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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): April 1, 2019**

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**UGI CORPORATION**  
(Exact name of registrant as specified in its charter)

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**Pennsylvania**  
(State or other jurisdiction  
of incorporation)

**001-11071**  
(Commission  
File Number)

**23-2668356**  
(I.R.S. Employer  
Identification No.)

**460 North Gulph Road**  
**King of Prussia, Pennsylvania**  
(Address of principal executive offices)

**19406**  
(Zip Code)

**Registrant's telephone number, including area code: (610) 337-1000**

**Former name or former address, if changed since last report**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**Item 1.01. Entry Into a Material Definitive Agreement.**

*Agreement and Plan of Merger*

On April 1, 2019, UGI Corporation, a Pennsylvania corporation (“UGI”), AmeriGas Propane Holdings, Inc., a Delaware corporation, AmeriGas Propane Holdings, LLC, a Delaware limited liability company (“Merger Sub”), AmeriGas Partners, L.P., a Delaware limited partnership (the “Partnership”), and AmeriGas Propane, Inc., a Pennsylvania corporation and the general partner of the Partnership (the “General Partner”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which Merger Sub, an indirect, wholly owned subsidiary of UGI, will merge with and into the Partnership, with the Partnership surviving as an indirect, wholly owned subsidiary of UGI (the “Merger”).

Under the terms of the Merger Agreement, at the effective time of the Merger, each outstanding common unit of the Partnership (each, a “Partnership Common Unit”) other than Partnership Common Units owned by UGI and its subsidiaries, including the General Partner (each, a “Public Common Unit”), will be converted into the right to receive, at the election of each holder of Public Common Units (each, an “Unaffiliated Partnership Unitholder”), subject to proration as described in the Merger Agreement, one of the following forms of merger consideration (subject to applicable withholding tax): (i) 0.6378 shares of UGI common stock, no par value (“UGI Shares”); (ii)(A) \$7.63 in cash, without interest, and (B) 0.500 UGI Shares; or (iii) \$35.325 in cash, without interest. In connection with the Merger, the General Partner’s interest, including its right to incentive distributions, will convert into Partnership Common Units, which will remain outstanding after the Merger, and a non-economic general partner interest in the Partnership. The Partnership Common Units owned by UGI or its subsidiaries, excluding the General Partner, will automatically be cancelled and cease to exist following the Merger.

The Board of Directors of UGI has, by unanimous vote, approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger is in the best interests of UGI and its shareholders.

In addition, the Audit Committee (the “GP Audit Committee”) of the Board of Directors of the General Partner (the “GP Board”) has, by unanimous vote, determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair and reasonable to, and in the best interests of, the Partnership and the Unaffiliated Partnership Unitholders, approved, and recommended that the GP Board approve, the Merger Agreement, the execution, delivery and performance of the Merger Agreement and the transactions contemplated thereby, including the Merger, and recommended that the GP Board submit the Merger Agreement to a vote of the holders of Partnership Common Units, and resolved, and recommended that the GP Board resolve, to recommend approval of the Merger Agreement by the holders of Partnership Common Units.

The GP Board (acting upon the recommendation of the GP Audit Committee) has, by unanimous vote, further determined that the terms of the Merger Agreement and the Merger are fair and reasonable to, and in the best interests of, the Partnership and the Unaffiliated Partnership Unitholders, approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and resolved to recommend that the holders of the Partnership Common Units approve the Merger Agreement.

The Partnership has agreed not to directly or indirectly solicit competing acquisition proposals or to enter into discussions concerning, or provide confidential information in connection with, any unsolicited alternative business combinations, subject to certain exceptions with respect to unsolicited proposals received by the Partnership. In addition, the Partnership has agreed to call a special meeting of the holders of Partnership Common Units (the “Special Meeting”) to approve the Merger Agreement. However, the GP Audit Committee may, subject to certain conditions, change its recommendation in favor of approval of the Merger Agreement and the Merger if, in connection with receipt of a superior proposal or in response to an intervening event, it determines in good faith that failure to take such action would be inconsistent with its duties under applicable law, as modified by the Partnership’s agreement of limited partnership.

The Merger Agreement contains customary representations and warranties from the parties, and each party has agreed to customary covenants, including, among others, covenants relating to (1) the conduct of business during the interim period between the execution of the Merger Agreement and the effective time of the Merger and (2) the obligation to use reasonable best efforts to cause the Merger to be consummated.

Completion of the Merger is subject to certain customary conditions, including, among others: (1) approval of the Merger Agreement by holders of a majority of the outstanding Partnership Common Units; (2) there being no law or injunction prohibiting consummation of the transactions contemplated under the Merger Agreement; (3) the effectiveness of a registration statement on Form S-4 relating to the issuance of UGI Shares pursuant to the Merger Agreement; (4) approval for listing on the New York Stock Exchange of the UGI Shares issuable pursuant to the Merger Agreement; (5) subject to specified materiality standards, the accuracy of certain representations and warranties of the other party; and (6) compliance by the respective parties in all material respects with their respective covenants.

The Merger Agreement provides for certain termination rights for both UGI and the Partnership. The Merger Agreement provides that upon termination of the Merger Agreement under certain circumstances, the Partnership will be obligated to (1) pay UGI a termination fee equal to \$20 million and/or (2) reimburse UGI for its expenses in an amount not to exceed \$5 million. The Merger Agreement also provides that upon termination of the Merger Agreement under certain circumstances, UGI will be obligated to reimburse the Partnership for its expenses in an amount not to exceed \$5 million.

The Merger Agreement is attached hereto as Exhibit 2.1 and is incorporated into this Item 1.01 by reference. The foregoing summary has been included to provide investors and security holders with information regarding the terms of the Merger Agreement and is qualified in its entirety by the terms and conditions of the Merger Agreement. It is not intended to provide any other factual information about UGI, the Partnership or their respective subsidiaries and affiliates. The Merger Agreement contains representations and warranties by each of the parties to the Merger Agreement, which were made only for purposes of the Merger Agreement and as of specified dates. The representations, warranties and covenants in the Merger Agreement were made solely for the benefit of the parties to the Merger Agreement; may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement instead of establishing these matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of UGI, the Partnership or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in UGI’s or the Partnership’s public disclosures.

In connection with execution of the Merger Agreement, the Partnership and the General Partner entered into a Support Agreement, dated as of April 1, 2019 (the “Support Agreement”), pursuant to which the General Partner has agreed to vote all Partnership Common Units that it or its affiliates beneficially own as of the record date of the Special Meeting in favor of the Merger Agreement and the Merger at the Special Meeting. The Support Agreement is attached hereto as Exhibit 10.1 and is incorporated into this Item 1.01 by reference.

#### Item 7.01. Regulation FD Disclosure.

UGI and the Partnership issued a joint press release on April 2, 2019 announcing the execution of the Merger Agreement and updating earnings guidance for the fiscal year ending September 30, 2019. A copy of the press release is attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference. On April 2, 2019, UGI also posted to its website an investor presentation related to the Merger, which is included as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference.

The information set forth in this Item 7.01 and the attached Exhibit 99.1 and Exhibit 99.2 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

#### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
2.1	<a href="#">Agreement and Plan of Merger, dated as of April 1, 2019, by and among UGI Corporation, AmeriGas Propane Holdings, Inc., AmeriGas Propane Holdings, LLC, AmeriGas Partners, L.P. and AmeriGas Propane, Inc.*</a>
10.1	<a href="#">Support Agreement, dated as of April 1, 2019, by and between AmeriGas Partners, L.P. and AmeriGas Propane, Inc.</a>
99.1	<a href="#">Press Release dated April 2, 2019</a>
99.2	<a href="#">Investor Presentation dated April 2, 2019</a>

\* The schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K and will be provided to the Securities and Exchange Commission upon request.

#### Forward-Looking Statements

All statements in this Current Report on Form 8-K (and oral statements made regarding the subjects of this communication) other than historical facts are forward-looking statements. The safe harbor provisions under Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 do not apply to forward-looking statements made or referred to in this Current Report on Form 8-K. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and factors, many of which are outside the control of UGI and the Partnership, which could cause actual results to differ materially from such statements. Forward-looking information includes, but is not limited to: statements regarding the expected benefits of the proposed transaction to UGI and its shareholders, and the Partnership and its unitholders; the anticipated completion of the proposed transaction and the timing thereof; the expected future growth, dividends and distributions of the combined company; and plans and objectives of management for future operations. While the Partnership believes that the assumptions concerning future events are reasonable, it cautions that there are inherent difficulties in predicting certain important factors that could impact the future performance or results of its business. Among the factors that could cause results to differ materially from those indicated by such forward-looking statements are: the failure to realize the anticipated costs savings, synergies and other benefits of the transaction; the possible diversion of management time on transaction-related issues; the risk that the requisite approvals to complete the transaction are not obtained; local, regional and national economic conditions and the impact they may have on UGI, the Partnership and their customers; changes in tax laws that impact master limited partnerships and the continued analysis of recent tax legislation; conditions in the energy industry, including cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil as well as increased customer conservation measures; adverse weather conditions; the financial condition of UGI's and the Partnership's customers; any non-performance by customers of their contractual obligations; changes in customer, employee or supplier relationships resulting from the transaction; changes in safety, health, environmental and other regulations; liability for uninsured claims and for claims in excess of insurance coverage; domestic and international political, regulatory and economic conditions in the United States and in foreign countries, including the current conflicts in the Middle East; foreign currency exchange rate fluctuations (particularly the euro); the timing of development of Marcellus Shale gas production; the results of any reviews, investigations or other proceedings by government authorities; addressing any reviews, investigations or other proceedings by government authorities or shareholder actions; the performance of the Partnership; and the interruption, disruption, failure, malfunction or breach of UGI's or the Partnership's information technology systems, including due to cyber-attack.

These forward-looking statements are also affected by the risk factors, forward-looking statements and challenges and uncertainties described in each of UGI's and the Partnership's Annual Reports on Form 10-K for the fiscal year ended September 30, 2018, and those set forth from time to time in each entity's filings with the U.S. Securities and Exchange Commission (“SEC”), which are available at [www.ugicorp.com](http://www.ugicorp.com) and [www.amerigas.com](http://www.amerigas.com), respectively. Except as required by law, UGI and the Partnership expressly disclaim any intention or obligation to revise or update any forward-looking statements whether as a result of new information, future events or otherwise.

#### Additional Information and Where You Can Find It

**This Current Report on Form 8-K does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The proposed merger between UGI and the Partnership will be submitted to Partnership unitholders for their consideration.**

In connection with the proposed transaction, UGI and the Partnership, as applicable, will file a registration statement on Form S-4, including a proxy statement/prospectus, and other related documents, including a Schedule 13E-3, with the SEC. This Current Report on Form 8-K is not a substitute for the Merger Agreement, proxy statement/prospectus, the Schedule 13E-3 or any other document that UGI or the Partnership may file with the SEC in connection with the transaction. BEFORE MAKING ANY VOTING DECISION OR ELECTION, SECURITY HOLDERS OF THE PARTNERSHIP ARE ADVISED TO CAREFULLY READ THE MERGER

AGREEMENT, THE PROXY STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) AND THE SCHEDULE 13E-3, AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE TRANSACTION, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION, THE PARTIES TO THE TRANSACTION AND THE RISKS ASSOCIATED WITH THE TRANSACTION. A definitive proxy statement/prospectus will be sent to Partnership unitholders in connection with the Special Meeting. Investors and security holders may obtain a free copy of the proxy statement/prospectus (when available), the Schedule 13E-3 (when available) and other relevant documents filed by UGI or the Partnership with the SEC from the SEC's website at [www.sec.gov](http://www.sec.gov). Security holders and other interested parties will also be able to obtain, without charge, a copy of the proxy statement/prospectus, the Schedule 13E-3 and other relevant documents (when available) from [www.ugicorp.com](http://www.ugicorp.com) under the tab "Investor Relations" and then under the heading "SEC Filings."

**Participants in the Solicitation**

UGI, the Partnership, the General Partner and their respective directors, executive officers and certain other members of management may be deemed to be participants in the solicitation of proxies from their respective security holders with respect to the transaction. Information about these persons is set forth in UGI's proxy statement relating to its 2019 Annual Meeting of Shareholders, which was filed with the SEC on December 20, 2018, and the Partnership's Annual Report on Form 10-K for the fiscal year ended September 30, 2018, which was filed with the SEC on November 20, 2018, and subsequent statements of changes in beneficial ownership on file with the SEC. Security holders and investors may obtain additional information regarding the interests of such persons, which may be different than those of the respective companies' security holders generally, by reading the joint proxy statement/prospectus and other relevant documents regarding the transaction, which will be filed with the SEC.



