATEWAY MINE

| **Producer Name:** | **State of Organization:** | **Business Address:** |
|---|---|---|
| Peabody Gateway North Mining, LLC | Delaware | 701 Market Street<br>St. Louis, MO 63101 |