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized

**UGI CORPORATION**

Date: April 2, 2019

By: /s/ Monica M. Gaudiosi

Monica M. Gaudiosi

*Vice President and General Counsel, Secretary*

**AGREEMENT AND PLAN OF MERGER**

**by and among**

**UGI CORPORATION,**

**AMERIGAS PROPANE, INC.,**

**AMERIGAS PROPANE HOLDINGS, INC.,**

**AMERIGAS PROPANE HOLDINGS, LLC**

**and**

**AMERIGAS PARTNERS, L.P.**

**April 1, 2019**

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**TABLE OF CONTENTS**

	<b>Page</b>
<b>ARTICLE I DEFINED TERMS; CONSTRUCTION</b>	<b>2</b>
Section 1.1        Definitions	2
Section 1.2        Interpretation	12
<b>ARTICLE II THE MERGER</b>	<b>14</b>
Section 2.1        The Merger and Surviving Entity	14
Section 2.2        Closing	14
Section 2.3        Effective Time	14
Section 2.4        Effects of the Merger	14
Section 2.5        Organizational Documents of the Surviving Entity	14
Section 2.6        Admission as Partner	14
<b>ARTICLE III MERGER CONSIDERATION; EXCHANGE PROCEDURES</b>	<b>15</b>
Section 3.1        Merger Consideration	15
Section 3.2        Rights As Partnership Unitholders; Common Unit Transfers	16
Section 3.3        Exchange of Certificates and Book-Entry Units	17
Section 3.4        Election Procedures	20
Section 3.5        No Dissenters' Rights	21
Section 3.6        Proration	22
Section 3.7        Anti-Dilution Provisions	23
Section 3.8        Treatment of Partnership LTIP Awards	23
<b>ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE PARTNERSHIP AND THE GENERAL PARTNER</b>	<b>26</b>
Section 4.1        Organization, Standing and Power	26
Section 4.2        Capitalization	27
Section 4.3        Authority; Noncontravention; Voting Requirements	28
Section 4.4        Governmental Approvals	30
Section 4.5        Partnership SEC Documents; Undisclosed Liabilities; Internal Controls	30
Section 4.6        Absence of Certain Changes or Events	32
Section 4.7        Legal Proceedings	32
Section 4.8        Compliance With Laws; Permits	32
Section 4.9        Information Supplied	33
Section 4.10        Contracts	34
Section 4.11        Partnership Benefit Plans; Labor Matters	34
Section 4.12        Environmental Matters	36
Section 4.13        Property	36
Section 4.14        Intellectual Property	37
Section 4.15        Opinion of Financial Advisor	37

Section 4.16	Brokers and Other Advisors	37
Section 4.17	Insurance	37
Section 4.18	Investment Company Act	37
Section 4.19	No Other Representations or Warranties	38
<b>ARTICLE V REPRESENTATIONS AND WARRANTIES OF PARENT, HOLDINGS AND MERGER SUB</b>		<b>38</b>
Section 5.1	Organization, Standing and Power	38
Section 5.2	Capitalization	39
Section 5.3	Authority; Noncontravention; Voting Requirements	40
Section 5.4	Governmental Approvals	41
Section 5.5	Parent SEC Documents; Undisclosed Liabilities; Internal Controls	42
Section 5.6	Absence of Certain Changes or Events	43
Section 5.7	Legal Proceedings	43
Section 5.8	Compliance With Laws; Permits	44
Section 5.9	Information Supplied	45
Section 5.10	Tax Matters	45
Section 5.11	Contracts	46
Section 5.12	Parent Benefit Plans; Labor Matters	46
Section 5.13	Environmental Matters	47
Section 5.14	Property	47
Section 5.15	Intellectual Property	48
Section 5.16	Brokers and Other Advisors	48
Section 5.17	Insurance	48
Section 5.18	Investment Company Act	49
Section 5.19	Ownership of Common Units	49
Section 5.20	No Other Representations or Warranties	49
<b>ARTICLE VI ADDITIONAL COVENANTS AND AGREEMENTS</b>		<b>49</b>
Section 6.1	Preparation of the Registration Statement, the Proxy Statement and Schedule 13E-3; Partnership Unitholder Meeting	49
Section 6.2	Conduct of Business	51
Section 6.3	No Solicitation; Partnership Adverse Recommendation Change	54
Section 6.4	Reasonable Best Efforts	58
Section 6.5	Public Announcements	58
Section 6.6	Access to Information	58
Section 6.7	Indemnification and Insurance	59
Section 6.8	Fees and Expenses	60
Section 6.9	Section 16 Matters	60
Section 6.10	Listing	61
Section 6.11	Dividends and Distributions	61
Section 6.12	Audit Committee	61
Section 6.13	Performance by the General Partner	62
Section 6.14	Cooperation with Debt and Equity Financing	62
Section 6.15	Tax Treatment	62
Section 6.16	Takeover Statutes	62
Section 6.17	Securityholder Litigation	63

<b>ARTICLE VII CONDITIONS PRECEDENT</b>		63
Section 7.1	Conditions to Each Party's Obligation to Effect the Merger	63
Section 7.2	Conditions to Obligations of Parent and Merger Sub to Effect the Merger	63
Section 7.3	Conditions to Obligation of the Partnership to Effect the Merger	64
Section 7.4	Frustration of Closing Conditions	65
<b>ARTICLE VIII TERMINATION</b>		65
Section 8.1	Termination	65
Section 8.2	Effect of Termination	66
Section 8.3	Termination Fees; Expenses	67
<b>ARTICLE IX MISCELLANEOUS</b>		68
Section 9.1	No Survival, Etc.	68
Section 9.2	Amendment or Supplement	68
Section 9.3	GP Board Consent	68
Section 9.4	Extension of Time, Waiver, Etc.	69
Section 9.5	Assignment	69
Section 9.6	Counterparts	69
Section 9.7	Entire Understanding; No Third-Party Beneficiaries	69
Section 9.8	Governing Law; Jurisdiction; Waiver of Jury Trial	70
Section 9.9	Specific Performance	70
Section 9.10	Notices	71
Section 9.11	Severability	72
Section 9.12	Non-Recourse	72

## AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER, dated as of April 1, 2019 (this “Agreement”), is entered into by and among UGI Corporation, a Pennsylvania corporation (“Parent”), AmeriGas Propane Holdings, Inc., a Delaware corporation (“Holdings”), AmeriGas Propane Holdings, LLC, a Delaware limited liability company (“Merger Sub”), AmeriGas Partners, L.P., a Delaware limited partnership (the “Partnership”), and AmeriGas Propane, Inc., a Pennsylvania corporation and the general partner of the Partnership (the “General Partner”). Certain capitalized terms used in this Agreement are defined in Article I.

### WITNESSETH:

WHEREAS, the Audit Committee (the “Audit Committee”) of the Board of Directors of the General Partner (the “GP Board”) has (a) determined that this Agreement and the transactions contemplated hereby, including the Merger, are fair and reasonable to, and in the best interests of, the Partnership and the Partnership Unaffiliated Unitholders, (b) approved, and recommended that the GP Board approve, this Agreement, the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the Merger, and recommended that the GP Board submit this Agreement to a vote of the Limited Partners, and (c) resolved, and recommended that the GP Board resolve, to recommend approval of this Agreement by the Limited Partners;

WHEREAS, the GP Board (acting based upon the recommendation of the Audit Committee) has (a) determined that this Agreement and the transactions contemplated hereby, including the Merger, are fair and reasonable to, and in the best interests of, the Partnership and the Partnership Unaffiliated Unitholders, (b) approved this Agreement, the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the Merger, and (c) resolved to submit this Agreement to a vote of the Limited Partners and recommend approval of this Agreement by the Limited Partners;

WHEREAS, the Board of Directors of Parent (the “Parent Board”) has (a) determined that the Merger is in the best interests of Parent and the Parent Stockholders and declared it advisable to enter into this Agreement and (b) approved the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the issuance of Parent Shares pursuant to the Merger (the “Parent Stock Issuance”);

WHEREAS, Holdings, as the sole member of Merger Sub, has (a) determined that the Merger is in the best interests of Merger Sub and declared it advisable to enter into this Agreement and (b) approved the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement; and

WHEREAS, the Partnership has required, as a condition to its willingness to enter into this Agreement, that the General Partner, simultaneously herewith, enter into a Support Agreement, dated as of the date hereof (as may be amended, the “Support Agreement”), pursuant to which, among other things, the General Partner agrees, in its capacity as a Partnership Unitholder, to vote in favor of this Agreement, the Merger and the other transactions contemplated hereby on the terms and subject to the conditions provided for in the Support Agreement.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound, the parties agree as follows:

## ARTICLE I

### DEFINED TERMS; CONSTRUCTION

Section 1.1 Definitions. As used in this Agreement, the following terms have the meanings ascribed thereto below:

“Acceptable Confidentiality Agreement” means a confidentiality agreement with a Person containing provisions that are not less restrictive to such Person than the provisions of the Parent Confidentiality Agreement.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise; *provided, however*, that, except where otherwise expressly provided, for the purposes of this Agreement, none of the General Partner, the Partnership and their Subsidiaries, on the one hand, and Parent and all of its other Subsidiaries (including Merger Sub and Holdings), on the other hand, shall be considered to be Affiliates with respect to each other.

“Aggregate Non-Election Number” has the meaning set forth in Section 3.6(b)(iii)(1).

“Agreement” has the meaning set forth in the Preamble.

“Alternative Proposal” means any inquiry, proposal or offer from any Person or “group” (as defined in Section 13(d) of the Exchange Act), relating to any (i) direct or indirect acquisition (whether in a single transaction or a series of related transactions), outside of the ordinary course of business, of assets of the Partnership and its Subsidiaries (including securities of Subsidiaries) equal to 20% or more of the Partnership’s consolidated assets or to which 20% or more of the Partnership’s revenues or earnings on a consolidated basis are attributable, (ii) direct or indirect acquisition (whether in a single transaction or a series of related transactions) of beneficial ownership (within the meaning of Section 13 of the Exchange Act) of 20% or more of the outstanding equity securities of the Partnership, (iii) tender offer or exchange offer that if consummated would result in any Person or “group” (as defined in Section 13(d) of the Exchange Act) beneficially owning 20% or more of the outstanding equity securities of the Partnership or (iv) merger, consolidation, unit exchange, share exchange, business combination, recapitalization, liquidation, dissolution or similar transaction (whether in a single transaction or a series of related transactions) involving the Partnership which is structured to permit such Person or group to acquire beneficial ownership of 20% or more of the Partnership’s consolidated assets or outstanding equity interests; in each case, other than the transactions contemplated by this Agreement.

“Assumed Share Reserve” has the meaning set forth in Section 3.8(f).

“Audit Committee” has the meaning set forth in the Recitals.

“Average Closing Price” means, as of any date, the average of the closing sale prices of a Parent Share as reported on the NYSE for the ten consecutive full trading days (in which such Parent Shares are traded on the NYSE), ending at the close of trading on the full trading day immediately preceding such date.

“Balance Sheet Date” means September 30, 2018.

“Benefit Plan” means (i) any “employee benefit plan” within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA, and (ii) any employment, consulting, severance, termination, retention, change of control, health, medical, dental, vision, cafeteria, disability, accident, life insurance, vacation, paid-time-off, flex spending, perquisite, welfare fringe benefit, compensatory equity or equity-based, deferred compensation, profit sharing, retirement, pension, savings, termination and each other compensation or employee benefit plan, program, policy, agreement or arrangement.

“Book-Entry Units” has the meaning set forth in Section 3.2.

“Business Day” means a day except a Saturday, a Sunday or other day on which the SEC or banks in Philadelphia, Pennsylvania or New York, New York are authorized or required by applicable Laws to be closed.

“Cash Component” has the meaning set forth in Section 3.6(a).

“Cash Consideration” has the meaning set forth in Section 3.1(a)(iii).

“Cash Conversion Number” has the meaning set forth in Section 3.6(a).

“Cash Election” has the meaning set forth in Section 3.1(a)(iii).

“Cash Election Unit” has the meaning set forth in Section 3.1(a)(iii).

“Certificate” has the meaning set forth in Section 3.2.

“Certificate of Merger” has the meaning set forth in Section 2.3.

“Closing” has the meaning set forth in Section 2.2.

“Closing Date” has the meaning set forth in Section 2.2.

“Code” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“Common Unit” means a common unit representing a limited partner interest of the Partnership.



“Contract” has the meaning set forth in Section 4.3(b).

“Converted Gain/Loss PSUs” has the meaning set forth in Section 3.8(a).

“Converted LTIP Awards” has the meaning set forth in Section 3.8(d).

“Converted Phantom RSUs” has the meaning set forth in Section 3.8(d).

“Converted Restricted Stock” has the meaning set forth in Section 3.8(c).

“Converted TUR PSUs” has the meaning set forth in Section 3.8(b).

“DGCL” means the General Corporation Law of the State of Delaware.

“DLLCA” means the Delaware Limited Liability Company Act.

“DRULPA” means the Delaware Revised Uniform Limited Partnership Act.

“Effective Time” has the meaning set forth in Section 2.3.

“Election” has the meaning set forth in Section 3.4(b).

“Election Deadline” has the meaning set forth in Section 3.4(d).

“Enforceability Exceptions” has the meaning set forth in Section 4.3(a).

“Environmental Laws” means any Law relating to (i) pollution, the protection, preservation or restoration of the environment (including air, surface water, groundwater, drinking water supply, surface land, subsurface land, plant and animal life or any other natural resource), public or workplace/occupational health and safety to the extent related to exposure to Hazardous Substances, or (ii) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, Release or disposal of Hazardous Substances, in each case as in effect at the date of this Agreement.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” has the meaning set forth in Section 4.4.

“Exchange Agent” has the meaning set forth in Section 3.3(a).

“Exchange Fund” has the meaning set forth in Section 3.3(a).

“Form of Election” has the meaning set forth in Section 3.4(a).

“GAAP” means generally accepted accounting principles in the United States.

“General Partner” has the meaning set forth in the Preamble.

“General Partner Bylaws” means the Amended and Restated Bylaws of the General Partner, dated as of July 24, 2017, as may be amended, modified or supplemented from time to time.

“General Partner Interest” means the economic management interest of the General Partner in the Partnership (in its capacity as a general partner of the Partnership and without reference to any Common Units held by it) and includes any and all rights, power and benefits, including with respect to Partnership distributions, to which the General Partner is entitled, all as provided in the Partnership Agreement.

“Governmental Authority” means any government, court, arbitrator, regulatory or administrative agency, commission or authority or other governmental instrumentality, federal, state or local, domestic, foreign or multinational.

“GP Board” has the meaning set forth in the Recitals.

“Hazardous Substance” means any substance, material or waste that is listed, defined, designated or classified as hazardous, toxic, radioactive, dangerous or a “pollutant” or “contaminant” or words of similar meaning under any applicable Environmental Law or the presence of which requires investigation, remediation or corrective action under Environmental Laws, including without limitation petroleum or any fraction, derivative or byproduct thereof, natural gas, liquefied natural gas, radon, radioactive material, asbestos or asbestos containing material, urea formaldehyde foam insulation or polychlorinated biphenyls.

“Holdings” has the meaning set forth in the Preamble.

“Indemnified Person” means any person who is now, or has been or becomes at any time prior to the Effective Time, an officer, director or employee of the Partnership, the General Partner or any of their respective Subsidiaries and also with respect to any such person, in their capacity as a director, officer, employee, member, trustee or fiduciary of another corporation, foundation, partnership, joint venture, trust, pension or other employee benefit plan or enterprise (whether or not such other entity or enterprise is affiliated with the Partnership) serving at the request of or on behalf of the Partnership, the General Partner or any of their respective Subsidiaries and together with such person’s heirs, executors or administrators.

“Intervening Event” means a material change, condition, circumstance, effect, event, development or occurrence, in each case that arises or occurs after the date of this Agreement and was not, prior to the date of this Agreement, known to or reasonably foreseeable by the Audit Committee; *provided, however*, that in no event shall the following constitute an Intervening Event: (i) the receipt, existence or terms of any Alternative Proposal or any matter relating thereto or consequence thereof; (ii) any change in the price, or change in trading volume, of the Common Units (provided, however, that the underlying causes giving rise to or contributing to such change may be taken into account in determining whether an Intervening Event has occurred) or the fact that the Partnership meets or exceeds internal or published projections, budgets, forecasts or estimates of revenues, earnings or other financial results for any period; or (iii) any matters generally affecting the industry in which the Partnership operates as a whole that have not had or would not reasonably be expected to have a disproportionate effect on the Partnership and its

Subsidiaries; and *provided further*, that if any material change, condition, circumstance, effect, event, development or occurrence involves Parent or any of its Subsidiaries, then such material change, condition, circumstance, effect, event, development or occurrence shall not constitute an Intervening Event unless such Intervening Event has a Parent Material Adverse Effect.

“Laws” or “Law” has the meaning set forth in Section 4.8(a).

“Liens” has the meaning set forth in Section 4.1(c).

“Limited Partner” has the meaning set forth in the Partnership Agreement.

“Mailing Date” has the meaning set forth in Section 3.4(c).

“Material Adverse Effect” means, when used with respect to a Person, any change, condition, circumstance, effect, event, development or occurrence that, individually or in the aggregate, (x) has had or would reasonably be expected to have a material adverse effect on the business, assets, condition (financial or otherwise) or results of operations of such Person and its Subsidiaries, taken as a whole, or (y) prevents or materially impedes, interferes with or hinders a party’s ability to consummate the transactions contemplated hereby, including the Merger, on or before the Outside Date; *provided, however*, that any adverse changes, conditions, circumstances, effects, events, developments or occurrences resulting from or due to any of the following shall be disregarded in determining whether there has been a Material Adverse Effect: (i) changes, conditions, effects, events or occurrences generally affecting the economy, the financial or capital markets or political, legislative or regulatory conditions or changes in the industries in which such Person operates; (ii) the announcement or pendency of this Agreement or the transactions contemplated by this Agreement or, except specifically for purposes of determining whether there is a breach of the representations and warranties made by the applicable parties in Section 4.3(b) and Section 5.3(b) and the satisfaction of the closing conditions set forth in Section 7.2(a) and Section 7.3(a) with respect to such representations and warranties, the performance of this Agreement; (iii) any change in the market price or trading volume of the limited partner interests, shares of common stock or other equity securities of such Person (it being understood and agreed that the foregoing shall not preclude any other party to this Agreement from asserting that any facts or occurrences giving rise to or contributing to such change that are not otherwise excluded from the definition of Material Adverse Effect should be deemed to constitute, or be taken into account in determining whether there has been, or would reasonably be expected to be, a Material Adverse Effect); (iv) acts of war, terrorism or other hostilities (or the escalation of the foregoing) or natural disasters or other force majeure events; (v) changes in any applicable Laws or regulations applicable to such Person or applicable accounting regulations or principles or the interpretation thereof; (vi) any Proceedings commenced by or involving any current or former member, partner or stockholder of such Person or any of its Subsidiaries arising out of or related to this Agreement or the transactions contemplated by this Agreement; (vii) changes, effects, events or occurrences generally affecting the prices of oil, natural gas, natural gas liquids, propane or other commodities; (viii) any failure of a Person to meet any internal or external projections, forecasts or estimates of revenues, earnings or other financial or operating metrics for any period (it being understood and agreed that the foregoing shall not preclude any other party to this Agreement from asserting that any facts or occurrences giving rise to or contributing to such failure that are not otherwise excluded from the definition of Material Adverse Effect should be deemed

to constitute, or be taken into account in determining whether there has been, or would reasonably be expected to be, a Material Adverse Effect); and (ix) with respect to Parent only, any effect to the extent resulting from a change, condition, circumstance, effect, event, development or occurrence that has a Material Adverse Effect on the Partnership and its Subsidiaries; *provided, however*, that changes, effects, events or occurrences referred to in clauses (i), (iv), (v), (vii) and (ix) above shall be considered for purposes of determining whether there has been or would reasonably be expected to be a Material Adverse Effect if and to the extent such changes, conditions, effects, events or occurrences have had or would reasonably be expected to have a disproportionate adverse effect on such Person and its Subsidiaries, taken as a whole, as compared to other companies of similar size operating in the industries in which such Person and its Subsidiaries operate.

“Maximum Amount” has the meaning set forth in Section 6.7(b).

“Merger” has the meaning set forth in Section 2.1.

“Merger Consideration” has the meaning set forth in Section 3.1(a).

“Merger Sub” has the meaning set forth in the Preamble.

“Mixed Consideration” has the meaning set forth in Section 3.1(a)(ii).

“Mixed Election” has the meaning set forth in Section 3.1(a)(ii).

“Mixed Election Unit” has the meaning set forth in Section 3.1(a)(ii).

“New Parent Shares” means the Parent Shares issued as Mixed Consideration, together with the Parent Shares issued as Share Consideration.

“Non-Election Unit” has the meaning set forth in Section 3.1(a)(iv).

“NYSE” means the New York Stock Exchange.

“Organizational Documents” means any charter, certificate of incorporation, articles of association, bylaws, operating agreement, agreement of limited partnership, limited liability company agreement or similar formation or governing documents and instruments.

“Outside Date” has the meaning set forth in Section 8.1(b)(i).

“Parent” has the meaning set forth in the Preamble.

“Parent Benefit Plan” means any Benefit Plan maintained, sponsored or administered by Parent or any of its Subsidiaries (excluding the General Partner, the Partnership or any of their respective Subsidiaries) for the benefit of their respective current or former employees, independent contractors and directors (and their respective beneficiaries), other than any statutory plan, program or arrangement that is required by applicable Laws, other than the Laws of the United States, and maintained by any Governmental Authority.

“Parent Board” has the meaning set forth in the Recitals.

“Parent Charter” means the (Second) Amended and Restated Articles of Incorporation of Parent, dated December 20, 1991, as amended by the Articles of Amendment to the (Second) Amended and Restated Articles of Parent, dated August 4, 2014, as may be further amended, modified or supplemented from time to time.

“Parent Common Stock” means the common stock of Parent, without par value.

“Parent Confidentiality Agreement” means the confidentiality agreement, dated as of February 7, 2019, by and between Parent and the Partnership.

“Parent Disclosure Schedule” has the meaning set forth in the introductory paragraph of Article V.

“Parent Environmental Permits” has the meaning set forth in Section 5.13.

“Parent Expense Reimbursement” has the meaning set forth in Section 8.3(b).

“Parent Intellectual Property” has the meaning set forth in Section 5.15.

“Parent Material Adverse Effect” has the meaning set forth in Section 5.1(a).

“Parent Material Contract” has the meaning set forth in Section 5.11(a).

“Parent Permits” has the meaning set forth in Section 5.8(b).

“Parent Plan” has the meaning set forth in Section 3.8(f).

“Parent SEC Documents” has the meaning set forth in Section 5.5(a).

“Parent Shares” means shares of Parent Common Stock.

“Parent Stock Issuance” has the meaning set forth in the Recitals.

“Parent Stockholders” means the holders of the outstanding Parent Shares.

“Partnership” has the meaning set forth in the Preamble.

“Partnership Adverse Recommendation Change” has the meaning set forth in Section 6.3(a).

“Partnership Agreement” means the Fourth Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of July 27, 2009, as amended by Amendment No. 1 thereto, dated as of March 13, 2012, and Amendment No. 2, dated as of July 27, 2015, as may be further amended, modified or supplemented from time to time.

“Partnership Benefit Plan” means any Benefit Plan maintained, sponsored or administered by the General Partner, the Partnership or any of their respective Subsidiaries for the benefit of

their respective current or former employees, independent contractors and directors (and their respective beneficiaries), other than any statutory plan, program or arrangement that is required by applicable Laws, other than the Laws of the United States, and maintained by any Governmental Authority.

“Partnership Board Recommendation” has the meaning set forth in Section 6.1(b).

“Partnership Disclosure Schedule” has the meaning set forth in the introductory paragraph to Article IV.

“Partnership Environmental Permits” has the meaning set forth in Section 4.12.

“Partnership Expense Reimbursement” has the meaning set forth in Section 8.3(b).

“Partnership Financial Advisor” has the meaning set forth in Section 4.15.

“Partnership Holder” has the meaning set forth in Section 3.4.

“Partnership Intellectual Property” has the meaning set forth in Section 4.14.

“Partnership Interest” has the meaning set forth in the Partnership Agreement.

“Partnership LTIP Awards” means, collectively, the Partnership Performance Units, the Partnership Phantom Units and the Partnership Restricted Units.

“Partnership Long-Term Incentive Plans” means, collectively, the AmeriGas Propane, Inc. 2010 Long-Term Incentive Plan on behalf of AmeriGas Partners, LP, as amended from time to time, and any other plans or arrangements of the Partnership or the General Partner providing for the grant of awards of Common Units or awards valued, in whole or in part, by reference to Common Units, or otherwise relating thereto.

“Partnership Material Adverse Effect” has the meaning set forth in Section 4.1(a).

“Partnership Material Contract” has the meaning set forth in Section 4.10(a).

“Partnership Performance Unit” means a performance unit relating to a Common Unit issued under a Partnership Long-Term Incentive Plan.

“Partnership Permits” has the meaning set forth in Section 4.8(b).

“Partnership Phantom Unit” means a phantom unit relating to a Common Unit issued under a Partnership Long-Term Incentive Plan.

“Partnership Recommendation Change Notice” has the meaning set forth in Section 6.3(d)(i)(1).

“Partnership Recommendation Change Notice Period” has the meaning set forth in Section 6.3(d)(i)(2).

“Partnership Restricted Unit” means an unvested restricted Common Unit issued under a Partnership Long-Term Incentive Plan.

“Partnership SEC Documents” has the meaning set forth in [Section 4.5\(a\)](#).

“Partnership Service Providers” has the meaning set forth in [Section 4.11\(f\)](#).

“Partnership Termination Fee” has the meaning set forth in [Section 8.3\(a\)](#).

“Partnership TUR Units” has the meaning set forth in [Section 3.8\(b\)](#).

“Partnership Unaffiliated Unitholders” means holders of Common Units other than Parent, the General Partner and their respective Affiliates.

“Partnership Unitholder Approval” has the meaning set forth in [Section 7.1\(a\)](#).

“Partnership Unitholder Meeting” has the meaning set forth in [Section 6.1\(b\)](#).

“Partnership Unitholders” means holders of Common Units.

“Permits” has the meaning set forth in [Section 4.8\(b\)](#).

“Person” means an individual, a corporation, a limited liability company, a partnership, an association, a trust or any other entity, including a Governmental Authority.

“Preferred Stock” has the meaning set forth in [Section 5.2\(a\)](#).

“Proceeding” means any claim (including a claim of a violation of Law), action, audit, demand, suit, proceeding, investigation or other proceeding at law or in equity or order or ruling, in each case whether civil, criminal, administrative, investigative, arbitral or otherwise and whether or not such claim, action, audit, demand, suit, proceeding, investigation or other proceeding or order or ruling results in a formal civil or criminal litigation or regulatory action.

“Proxy Statement” has the meaning set forth in [Section 4.4](#).

“Public Common Unit” has the meaning set forth in [Section 3.1\(a\)](#).

“Registration Statement” has the meaning set forth in [Section 4.9](#).

“Release” means any spilling, leaking, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, disposing or other release into the environment.

“Representatives” has the meaning set forth in [Section 6.3\(a\)](#).

“Restraints” has the meaning set forth in [Section 7.1\(b\)](#).

“Restructuring Stock” has the meaning set forth in [Section 5.2\(a\)](#).

“Rights” means, with respect to any Person, (i) options, warrants, preemptive rights, subscriptions, calls or other rights, convertible securities, exchangeable securities, agreements or commitments of any character obligating such Person (or the general partner of such Person) to issue, transfer or sell, or to cause the issuance, transfer or sale of, any partnership or other equity interest of such Person or any of its Subsidiaries or any securities convertible into or exchangeable for such partnership interests or equity interests, or (ii) contractual obligations of such Person (or the general partner of such Person) to repurchase, redeem or otherwise acquire, or to cause the repurchase, redemption or other acquisition of, any partnership interest or other equity interest in such Person or any of its Subsidiaries or any such securities or agreements listed in clause (i) of this definition.

“Sarbanes-Oxley Act” has the meaning set forth in Section 4.5(a).

“Schedule 13E-3” has the meaning set forth in Section 4.4.

“SEC” means the Securities and Exchange Commission.

“Securities Act” has the meaning set forth in Section 4.1(c).

“Share Consideration” has the meaning set forth in Section 3.1(a)(i).

“Share Election” has the meaning set forth in Section 3.1(a)(i).

“Share Election Unit” has the meaning set forth in Section 3.1(a)(i).

“Shortfall Number” has the meaning set forth in Section 3.6(b)(iii).

“Subsidiary,” when used with respect to any Person, means any Person of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power (or in the case of a partnership, more than 50% of the general partner interests, or in the case of a limited liability company, more than 50% of the ownership interests in the managing member) are, as of such date, owned by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person; *provided, however*, that, except where otherwise expressly provided, for the purposes of this Agreement, the Partnership, the General Partner and their respective Subsidiaries shall not be considered Subsidiaries of Parent.

“Superior Proposal” means a bona fide unsolicited written offer, obtained after the date of this Agreement and not in breach of Section 6.3 (other than an immaterial breach), to acquire, directly or indirectly, 70% or more of the outstanding equity securities of the Partnership or 70% or more of the assets of the Partnership and its Subsidiaries on a consolidated basis, made by a third party (other than Parent or any of its Affiliates), which is on terms and conditions which the Audit Committee determines in good faith to be (i) reasonably capable of being consummated in accordance with its terms, taking into account legal, regulatory, financial, financing and timing aspects of the proposal, and (ii) if consummated, more favorable to the Partnership Unaffiliated Unitholders (in their capacity as Partnership Unitholders) from a financial point of view than the transactions contemplated hereby, taking into account at the time of determination any changes to the terms of this Agreement that as of that time had been committed to by Parent in writing.



“Superior Proposal Notice” has the meaning set forth in Section 6.3(d)(i)(3).

“Superior Proposal Notice Period” has the meaning set forth in Section 6.3(d)(i)(4).

“Support Agreement” has the meaning set forth in the Recitals.

“Surviving Entity” has the meaning set forth in Section 2.1.

“Takeover Laws” has the meaning set forth in Section 5.3(a).

“Tax” or “Taxes” means any and all federal, state, local or foreign or provincial taxes, charges, imposts, levies or other assessments, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property and estimated taxes, customs duties, fees, assessments and similar charges, including any and all interest, penalties, fines, additions to tax or additional amounts imposed by any Governmental Authority with respect thereto.

“Tax Return” means any return, report or similar filing (including any attached schedules, supplements and additional or supporting material) filed or required to be filed with respect to Taxes, including any information return, claim for refund, amended return or declaration of estimated Taxes (and including any amendments with respect thereto).

“Total Cash Election Number” has the meaning set forth in Section 3.6(b)(i).

“TUR Performance Multiplier” has the meaning set forth in Section 3.8(b).

Section 1.2 Interpretation. Unless expressly provided for elsewhere in this Agreement, this Agreement will be interpreted in accordance with the following provisions:

- (a) the words “this Agreement,” “herein,” “hereby,” “hereunder,” “hereof,” and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion, article, section, subsection or other subdivision of this Agreement in which any such word is used;
- (b) examples are not to be construed to limit, expressly or by implication, the matter they illustrate;
- (c) the word “including” and its derivatives means “including without limitation” and is a term of illustration and not of limitation;
- (d) all definitions set forth herein are deemed applicable whether the words defined are used herein in the singular or in the plural and correlative forms of defined terms have corresponding meanings;
- (e) the word “or” is not exclusive and has the inclusive meaning represented by the phrase “and/or”;

(f) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or thing extends, and such phrase shall not mean simply "if";

(g) a defined term has its defined meaning throughout this Agreement and each exhibit and schedule to this Agreement, regardless of whether it appears before or after the place where it is defined;

(h) all references to prices, values or monetary amounts refer to United States dollars;

(i) wherever used herein, any pronoun or pronouns will be deemed to include both the singular and plural and to cover all genders;

(j) this Agreement has been jointly prepared by the parties, and this Agreement will not be construed against any Person as the principal draftsperson of this Agreement and no consideration may be given to any fact or presumption that any party had a greater or lesser hand in drafting this Agreement;

(k) each covenant, term and provision of this Agreement will be construed simply according to its fair meaning; prior drafts of this Agreement or the fact that any clauses have been added, deleted or otherwise modified from any prior drafts of this Agreement will not be used as an aid of construction or otherwise constitute evidence of the intent of the parties and no presumption or burden of proof will arise favoring or disfavoring any party hereto by virtue of such prior drafts;

(l) the captions of the articles, sections or subsections appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such section, or in any way affect this Agreement;

(m) any references herein to a particular Section, Article or Schedule means a Section or Article of, or Schedule to, this Agreement unless otherwise expressly stated herein;

(n) the Schedules attached hereto are incorporated herein by reference and will be considered part of this Agreement;

(o) unless otherwise specified herein, all accounting terms used herein will be interpreted, and all determinations with respect to accounting matters hereunder will be made, in accordance with GAAP, applied on a consistent basis;

(p) all references to days mean calendar days unless otherwise provided; and

(q) except as otherwise noted, all references to time mean Philadelphia, Pennsylvania time.

## ARTICLE II

### THE MERGER

Section 2.1 The Merger and Surviving Entity. Upon the terms and subject to the conditions of this Agreement, and in accordance with the DRULPA and the DLLCA, at the Effective Time, Merger Sub shall merge with and into the Partnership (the "Merger"), the separate existence of Merger Sub shall cease and the Partnership shall survive and continue to exist as a Delaware limited partnership (the Partnership as the surviving entity in the Merger, sometimes being referred to herein as the "Surviving Entity").

Section 2.2 Closing. Subject to the provisions of Article VII, the closing of the Merger (the "Closing") shall take place at the offices of Latham & Watkins LLP, 811 Main St., Suite 3700, Houston, Texas 77002 at 10:00 A.M., Houston, Texas time, on the second Business Day after the satisfaction or waiver of the conditions set forth in Article VII (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions), or at such other place, date and time as the Partnership and Parent shall agree. The date on which the Closing actually occurs is referred to as the "Closing Date."

Section 2.3 Effective Time. Subject to the provisions of this Agreement, at the Closing, the Partnership and Parent will cause a certificate of merger, executed in accordance with the relevant provisions of the Partnership Agreement, the DRULPA and the DLLCA (the "Certificate of Merger"), to be duly filed with the Secretary of State of the State of Delaware. The Merger will become effective at such time as the Certificate of Merger has been duly filed with the Secretary of State of the State of Delaware or at such later date or time as may be agreed by the Partnership and Parent in writing and specified in the Certificate of Merger (the effective time of the Merger being hereinafter referred to as the "Effective Time").

Section 2.4 Effects of the Merger. The Merger shall have the effects set forth in this Agreement, the Partnership Agreement and the applicable provisions of the DRULPA and the DLLCA.

Section 2.5 Organizational Documents of the Surviving Entity. At the Effective Time, (a) the certificate of limited partnership of the Partnership as in effect immediately prior to the Effective Time shall remain unchanged and shall be the certificate of limited partnership of the Surviving Entity from and after the Effective Time, until duly amended in accordance with applicable Laws, and (b) the Partnership Agreement as in effect immediately prior to the Effective Time shall remain unchanged and shall be the agreement of limited partnership of the Surviving Entity from and after the Effective Time, until duly amended in accordance with the terms thereof and applicable Laws, in each case, consistent with the obligations set forth in Section 6.7. The name of the Surviving Entity shall be "AmeriGas Partners, L.P."

Section 2.6 Admission as Partner. At the Effective Time, (a) by virtue of the Merger, notwithstanding anything to the contrary in the Partnership Agreement, Holdings will be admitted as a limited partner of the Partnership, (b) by virtue of the Merger, notwithstanding anything to the contrary in the Partnership Agreement, Holdings and the General Partner will hold all of the limited partner interests in the Partnership, (c) the General Partner shall continue as the general partner of the Partnership and (d) the Partnership (as the Surviving Entity) will continue without dissolution.

**MERGER CONSIDERATION; EXCHANGE PROCEDURES**

Section 3.1 Merger Consideration. Subject to the provisions of this Agreement, at the Effective Time, by virtue of the Merger and without any action on the part of Parent, Holdings, Merger Sub, the Partnership, the General Partner or any holder of Parent securities or Partnership securities:

- (a) Conversion of Common Units. Each Common Unit (other than Common Units owned by Parent or any of its Subsidiaries or by the General Partner immediately prior to the Effective Time) (each, a "Public Common Unit") issued and outstanding immediately prior to the Effective Time shall be canceled and extinguished and automatically converted into the right to receive, subject to applicable withholding Tax and Section 3.6, one of the following forms of consideration (on a per Common Unit basis, the "Merger Consideration"):
- (i) for each Public Common Unit with respect to which an election to receive Parent Shares (a "Share Election") has been validly made and not revoked (each, a "Share Election Unit"), 0.6378 Parent Shares (the "Share Consideration"), which Parent Shares will be duly authorized, validly issued and nonassessable in accordance with applicable Laws and the Parent Charter;
  - (ii) for each Public Common Unit with respect to which an election to receive Parent Shares and cash (a "Mixed Election") has been validly made and not revoked (each, a "Mixed Election Unit"). (A) cash in an amount equal to \$7.63 and (B) 0.500 Parent Shares (collectively, the "Mixed Consideration"), which Parent Shares will be duly authorized, validly issued and nonassessable in accordance with applicable Laws and the Parent Charter;
  - (iii) for each Public Common Unit with respect to which an election to receive cash (a "Cash Election") has been validly made and not revoked (each, a "Cash Election Unit"), cash in an amount equal to \$35.325 (the "Cash Consideration"); and
  - (iv) for each Public Common Unit that is not a Share Election Unit, Mixed Election Unit or Cash Election Unit (each, a "Non-Election Unit"), such Merger Consideration as is determined in accordance with Section 3.6.
- (b) Equity of Merger Sub. The limited liability company interests in Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into a number of Common Units of the Surviving Entity equal to the number of Common Units converted into the right to receive the Merger Consideration pursuant to Section 3.1(a).

(c) Treatment of Partnership-Owned Units and Parent-Owned Partnership Interests.

(i) Any Partnership Interests that are owned immediately prior to the Effective Time by (A) the Partnership or any Subsidiary of the Partnership or (B) Parent or any Affiliate of Parent (excluding the General Partner Interest and the Common Units owned by the General Partner), in each case, will be automatically canceled and will cease to exist. No consideration will be delivered in exchange for such canceled Partnership Interests.

(ii) The General Partner Interest issued and outstanding as of immediately prior to the Effective Time shall be converted, immediately following the Effective Time, into (A) 10,615,711 Common Units (which for the avoidance of doubt, shall be unaffected by the Merger and shall remain outstanding as partnership interests in the Surviving Entity) and (B) a non-economic general partner interest in the Surviving Entity.

(iii) The Common Units that are owned immediately prior to the Effective Time by the General Partner shall be unaffected by the Merger and shall remain outstanding as partnership interests in the Surviving Entity.

(d) Books and Records of the Partnership. The books and records of the Partnership shall be revised to reflect (i) the cancellation and extinguishment of all Public Common Units in accordance with Section 3.1(a), (ii) the conversion of the limited liability company interests in Merger Sub in accordance with Section 3.1(b), (iii) the cancellation and extinguishment of any Partnership Interests that are owned by (A) the Partnership or any Subsidiary of the Partnership or (B) Parent or any Affiliate of Parent (excluding the General Partner Interest and the Common Units owned by the General Partner), in each case in accordance with Section 3.1(c)(i), and (iv) the conversion of the General Partner Interest in accordance with Section 3.1(c)(ii).

Section 3.2 Rights As Partnership Unitholders; Common Unit Transfers. All Public Common Units converted into the right to receive the Merger Consideration pursuant to Section 3.1(a) will cease to be outstanding and will automatically be canceled and will cease to exist when converted into the right to receive the Merger Consideration as a result of and pursuant to the Merger. At the Effective Time, each holder of a certificate that immediately prior to the Effective Time represented such Public Common Units (a "Certificate") and each holder of non-certificated Public Common Units represented by book-entry immediately prior to the Effective Time ("Book-Entry Units") will cease to have any rights with respect thereto or thereunder, except the right to receive (a) the Merger Consideration, (b) any cash to be paid in lieu of any fractional New Parent Share in accordance with Section 3.3(d), (c) any dividends in accordance with Section 3.3(c), in each case to be issued or paid, without interest, in consideration therefor upon surrender of such Certificate or Book-Entry Units in accordance with Section 3.3, and (d) any distribution in accordance with Section 3.3(e) in respect of the Common Units with a record date occurring prior to the Effective Time that may have been declared by the Partnership on the Common Units in accordance with the terms of this Agreement and the Partnership Agreement and which remains unpaid at the Effective Time. At the Effective Time, the transfer books of the Partnership will be closed immediately and there will be no further registration of transfers on the transfer books of the Partnership with respect to Common Units.

Section 3.3 Exchange of Certificates and Book-Entry Units.

(a) Exchange Agent. Prior to the Effective Time, Parent will appoint a commercial bank or trust company reasonably acceptable to the Partnership to act as exchange and payment agent hereunder for the purpose of receiving elections and exchanging Public Common Units for the Merger Consideration as required by this Article III (the "Exchange Agent"). Promptly after the Effective Time, Parent will deposit, or cause to be deposited, with the Exchange Agent for the benefit of the holders of the applicable Public Common Units, for exchange in accordance with this Article III, through the Exchange Agent, New Parent Shares and cash as required by this Article III. Parent agrees to make available to the Exchange Agent, from time to time as needed, cash sufficient to pay the cash portion of the Mixed Consideration, the Cash Consideration and any dividends pursuant to Section 3.3(c), and to make payments in lieu of any fractional New Parent Shares pursuant to Section 3.3(d), in each case without interest. Any cash as payment for any fractional New Parent Shares in accordance with Section 3.3(d), any dividends with respect to New Parent Shares in accordance with Section 3.3(c), and New Parent Shares and cash for payment of the Merger Consideration deposited with the Exchange Agent are hereinafter referred to as the "Exchange Fund." The Exchange Agent will, pursuant to irrevocable instructions from Parent and the Partnership, deliver the Merger Consideration contemplated to be issued or paid pursuant to this Agreement out of the Exchange Fund. Except as contemplated by Section 3.3(c) and Section 3.3(d), the Exchange Fund will not be used for any other purpose.

(b) Exchange Procedures. Promptly after the Effective Time, Parent will instruct the Exchange Agent to mail to each record holder of Public Common Units as of the Effective Time (i) a letter of transmittal (specifying that in respect of certificated Public Common Units, delivery will be effected, and risk of loss and title to the Certificates will pass, only upon proper delivery of the Certificates to the Exchange Agent, and which will be in customary form and agreed to by Parent and the Partnership prior to the Effective Time) and (ii) instructions (in customary form and agreed to by Parent and the Partnership prior to the Effective Time) for use in effecting the surrender of the Certificates or Book-Entry Units in exchange for the Merger Consideration payable in respect of Public Common Units represented by such Certificates or Book-Entry Units, as applicable, which may have been previously surrendered in connection with an Election. Promptly after the Effective Time, upon surrender of Certificates, if any, for cancellation to the Exchange Agent together with such letters of transmittal, properly completed and duly executed, and such other documents (including in respect of Book-Entry Units) as may be reasonably required pursuant to such instructions, each holder who held Public Common Units immediately prior to the Effective Time will be entitled to receive upon surrender of the Certificates or Book-Entry Units therefor (subject to any applicable withholding Tax) (A) New Parent Shares representing, in the aggregate, the whole number of New Parent Shares that such holder has the right to receive pursuant to this Article III (after taking into account all Public Common Units then held by such holder) and/or (B) a check in an amount equal to the aggregate amount of cash that such holder has the right to receive pursuant to this Article III, including (x) cash in an amount equal to the product of (A) the number of Public Common Units represented by such Certificate (or affidavit of loss in lieu thereof) or Book-Entry Units in the name of such holder multiplied by (B) the Cash Consideration or the cash portion of the Mixed Consideration, if and as applicable, (y) cash payable in lieu of any fractional New Parent Shares pursuant to Section 3.3(d) and (z) dividends pursuant to Section 3.3(c), if any. No interest will be paid or accrued on any Merger Consideration, any cash payment in lieu of fractional New Parent Shares, or any Parent dividends payable pursuant to Section 3.3(c). In the event of a transfer of ownership of Public Common Units that is not registered in the transfer records of the Partnership, the Merger

Consideration payable in respect of such Public Common Units may be paid to a transferee, if the Certificate representing such Public Common Units or evidence of ownership of the Book-Entry Units is presented to the Exchange Agent, and in the case of both certificated and book-entry Public Common Units, accompanied by all documents reasonably required to evidence and effect such transfer, and the Person requesting such exchange will pay to the Exchange Agent in advance any transfer or other Taxes required by reason of the delivery of the Merger Consideration in any name other than that of the record holder of such Public Common Units, or will establish to the satisfaction of the Exchange Agent that such Taxes have been paid or are not payable. Until all such required documentation has been delivered and Certificates, if any, have been surrendered as contemplated by this [Section 3.3](#), each Certificate or Book-Entry Unit will be deemed at any time after the Effective Time to represent only the right to receive the Merger Consideration upon such delivery and surrender, and any cash or dividends or distributions to which such holder is entitled pursuant to [Section 3.3\(c\)](#) and [Section 3.3\(d\)](#).

(c) [Dividends with Respect to Unexchanged Public Common Units](#). No dividends declared or made with respect to Parent Shares with a record date after the Effective Time will be paid to the holder of any Public Common Units with respect to New Parent Shares that such holder would be entitled to receive in accordance herewith, and no cash payment in lieu of fractional New Parent Shares nor any part of the Merger Consideration, will be paid to any such holder until such holder has delivered the required documentation and surrendered any Certificates or Book-Entry Units as contemplated by this [Section 3.3](#). Subject to applicable Law, following compliance with the requirements of [Section 3.3\(b\)](#), there will be paid to such holder of New Parent Shares issuable in exchange therefor, without interest, (i) promptly after the time of such compliance, the amount of any cash payable in lieu of fractional New Parent Shares to which such holder is entitled pursuant to [Section 3.3\(d\)](#) (which shall be paid by the Exchange Agent as provided therein) and the amount of dividends with a record date after the Effective Time theretofore paid with respect to New Parent Shares and payable with respect to such New Parent Shares, and (ii) at the appropriate payment date, the amount of dividends with a record date after the Effective Time but prior to such delivery and surrender and a payment date subsequent to such compliance payable with respect to such New Parent Shares (which shall be paid by Parent).

(d) [No Fractional New Parent Shares](#). No certificates or scrip for New Parent Shares representing fractional New Parent Shares or book entry credit of the same will be issued upon the surrender of Public Common Units outstanding immediately prior to the Effective Time in accordance with [Section 3.3\(b\)](#), and such fractional interests will not entitle the owner thereof to vote or to have any rights as a holder of any New Parent Shares. Notwithstanding any other provision of this Agreement, each holder of Public Common Units converted in the Merger who would otherwise have been entitled to receive a fraction of a New Parent Share (after taking into account all Public Common Units exchanged by such holder) will receive, in lieu thereof, cash (without interest rounded up to the nearest whole cent) in an amount equal to the product of (i) the Average Closing Price as of the Closing Date and (ii) the fraction of a New Parent Share that such holder would otherwise be entitled to receive pursuant to this [Article III](#). As promptly as practicable after the determination of the amount of cash, if any, to be paid to holders of fractional interests, Parent will cause the Exchange Agent to forward payments to such holders of fractional interests subject to and in accordance with the terms hereof.

(e) No Further Rights in Public Common Units. The Merger Consideration issued upon conversion of a Public Common Unit in accordance with the terms hereof (including any cash paid pursuant to Section 3.3(d)) will be deemed to have been issued and/or paid in full satisfaction of all rights pertaining to such Public Common Unit (other than any distribution in respect of the Common Units with a record date occurring prior to the Effective Time that may have been declared by the Partnership on the Common Units in accordance with the terms of this Agreement and the Partnership Agreement and which remains unpaid at the Effective Time).

(f) Termination of Exchange Fund. Any portion of the Exchange Fund that remains undistributed to the holders of Public Common Units after 180 days following the Effective Time will be delivered to Parent upon demand by Parent and, from and after such delivery, any former holders of Public Common Units who have not theretofore complied with this Article III will thereafter look only to Parent for the Merger Consideration or other consideration as applicable, payable in respect of such Public Common Units, any cash in lieu of fractional New Parent Shares to which they are entitled pursuant to Section 3.3(d), or any dividends with respect to New Parent Shares to which they are entitled pursuant to Section 3.3(c), in each case, without any interest thereon. Any amounts remaining unclaimed by holders of Public Common Units immediately prior to such time as such amounts would otherwise escheat to or become the property of any Governmental Authority will, to the extent permitted by applicable Law, become the property of Parent. Without limitation of the foregoing, after 180 days following the Effective Time, any amounts remaining unclaimed by holders of Public Common Units will become the property of Parent, subject to the legitimate claims of any Person previously entitled thereto hereunder or under abandoned property, escheat or similar Laws. Notwithstanding anything in this Agreement to the contrary, none of the Partnership, Parent, Holdings, Merger Sub, the Surviving Entity, the General Partner, the Exchange Agent, or any other Person shall be liable to any former holder of Public Common Units for any amount properly delivered to a public official pursuant to any abandoned property, escheat or similar Law.

(g) Lost, Stolen or Destroyed Certificates. If any Certificate is lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such Person of an indemnity agreement or a bond, in a customary amount, as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent will pay in exchange for such lost, stolen or destroyed Certificate and affidavit the Merger Consideration payable in respect of Public Common Units represented by such Certificate, and any amounts to which the holders thereof are entitled pursuant to Section 3.3(c) and Section 3.3(d).

(h) Withholding. The Partnership, Holdings, Parent, Merger Sub and the Exchange Agent are entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any Person such amounts or securities as the Partnership, Parent, Holdings, Merger Sub or the Exchange Agent reasonably deems to be required to deduct and withhold under the Code or any provision of state, local, or foreign tax Law, with respect to the making of such payment or issuance. To the extent that amounts or securities are so deducted and withheld and paid over to the appropriate Governmental Authority, such amounts will be treated for all purposes of this Agreement as having been paid or issued to the Person in respect of whom such deduction and withholding was made. If withholding is taken in securities, the Partnership, Parent, Holdings, Merger Sub and the Exchange Agent, as applicable, shall be treated as having sold such consideration for an amount of cash equal to the fair market value of such consideration at the time of such deemed sale and paid such cash proceeds to the appropriate Governmental Authority.



(i) Book Entry Shares. All New Parent Shares to be issued in the Merger will be issued in book-entry form, without physical certificates.

(j) Investment of the Exchange Fund. Parent will cause the Exchange Agent to invest the cash in the Exchange Fund as directed by Parent on a daily basis, in Parent's sole discretion; *provided, however*, that no such investment or loss thereon will affect the amounts payable or the timing of the amounts payable to the holders of Public Common Units pursuant to the other provisions of this Section 3.3. Any interest and other income resulting from such investments will be paid promptly to Parent.

Section 3.4 Election Procedures. Each holder of record of a Public Common Unit issued and outstanding immediately prior to the Election Deadline (a "Partnership Holder") shall have the right, subject to the limitations set forth in this Article III, to submit an Election on or prior to the Election Deadline in accordance with the following procedures:

(a) Parent shall prepare a form reasonably acceptable to the Partnership (the "Form of Election"), which shall be mailed or caused to be mailed or delivered by Parent to record holders of Public Common Units so as to permit the Partnership Holders to exercise their right to make an Election prior to the Election Deadline.

(b) Each Partnership Holder may specify on the Form of Election in accordance with the provisions of this Section 3.4 and the instructions on such form (an "Election"), (i) the number of Public Common Units with respect to which such Partnership Holder desires to make a Share Election, (ii) the number of Public Common Units with respect to which such Partnership Holder desires to make a Mixed Election and (iii) the number of Public Common Units with respect to which such Partnership Holder desires to make a Cash Election.

(c) Not less than 20 Business Days prior to the anticipated Election Deadline (the "Mailing Date"), Parent shall mail or cause to be mailed or delivered, as applicable, the Form of Election to record holders of Public Common Units as of a record date that is five Business Days prior to the Mailing Date or such other date as mutually agreed to by Parent and the Partnership. Parent shall make available one or more Forms of Election as may reasonably be requested from time to time by all Persons who become holders of record of Public Common Units during the period following the record date for the Partnership Unitholder Meeting and prior to the Election Deadline, and the Partnership shall provide to the Exchange Agent all information reasonably necessary for the Exchange Agent to perform as specified herein.

(d) Any Election shall have been made properly only if the Exchange Agent shall have received, prior to the Election Deadline, a Form of Election properly completed and signed and accompanied by Certificates (or affidavits of loss in lieu of the Certificates), if any, for the Public Common Units to which such Form of Election relates, duly endorsed in blank or otherwise in form acceptable for transfer on the books of the Partnership or by an appropriate customary guarantee of delivery of such Certificates as set forth in such Form of Election, from a

firm that is an eligible guarantor institution (as defined in Rule 17Ad-15 under the Exchange Act); *provided*, that such Certificates are in fact delivered to the Exchange Agent by the time required in such guarantee of delivery, and, in the case of Book-Entry Units, any additional documents specified in the procedures set forth in the Form of Election. Failure to deliver Public Common Units covered by such a guarantee of delivery within the time set forth on such guarantee shall be deemed to invalidate any otherwise properly made Election, unless otherwise determined by Parent, in its sole and absolute discretion. As used herein, unless otherwise jointly agreed in advance by the Partnership and Parent, “Election Deadline” means 5:00 p.m. local time (in the city in which the principal office of the Exchange Agent is located) on a date mutually agreed by the Partnership and Parent but which in no event shall be less than one Business Day prior to the anticipated Closing Date. Parent and the Partnership shall issue a joint press release reasonably satisfactory to each of them announcing the anticipated date of the Election Deadline not more than 15 Business Days before, and at least five Business Days prior to, the anticipated date of the Election Deadline. Without limiting the other provisions set forth in this Section 3.4, any Public Common Units with respect to which the Exchange Agent has not received an effective, properly completed Form of Election prior to the Election Deadline shall also be deemed to be Non-Election Units.

(e) Any Partnership Holder may, at any time prior to the Election Deadline, change or revoke such Partnership Holder’s Election by written notice received by the Exchange Agent prior to the Election Deadline accompanied by a properly completed and signed revised Form of Election or by written withdrawal prior to the Election Deadline of such Partnership Holder’s Certificates or of the guarantee of delivery of such Certificates or any documents in respect of Book-Entry Units, previously deposited with the Exchange Agent. In the event an Election is revoked prior to the Election Deadline, the Public Common Units represented by such Election shall be deemed to have made no Election, except to the extent a subsequent Election is properly made prior to the Election Deadline. After an Election is validly made with respect to any Public Common Units, any subsequent transfer of such Public Common Units shall automatically revoke such Election. Notwithstanding anything to the contrary in this Agreement, all Elections shall be automatically deemed revoked upon receipt by the Exchange Agent of written notification from the Partnership that this Agreement has been terminated in accordance with Article VIII. The Exchange Agent shall have reasonable discretion to determine if any Election is not properly made with respect to any Public Common Units (none of the parties or the Exchange Agent being under any duty to notify any Partnership Holder of any such defect). In the event the Exchange Agent makes such a determination, such Election shall be deemed to be not in effect, and the Public Common Units covered by such Election shall, for purposes hereof, be deemed to be Non-Election Units unless a proper Election is thereafter timely made with respect to such Public Common Units.

(f) Parent, in the exercise of its reasonable discretion, shall have the right to make all determinations, not inconsistent with the terms of this Agreement, governing the manner and extent to which Elections are to be taken into account in making the determinations prescribed by Section 3.6.

Section 3.5 No Dissenters’ Rights. No dissenters’ or appraisal rights shall be available with respect to the Merger or the other transactions contemplated by this Agreement.

Section 3.6 Proration.

(a) Notwithstanding any other provision contained in this Agreement, the aggregate number of Public Common Units to be converted into the right to receive the Cash Consideration pursuant to Section 3.1(a) (the “Cash Conversion Number”) shall be equal to the quotient obtained by dividing (i) the Cash Component minus the product obtained by multiplying (A) the number of Mixed Election Units by (B) \$7.63, by (ii) the Cash Consideration. The “Cash Component” shall be equal to the product obtained by multiplying (i) the number of Public Common Units issued and outstanding immediately prior to the Effective Time by (ii) \$7.63. All other Public Common Units (other than Mixed Election Units, which shall be converted into the Mixed Consideration) shall be converted into the right to receive the Share Consideration, subject to Section 3.6(b)(ii).

(b) As promptly as practicable after the Effective Time, Parent shall cause the Exchange Agent to effect the allocation of Merger Consideration among the holders of Public Common Units as follows:

(i) if the sum of the aggregate number of Cash Election Units (such sum, the “Total Cash Election Number”) exceeds the Cash Conversion Number, then (A) all Share Election Units and all Non-Election Units shall be converted into the right to receive the Share Consideration, (B) all Mixed Election Units shall be converted into the right to receive the Mixed Consideration and (C) Cash Election Units of each holder thereof shall be converted into the right to receive the Cash Consideration in respect of that number of Cash Election Units equal to the product obtained by multiplying (x) the number of Cash Election Units held by such holder by (y) a fraction, the numerator of which is the Cash Conversion Number and the denominator of which is the Total Cash Election Number (with the Exchange Agent to determine, consistent with Section 3.3, whether fractions of Cash Election Units shall be rounded up or down), with the remaining number of such holder’s Cash Election Units being converted into the right to receive the Share Consideration;

(ii) if the Total Cash Election Number equals the Cash Conversion Number, then (A) all Cash Election Units shall be converted into the right to receive the Cash Consideration, (B) all Mixed Election Units shall be converted into the right to receive the Mixed Consideration, and (C) all Share Election Units and all Non-Election Units shall be converted into the right to receive the Share Consideration; and

(iii) if the Total Cash Election Number is less than the Cash Conversion Number (the amount by which the Cash Conversion Number exceeds the Total Cash Election Number being referred to herein as the “Shortfall Number”), then (A) all Cash Election Units shall be converted into the right to receive the Cash Consideration, (B) all Mixed Election Units shall be converted into the right to receive the Mixed Consideration and (C) the Share Election Units and the Non-Election Units shall be treated in the following manner:

(1) if the Shortfall Number is less than or equal to the aggregate number of all Non-Election Units (the “Aggregate Non-Election Number”), then all Share Election

Units shall be converted into the right to receive the Share Consideration, and the Non-Election Units of each holder thereof shall be converted into the right to receive the Cash Consideration in respect of that number of Non-Election Units equal to the product obtained by multiplying (A) the number of Non-Election Units held by such holder by (B) a fraction, the numerator of which is the Shortfall Number and the denominator of which is the Aggregate Non-Election Number (with the Exchange Agent to determine, consistent with [Section 3.3](#), whether fractions of Non-Election Units shall be rounded up or down), with the remaining number of such holder's Non-Election Units being converted into the right to receive the Share Consideration; or

(2) if the Shortfall Number exceeds the Aggregate Non-Election Number, then all Non-Election Units shall be converted into the right to receive the Cash Consideration, and the Share Election Units of each holder thereof shall be converted into the right to receive the Cash Consideration in respect of that number of Share Election Units equal to the product obtained by multiplying (A) the number of Share Election Units held by such holder by (B) a fraction, the numerator of which is the amount by which (x) the Shortfall Number exceeds (y) the Aggregate Non-Election Number, and the denominator of which is the total number of Share Election Units (with the Exchange Agent to determine, consistent with this [Section 3.6](#), whether fractions of Share Election Units shall be rounded up or down), with the remaining number of such holder's Share Election Units being converted into the right to receive the Share Consideration.

Section 3.7 [Anti-Dilution Provisions](#). Notwithstanding any provision of this [Article III](#) to the contrary, if between the date of this Agreement and the Effective Time the number of outstanding Common Units or Parent Shares shall have been changed between the date of this Agreement and the Closing into a different number of shares or units or a different class or series after the date hereof by reason of any subdivisions, reclassifications, splits, share distributions, combinations or exchanges of Common Units or Parent Shares, then the Merger Consideration will be correspondingly adjusted to provide to the holders of Public Common Units the same economic effect as contemplated by this Agreement prior to such event; *provided, however*, that nothing in this [Section 3.7](#) shall be deemed to permit or authorize any party hereto to affect any such change that it is not otherwise authorized or permitted to undertake pursuant to this Agreement.

Section 3.8 [Treatment of Partnership LTIP Awards](#). Prior to the Effective Time, the General Partner and the Partnership shall take all action as may be necessary or required in accordance with applicable Law and each Partnership Long-Term Incentive Plan (including the award agreements in respect of awards granted thereunder) to give effect to this [Section 3.8](#) as follows:

(a) [Partnership Performance Units other than Partnership TUR Units](#). Each award of Partnership Performance Units, other than Partnership TUR Units (as defined below), that is outstanding immediately prior to the Effective Time shall, as of the Effective Time, automatically, without any action on the part of the holder thereof, be cancelled and converted into a number of cash-settled performance-based restricted stock units relating to Parent Shares determined by multiplying the target number of Partnership Performance Units subject to such award by the number of Parent Shares as comprises the Share Consideration (after such

conversion, the “Converted Gain/Loss PSUs”); provided that such Converted Gain/Loss PSUs shall remain subject to the same terms, conditions and restrictions (including the same performance vesting requirements) as applied to the corresponding Partnership Performance Units as of immediately prior to the Effective Time, except for such terms rendered inoperative by reason of the Merger (it being understood and agreed by the parties hereto that the performance vesting requirements of such awards are not rendered inoperative by reason of the Merger), and subject to such adjustments as are reasonably determined by the Parent Board or a committee thereof to be necessary or appropriate to give effect to the conversion described in this Section 3.8(a).

(b) Partnership TUR Units. Each award of Partnership Performance Units or portion thereof that was eligible to be earned based on the Partnership’s total unitholder return over a designated performance period subject to any applicable modifier (the “Partnership TUR Units”), that is outstanding immediately prior to the Effective Time shall, as of the Effective Time, automatically, without any action on the part of the holder thereof, be cancelled and converted into a number of cash-settled restricted stock units relating to Parent Shares determined by multiplying (i) the target number of Partnership TUR Units subject to such award, times (ii) the number of Parent Shares as comprises the Share Consideration, times (iii) the TUR Performance Multiplier (after such conversion, the “Converted TUR PSUs”). The Converted TUR PSUs shall remain subject to the same terms, conditions and restrictions as applied to the corresponding Partnership TUR Units as of immediately prior to the Effective Time, except (i) for such terms rendered inoperative by reason of the Merger, and (ii) that such Converted TUR PSUs shall vest solely based on the holder’s continued employment or service with the Parent and its Affiliates through the end of the original performance period as applied to the corresponding Partnership TUR Units and shall not be subject to performance vesting requirements. For purposes of the foregoing, the “TUR Performance Multiplier” shall be equal to the greater of 100% or such percentage as is determined in accordance with the terms of the applicable award agreement governing the applicable Partnership TUR Units, but based on a shortened performance period that ends on the last trading day prior to the Closing Date. The Converted TUR PSUs shall also be subject to such adjustments as are reasonably determined by the Parent Board or a committee thereof to be necessary or appropriate to give effect to the conversion described in this Section 3.8(b).

(c) Partnership Restricted Units. Each award of Partnership Restricted Units outstanding immediately prior to the Effective Time shall, as of the Effective Time, automatically, without any action on the part of the holder thereof, be cancelled and converted into a number of cash-settled restricted stock units relating to Parent Shares determined by multiplying the number of Partnership Restricted Units subject to such award by the number of Parent Shares as comprises the Share Consideration (after such conversion, the “Converted Restricted Stock”); provided that, such Converted Restricted Stock shall remain subject to the same vesting and other terms, conditions and restrictions as applied to the corresponding Partnership Restricted Units as of immediately prior to the Effective Time, except for such terms rendered inoperative by reason of the Merger, and subject to such adjustments as are reasonably determined by the Parent Board or a committee thereof to be necessary or appropriate to give effect to the conversion described in this Section 3.8(c).

(d) Partnership Phantom Units. Each award of Partnership Phantom Units outstanding immediately prior to the Effective Time shall, as of the Effective Time, automatically, without any action on the part of the holder thereof, be cancelled and converted into a number of

cash-settled restricted stock units relating to Parent Shares determined by multiplying the number of Partnership Phantom Units subject to such award by the number of Parent Shares as comprises the Share Consideration (after such conversion, the “Converted Phantom RSUs” and, together with the Converted Gain/Loss PSUs, Converted TUR PSUs and Converted Restricted Stock, the “Converted LTIP Awards”); provided that such Converted Phantom RSUs shall remain subject to the same terms, conditions and restrictions as applied to the corresponding Partnership Phantom Units as of immediately prior to the Effective Time, except for such terms rendered inoperative by reason of the Merger, and subject to such adjustments as are reasonably determined by the Parent Board or a committee thereof to be necessary or appropriate to give effect to the conversion described in this Section 3.8(d). For the avoidance of doubt, all payments with respect to Partnership Phantom Units for which a deferral election has been made under the terms of the applicable award agreement shall be made in accordance with the terms of the applicable deferral election.

(e) Distribution Equivalent Rights. All amounts accrued with respect to distribution equivalent rights relating to a Partnership LTIP Award as of the Effective Time shall carry over to the corresponding Converted LTIP Award and shall be paid or forfeited on the same terms, conditions and restrictions as apply under the agreements governing the Partnership LTIP Award after giving effect to the conversions described in this Section 3.8. All Converted LTIP Awards shall include dividend equivalent rights, if any, to the same extent as distribution equivalent rights applied with respect to the corresponding Partnership LTIP Award, provided that from and after the Effective Time, such dividend equivalent rights shall be based on dividends of Parent and subject to such adjustments as are reasonably determined by the Parent Board or a committee thereof to be necessary or appropriate to give effect to the conversion described herein.

(f) Assumption of Partnership Long-Term Incentive Plans. As of the Effective Time, Parent shall assume the obligations of the General Partner and the Partnership under the Partnership Long-Term Incentive Plans and such plans shall be deemed amended to conform to all of the terms and form of the UGI Corporation 2013 Omnibus Incentive Compensation Plan (as amended, the “Parent Plan”) and shall be combined with the Parent Plan; provided, however, that (i) the number of Common Units remaining available for grant and delivery pursuant to the Partnership Long-Term Incentive Plans as of the Effective Time (including unissued Common Units subject to outstanding Partnership LTIP Awards that are cancelled pursuant to this Section 3.8) shall be adjusted and converted into a number of Parent Shares to become available for grant and delivery pursuant to the Parent Plan following the Effective Time based on the conversion ratio implied by the Share Consideration as determined by the Parent Board or a committee thereof (the “Assumed Share Reserve”), (ii) notwithstanding the foregoing, the number of Parent Shares as comprises the Assumed Share Reserve shall not, when combined with the other Parent Shares issued or to become issued in connection with the Merger or any related transactions, exceed 19.99% of the number of Parent Shares outstanding immediately prior to the Effective Time, and (iii) from and after the Effective Time, awards from the Assumed Share Reserve may be granted only to those individuals who were eligible to receive awards under the Partnership Long-Term Incentive Plans immediately before the Effective Time (but including any individuals hired after the Effective Time by Parent or its Subsidiaries).

**REPRESENTATIONS AND WARRANTIES OF THE PARTNERSHIP AND THE GENERAL PARTNER**

Except as disclosed in (a) the Partnership SEC Documents filed or publicly furnished with the SEC on or after October 1, 2016 and prior to the date of this Agreement (but excluding any disclosure contained in any such Partnership SEC Documents under the heading “Risk Factors” or “Forward-Looking Information” or similar heading (other than any factual information contained within such headings, disclosure or statements)) or (b) the disclosure letter delivered by the Partnership to Parent (the “Partnership Disclosure Schedule”) prior to the execution of this Agreement (provided, that (i) disclosure in any section of such Partnership Disclosure Schedule shall be deemed to be disclosed with respect to any other section of this Agreement to the extent that it is reasonably apparent on the face of such disclosure that it is applicable to such other section notwithstanding the omission of a reference or cross reference thereto and (ii) the mere inclusion of an item in such Partnership Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item has had, would have or would reasonably be expected to have a Partnership Material Adverse Effect), each of the Partnership and the General Partner, jointly and severally, represent and warrant to Parent as follows:

Section 4.1 Organization, Standing and Power.

(a) Each of the Partnership, the General Partner and their respective Subsidiaries is a legal entity duly organized, validly existing and in good standing under the applicable Laws of the jurisdiction in which it is incorporated, formed or organized, as applicable, and has all requisite limited liability company, corporate, partnership or other applicable entity power and authority necessary to own or lease all of its properties and assets and to carry on its business as it is now being conducted, except where the failure to have such power or authority has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Partnership (a “Partnership Material Adverse Effect”).

(b) Each of the Partnership and its Subsidiaries is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect.

(c) All of the outstanding limited liability company interests, partnership interests, shares of capital stock of, or other equity interests in, each material Subsidiary of the Partnership that are owned directly or indirectly by the Partnership have been duly authorized and validly issued in accordance with the Organizational Documents of each such entity (in each case as in effect on the date of this Agreement and on the Closing Date) and are fully paid (in the case of an interest in a limited partnership or limited liability company, to the extent required under the Organizational Documents of such entity) and nonassessable (to the extent such Subsidiary is a corporate entity) and are owned free and clear of all liens, pledges, charges, mortgages,

encumbrances, options, rights of first refusal or other preferential purchase rights, adverse rights or claims and security interests of any kind or nature whatsoever (including any restriction on the right to vote or transfer the same, except for such transfer restrictions as set forth in the Organizational Documents of such Subsidiary and for such transfer restrictions of general applicability as may be provided under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), and the "blue sky" Laws of the various states of the United States) (collectively, "Liens").

(d) The Partnership has made available to Parent correct and complete copies of its Organizational Documents, and correct and complete copies of the Organizational Documents of each of its material Subsidiaries, in each case as amended to the date of this Agreement. All such Organizational Documents are in full force and effect, and the Partnership is not in violation of any of their provisions in any material respect.

#### Section 4.2 Capitalization

(a) The authorized equity interests of the Partnership consist of Common Units and the General Partner Interest. As of the date of this Agreement, the issued and outstanding limited partner interests and general partner interests of the Partnership consisted of (i) 92,998,220 Common Units (not including Partnership Restricted Units) and (ii) the General Partner Interest. The Partnership has reserved 2,800,000 Common Units for issuance pursuant to the Partnership Long-Term Incentive Plans, of which, as of March 1, 2019, 96,337 Common Units are subject to outstanding Partnership Phantom Units, 145,148 Common Units are subject to outstanding Partnership Performance Units (assuming applicable performance goals are attained at maximum level), 25,556 Common Units are subject to outstanding Partnership Restricted Units and 2,228,325 Common Units are available for issuance in connection with future grants of awards under the Partnership Long-Term Incentive Plans. From September 30, 2018 until the date of this Agreement, no additional limited partner interests or general partner interests have been issued, other than Common Units issued in connection with or pursuant to the Partnership Long-Term Incentive Plans. The General Partner is the sole general partner of the Partnership and owns the General Partner Interest free and clear of any Lien, and the General Partner Interest has been duly authorized and validly issued in accordance with the Organizational Documents of the Partnership. All outstanding equity interests of the Partnership are, and all Common Units issuable pursuant to the Partnership LTIP Awards, when issued in accordance with the respective terms thereof, will be, duly authorized, validly issued, fully paid (to the extent required under the Partnership Agreement) and nonassessable (except as such nonassessability may be affected by matters described in Sections 17-303, 17-607 and 17-804 of the DRULPA) and free of preemptive rights (except as set forth in the Partnership Agreement).

(b) As of the date of this Agreement, except as set forth above in this Section 4.2 or in the Partnership Agreement, (i) there are no equity securities of the Partnership issued or authorized and reserved for issuance, (ii) there are no outstanding options, profits interest units, phantom units, restricted units, unit appreciation rights or other compensatory equity or equity-based awards or rights, warrants, preemptive rights, subscriptions, calls or other Rights, convertible securities, exchangeable securities, agreements or commitments of any character obligating the Partnership or any of its Subsidiaries to issue, transfer or sell any partnership interest or other equity interest of the Partnership or such Subsidiary or any securities convertible into or



exchangeable for such partnership interests or equity interests, or any commitment to authorize, issue or sell the same or any such equity securities, except pursuant to this Agreement, and (iii) there are no contractual obligations of the Partnership or any of its Subsidiaries to repurchase, redeem or otherwise acquire any partnership interest or other equity interest in the Partnership or any of its Subsidiaries or any such securities or agreements listed in clause (ii) of this sentence.

(c) Schedule 4.2(c) sets forth a true and complete list, as of March 1, 2019 of each outstanding Partnership LTIP Award, including (i) the holder thereof, (ii) the grant date, (iii) the type of award, (iv) the number of Common Units subject to such award and (v) the vested status (including the number of vested and unvested Common Units as of such date) and vesting schedule of such Partnership LTIP Award. All Partnership LTIP Awards were granted under a Partnership Long-Term Incentive Plan. Each grant of a Partnership LTIP Award was duly authorized no later than the date on which the grant of such Partnership LTIP Award was by its terms to be effective by all necessary action, including, as applicable, approval by the GP Board (or a duly authorized committee thereof) and any required member or unitholder approval by the necessary number of votes or written consents, and all Partnership LTIP Awards have been granted in compliance with applicable Laws, including all applicable federal and state securities laws, and the terms of the applicable Partnership Long-Term Incentive Plan. No Partnership LTIP Awards have been retroactively granted in contravention of any applicable Law. Each Partnership LTIP Award may, by its terms, be treated at the Effective Time as set forth in Section 3.8.

(d) Neither the Partnership nor any of its Subsidiaries has any outstanding bonds, debentures, notes or other indebtedness, the holders of which have the right to vote (or which are convertible into or exercisable for securities having the right to vote) with the holders of Common Units or any other equity interest on any matter.

(e) Other than the Support Agreement, there are no voting trusts or other agreements or understandings to which the Partnership or any of its Subsidiaries is a party with respect to the voting or registration of capital stock or other equity interest of the Partnership or any of its Subsidiaries.

Section 4.3 Authority; Noncontravention; Voting Requirements.

(a) Each of the Partnership and the General Partner has all necessary entity power and authority to execute and deliver this Agreement and, subject to obtaining the Partnership Unitholder Approval in the case of the Partnership, to consummate the transactions contemplated by this Agreement. The execution, delivery and performance by each of the Partnership and the General Partner of this Agreement, and the consummation of the transactions contemplated by this Agreement, have been duly authorized by the GP Board and approved by each of the Audit Committee and the GP Board and no other entity action on the part of the Partnership and the General Partner is necessary to authorize the execution, delivery and performance by the Partnership and the General Partner of this Agreement and, except for obtaining the Partnership Unitholder Approval, the consummation of the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by the Partnership and the General Partner and, assuming due authorization, execution and delivery of this Agreement by the other parties hereto, constitutes a legal, valid and binding obligation of the Partnership and the General Partner, enforceable against them in accordance with its terms, except as such enforcement may be limited

by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar Laws affecting the enforcement of creditors' rights and remedies generally and by general principles of equity (whether applied in a Proceeding at law or in equity) (collectively, the "Enforceability Exceptions").

(b) Neither the execution and delivery of this Agreement by the Partnership or the General Partner nor the consummation by the Partnership and the General Partner of the transactions contemplated by this Agreement, nor compliance by the Partnership and the General Partner with any of the terms or provisions of this Agreement, will (i) assuming the Partnership Unitholder Approval is obtained, contravene, conflict with, violate any provision of, result in any breach of, or require the consent of any Person under, the terms, conditions or provisions of the Partnership Agreement or any of the Organizational Documents of the Partnership's material Subsidiaries, (ii) assuming the authorizations, consents and approvals referred to in Section 4.4 and the Partnership Unitholder Approval are obtained and the filings referred to in Section 4.4 are made, (A) contravene, violate or conflict with any applicable Law, judgment, writ or injunction of any Governmental Authority applicable to the Partnership or any of its Subsidiaries or any of their respective properties or assets, or (B) violate, conflict with, result in the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, give rise to a right to receive a change of control payment (or similar payment) under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of, the Partnership or any of its Subsidiaries under, any of the terms, conditions or provisions of any loan or credit agreement, debenture, note, bond, mortgage, indenture, deed of trust, license, lease, contract or other agreement, instrument or obligation (each, a "Contract") or Partnership Permit, to which the Partnership or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected or (iii) result in the exercisability of any right to purchase or acquire any material asset of the Partnership or any of its Subsidiaries, except, in the case of clause (ii) of this sentence, for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect.

(c) Except for the approval by the GP Board, which was obtained prior to the execution of this Agreement, the Partnership Unitholder Approval is the only vote or approval of the holders of any class or series of Partnership Interests (excluding the General Partner Interest) that is necessary to approve and adopt this Agreement and the transactions contemplated by this Agreement.

(d) The Audit Committee, at a meeting duly called and held, unanimously (i) determined that this Agreement and the transactions contemplated hereby, including the Merger, are fair and reasonable to, and in the best interests of, the Partnership and the Partnership Unaffiliated Unitholders, (ii) approved, and recommended that the GP Board approve, this Agreement, the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the Merger, and recommended that the GP Board submit this Agreement to a vote of the Limited Partners and (iii) resolved, and recommended that the GP Board resolve, to recommend approval of this Agreement by the Limited Partners. Such approval by the Audit Committee constituted "Special Approval" (as defined in the Partnership Agreement) of this Agreement and the transactions contemplated by this Agreement under the Partnership Agreement.

(e) The GP Board (acting based upon the recommendation of the Audit Committee), at a meeting duly called and held, unanimously (i) determined that this Agreement and the transactions contemplated hereby, including the Merger, are fair and reasonable to, and in the best interests of, the Partnership and the Partnership Unaffiliated Unitholders, (ii) approved this Agreement, the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the Merger, and (iii) resolved to submit this Agreement to a vote of the Limited Partners and recommend approval of this Agreement by the Limited Partners.

Section 4.4 Governmental Approvals. Except for (a) filings required under, and compliance with other applicable requirements of, the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"), the Securities Act, including the filing of a proxy statement/prospectus with the SEC in connection with the Merger (the "Proxy Statement"), the filing of a Rule 13e-3 transaction statement on Schedule 13E-3 relating to the Partnership Unitholder Approval and the transactions contemplated hereby (as amended or supplemented, the "Schedule 13E-3"), and applicable state securities and "blue sky" laws, (b) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or (c) any consents, authorizations, approvals, filings or exemptions in connection with compliance with the rules of the NYSE, no consents or approvals of, or filings, declarations or registrations with, any Governmental Authority are necessary for the execution, delivery and performance of this Agreement by the Partnership and the consummation by the Partnership of the transactions contemplated by this Agreement, other than such other consents, approvals, filings, declarations or registrations that are not required to be obtained or made prior to the consummation of such transactions or, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to result in a Partnership Material Adverse Effect.

Section 4.5 Partnership SEC Documents; Undisclosed Liabilities; Internal Controls.

(a) The Partnership and its Subsidiaries have filed or furnished all reports, schedules, forms, certifications, prospectuses, and registration, proxy and other statements required to be filed or furnished by them with the SEC since October 1, 2016 (collectively and together with all documents filed or publicly furnished on a voluntary basis on Form 8-K, and in each case including all exhibits and schedules thereto and documents incorporated by reference therein, the "Partnership SEC Documents"). The Partnership SEC Documents, as of their respective effective dates (in the case of Partnership SEC Documents that are registration statements filed pursuant to the requirements of the Securities Act) and as of their respective SEC filing dates (in the case of all other Partnership SEC Documents), or, if amended, as finally amended prior to the date of this Agreement, complied in all material respects with the requirements of the Exchange Act, the Securities Act and the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated thereunder (the "Sarbanes-Oxley Act"), as the case may be, applicable to such Partnership SEC Documents, and none of the Partnership SEC Documents as of such respective dates contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) The consolidated financial statements of the Partnership included in the Partnership SEC Documents as of their respective dates (if amended, as of the date of the last such amendment) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with GAAP (except, in the case of unaudited quarterly statements, as indicated in the notes thereto) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of the Partnership and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations, cash flows and changes in partners' capital for the periods then ended (subject, in the case of unaudited quarterly statements, to normal year-end audit adjustments, none of which has been or will be, individually or in the aggregate, material to the Partnership and its consolidated Subsidiaries, taken as a whole).

(c) Except (i) as reflected or otherwise reserved against on the balance sheet of the Partnership and its consolidated Subsidiaries (including the notes thereto) included in the Partnership SEC Documents filed by the Partnership and publicly available prior to the date of this Agreement, (ii) for liabilities and obligations incurred since the Balance Sheet Date in the ordinary course of business consistent with past practice and (iii) for liabilities and obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement, neither the Partnership nor any of its Subsidiaries has any liabilities or obligations of any nature (whether or not accrued or contingent), that would be required to be reflected or reserved against on a consolidated balance sheet of the Partnership prepared in accordance with GAAP or the notes thereto, other than as have not and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect.

(d) No Subsidiary of the Partnership is required to file reports, forms or other documents with the SEC pursuant to the Exchange Act. There are no outstanding comments from, or unresolved issues raised by, the staff of the SEC with respect to the Partnership SEC Documents. No enforcement action has been initiated against the Partnership relating to disclosures contained or omitted from any Partnership SEC Document.

(e) The Partnership makes and keeps books, records, and accounts and has devised and maintains a system of internal controls, in each case, in all material respects, as required pursuant to Section 13(b)(2) of the Exchange Act. The Partnership has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act and the applicable listing standards of the NYSE. Such disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by the Partnership in the reports that it files under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to its management as appropriate to allow timely decisions regarding required disclosure. The General Partner's principal executive officer and its principal financial officer have disclosed, based on their most recent evaluation, to the Partnership's auditors and the Audit Committee of the GP Board (i) all significant deficiencies in the designation or operation of internal controls which could adversely affect the Partnership's ability to record, process, summarize and report financial data and have identified for the Partnership's auditors any material weakness in internal controls and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership's internal controls.

(f) Since October 1, 2016, the principal executive officer and principal financial officer of the General Partner have made all certifications (without qualification or exceptions to the matters certified, except as to knowledge) required by the Sarbanes-Oxley Act, and the statements contained in any such certifications are complete and correct, and none of such entities or its officers have received notice from any Governmental Authority questioning or challenging the accuracy, completeness, form or manner of filing or submission of such certification. As of the date of this Agreement, and except as disclosed in a Partnership SEC Document filed with the SEC prior to the date of this Agreement, none of such entities has any knowledge of any material weaknesses in the design or operation of such internal controls over financial reporting.

Section 4.6 Absence of Certain Changes or Events. Since the Balance Sheet Date, there has not occurred any change, effect, event or occurrence that, individually or in the aggregate, has resulted, or would reasonably be likely to result, in a Partnership Material Adverse Effect.

Section 4.7 Legal Proceedings. There are no Proceedings pending or, to the knowledge of the Partnership, threatened in writing with respect to the Partnership or any of its Subsidiaries or Proceedings pending or, to the knowledge of the Partnership, threatened in writing with respect to any of their respective properties or assets at law or in equity before any Governmental Authority, and there are no orders, judgments, decrees or similar rulings of any Governmental Authority against the Partnership or any of its Subsidiaries, in each case except for those that have not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect.

Section 4.8 Compliance With Laws; Permits.

(a) The Partnership and its Subsidiaries are, and since the later of September 30, 2016 and their respective dates of incorporation, formation or organization have been, in compliance with and are not in default under or in violation of any applicable federal, state, local or foreign or provincial law, statute, tariff, ordinance, rule, regulation, judgment, order, injunction, stipulation, determination, award or decree or agency requirement of or undertaking to any Governmental Authority, including common law (collectively, "Laws" and each, a "Law"), except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect.

(b) The Partnership and its Subsidiaries are in possession of all franchises, tariffs, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders of any Governmental Authority ("Permits"), necessary for the Partnership and its Subsidiaries to own, lease and operate their properties and assets or to carry on their businesses as they are now being conducted (collectively, the "Partnership Permits"), except where the failure to have any of the Partnership Permits has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. All Partnership Permits are in full force and effect, except where the failure to be in full force and effect has not had and would not reasonably be expected to have, individually or in the aggregate,

a Partnership Material Adverse Effect. No suspension or cancellation of any of the Partnership Permits is pending or, to the knowledge of the Partnership, threatened in writing, except where such suspension or cancellation has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. The Partnership and its Subsidiaries are not, and since September 30, 2016 have not been, in violation or breach of, or default under, any Partnership Permit, except where such violation, breach or default has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. As of the date of this Agreement, no event or condition has occurred or exists which would result in a violation of, breach, default or loss of a benefit under, or acceleration of an obligation of Partnership or any of its Subsidiaries under, any Partnership Permit, or has caused (or would cause) an applicable Governmental Authority to fail or refuse to issue, renew or extend, any Partnership Permit (in each case, with or without notice or lapse of time or both), except for violations, breaches, defaults, losses, accelerations or failures that have not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. The Partnership Permits will not be subject to suspension, modification, revocation or non-renewal as a result of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except, in each case, as would not, individually or in the aggregate, have a Partnership Material Adverse Effect. No Proceeding is pending or, to the knowledge of the Partnership, threatened with respect to any alleged failure by the Partnership or any of its Subsidiaries to have any material Permit necessary for the operation of any asset or the conduct of their businesses or to be in compliance therewith, except, in each case, as would not, individually or in the aggregate, have a Partnership Material Adverse Effect.

(c) Without limiting the generality of Section 4.8(a), none of the Partnership, its Subsidiaries, or, to the knowledge of the Partnership, any consultant, agent or representative of any of the foregoing (in their respective capacities as such), (i) has violated the U.S. Foreign Corrupt Practices Act, and any other U.S. and foreign anti-corruption Laws that are applicable to the Partnership or its Subsidiaries; (ii) has, to the knowledge of the Partnership, been given written notice by any Governmental Authority of any facts which, if true, would constitute a violation of the U.S. Foreign Corrupt Practices Act or any other U.S. or foreign anti-corruption Laws by any such Person; and (iii) to the knowledge of the Partnership, is being (and has not been) investigated by any Governmental Authority except, in each case of the foregoing clauses (i) through (iii), as would not have, individually or in the aggregate, a Partnership Material Adverse Effect.

Section 4.9 Information Supplied. Subject to the accuracy of the representations and warranties of Parent and Merger Sub set forth in Section 5.9, none of the information supplied (or to be supplied) in writing by or on behalf of the Partnership and the General Partner specifically for inclusion or incorporation by reference in (a) the registration statement on Form S-4 to be filed with the SEC by Parent in connection with the issuance of Parent Shares in connection with the Merger (as amended or supplemented from time to time, the "Registration Statement") will, at the time the Registration Statement, or any amendment or supplement thereto, is filed with the SEC or at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, (b) the Proxy Statement will, on the date it is first mailed to Limited Partners and at the time of the Partnership Unitholder Meeting, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading or

(c) the Schedule 13E-3 will, at the time the Schedule 13E-3, or any amendment or supplement thereto, is filed with the SEC, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading. The Proxy Statement will comply as to form in all material respects with the applicable requirements of the Securities Act or Exchange Act, as applicable. Notwithstanding the foregoing, the Partnership makes no representation or warranty with respect to information supplied by or on behalf of Parent, Holdings or Merger Sub for inclusion or incorporation by reference in any of the foregoing documents.

Section 4.10 Contracts.

(a) Except for this Agreement or as filed or publicly furnished with the SEC prior to the date of this Agreement, neither the Partnership nor any of its Subsidiaries is a party to or bound by, as of the date of this Agreement, any Contract (whether written or oral) which is a “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to the Partnership (each Contract that is described in this Section 4.10(a) being a “Partnership Material Contract”).

(b) Except as has not had and would not reasonably be expected to have, either individually or in the aggregate, a Partnership Material Adverse Effect, (i) each Partnership Material Contract is legal, valid and binding on and enforceable against the Partnership and its Subsidiaries, as applicable, except as such enforcement may be limited by the Enforceability Exceptions, and is in full force and effect, (ii) the Partnership and each of its Subsidiaries has in all respects performed all obligations required to be performed by it to date under each Partnership Material Contract, (iii) neither the Partnership nor any of its Subsidiaries has received written notice of or knows of, the existence of any event or condition which constitutes, or, after notice or lapse of time or both, will constitute, a breach or default on the part of the Partnership or any of its Subsidiaries, or permit termination, modification or acceleration, under any such Partnership Material Contract and (iv) as of the date of this Agreement no other party to any Partnership Material Contract is in default thereunder, nor does any condition exist that with notice or lapse of time or both would constitute a default by any such other party thereunder, or permit termination, modification or acceleration under any Partnership Material Contract other than in accordance with its terms nor has any other party repudiated any provision of any Partnership Material Contract.

Section 4.11 Partnership Benefit Plans; Labor Matters.

(a) Each Partnership Benefit Plan has been established, maintained and administered in compliance with its terms and with applicable Laws, including ERISA and the Code, except for such non-compliance which has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. Except as has not had and would not reasonably be expected to have a Partnership Material Adverse Effect, no Partnership Benefit Plan is or has been within the past six years a (i) multiemployer plan (within the meaning of Section 3(37) of ERISA), (ii) pension plan subject to Title IV of ERISA or Section 302 of ERISA or Section 412 of the Code, (iii) “multiple employer plan” within the meaning of ERISA or an employee benefit plan subject to Section 413(c) of the Code, or (iv) a “multiple employer welfare arrangement” within the meaning of Section 3(40) of ERISA.

(b) Each Partnership Benefit Plan intended to be “qualified” within the meaning of Section 401(a) of the Code has received a favorable determination or opinion letter as to such qualification from the Internal Revenue Service, and, to the knowledge of the Partnership, no event has occurred that could reasonably be expected to cause the loss of any such qualification, except where such loss of qualification, individually or in the aggregate, would not have a Partnership Material Adverse Effect.

(c) Except as would not reasonably be expected to have a Partnership Material Adverse Effect, no Proceeding, including any audit or investigation by any Governmental Authority, is pending or, to the knowledge of the Partnership, threatened with respect to any Partnership Benefit Plan (other than routine claims for benefits and non-material appeals of such claims).

(d) Neither the Partnership nor its Subsidiaries is, and has not at any time been, bound by or a party to any collective bargaining agreement or similar contract with any labor union or organization. Neither the Partnership nor its Subsidiaries is currently engaged in any negotiation with any labor union or organization and, to the knowledge of the Partnership, there is no union representation question or certification petition pending before the National Labor Relations Board or any other similar Governmental Authority relating to the Partnership or its Subsidiaries. Except as has not had and would not reasonably be expected to have a Partnership Material Adverse Effect, (i) no organized work stoppage, labor strike, labor dispute, lockout or slowdown against the Partnership is pending or, to the knowledge of the Partnership, threatened against or involving the Partnership or its Subsidiaries; and (ii) neither the Partnership nor its Subsidiaries has received written notice of any unfair labor practice complaint and, to the knowledge of the Partnership, no such complaints against the Partnership or such Subsidiaries are pending before the National Labor Relations Board or other similar Governmental Authority.

(e) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (whether alone or in combination with another event, whether contingent or otherwise) will (i) entitle any current or former employee, consultant, director, manager or other service provider to any payment or benefit (or any increased or enhanced payment or benefit) from the General Partner, the Partnership or its Subsidiaries, or (ii) accelerate the vesting or time of payment of any Partnership LTIP Award.

(f) Neither the Partnership nor any of its Subsidiaries employs or engages, or has at any time employed or engaged, any employees, consultants or other individual service providers, and neither the Partnership nor any of its Subsidiaries has extended any offer of employment or service to any employee or other individual service provider that is outstanding as of the date hereof. Neither the Partnership nor any of its Subsidiaries has incurred or would reasonably be expected to incur any material liability as a joint employer. All of the employees, individual consultants and individual independent contractors that perform services for or on behalf of the Partnership and its Subsidiaries (collectively, the “Partnership Service Providers”) are employed or engaged (as applicable) directly by the General Partner. To the knowledge of the Partnership, no key Partnership Service Provider has any plans to cease providing services to the General Partner, the Partnership or any of their respective Affiliates.



Section 4.12 Environmental Matters. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect: (a) each of the Partnership and its Subsidiaries is and has been in compliance with all applicable Environmental Laws, which compliance includes obtaining, maintaining and complying with all Partnership Permits required to be obtained to own, lease and operate their properties and assets or to carry on their businesses as they are now being conducted pursuant to applicable Environmental Laws ("Partnership Environmental Permits"); (b) all Partnership Environmental Permits are in full force and effect and, where applicable, applications for renewal or amendment thereof have been timely filed; (c) no suspension or cancellation of any Partnership Environmental Permit is pending or, to the knowledge of the Partnership, threatened in writing; (d) there has been no Release or arrangement for disposal of any Hazardous Substance by the Partnership or any of its Subsidiaries or, to the knowledge of the Partnership, by any other Person that would reasonably be expected to give rise to the Partnership or any of its Subsidiaries incurring any liability, remedial obligation, or corrective action requirement under applicable Environmental Laws; (e) there are no Proceedings pending or, to the knowledge of the Partnership, threatened in writing against the Partnership or any of its Subsidiaries or involving any real property currently or, to the knowledge of the Partnership formerly owned, operated or leased by or for the Partnership or any of its Subsidiaries alleging noncompliance with, or liability under, any applicable Environmental Law; (f) no Hazardous Substance has been disposed of, released or transported on, to or from any properties currently or, to the knowledge of the Partnership, formerly owned, leased or operated by the Partnership or any of its Subsidiaries, or as a result of any operations or activities of the Partnership or any of its Subsidiaries, in violation of any applicable Environmental Law or in a manner that would reasonably be expected to give rise to the Partnership or any of its Subsidiaries incurring any liability, remedial obligation, or corrective action requirement under applicable Environmental Laws; and (g) neither the Partnership nor any of its Subsidiaries has either, expressly or by operation of Law, assumed or undertaken any liability, including any obligation for remedial or corrective action, of any other Person relating to Environmental Laws, other than in the ordinary course of its business.

Section 4.13 Property. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect, the Partnership or a Subsidiary of the Partnership owns and has good and valid title to all of its owned real property and good and valid title to all its owned personal property, and has good and valid leasehold interests in all of its leased real properties free and clear of all Liens, in each case, to an extent sufficient to conduct their respective businesses as currently conducted (except in all cases for Liens permissible under or not prohibited by any applicable material loan agreements and indentures (together with all related mortgages, deeds of trust and other security agreements)). Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect, all leases under which the Partnership or any of its Subsidiaries lease any real or personal property are valid and effective against the Partnership or any of its Subsidiaries and the counterparties thereto, in accordance with their respective terms and there is not, under any of such leases, any existing material default by the Partnership or any of its Subsidiaries the counterparties thereto, or any event which, with notice or lapse of time or both, would become a material default by the Partnership or any of its Subsidiaries or the counterparties thereto.

Section 4.14 Intellectual Property. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect, the Partnership or an Affiliate of the Partnership (including, solely for purposes of this Section 4.14, Parent and its Subsidiaries) owns, or is licensed or otherwise possesses adequate rights to use, all material trademarks, trade names, service marks, service names, mark registrations, logos, assumed names, domain names, registered and unregistered copyrights, patents or applications and registrations, and trade secrets (collectively, the "Partnership Intellectual Property") used in their respective businesses as currently conducted. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect, (a) there are no pending or threatened in writing claims by any Person alleging infringement or misappropriation by the Partnership or any of its Subsidiaries of such Person's intellectual property, (b) the conduct of the business of the Partnership and its Subsidiaries does not infringe or misappropriate any intellectual property rights of any Person, (c) neither the Partnership nor any of its Subsidiaries has made any claim of a violation or infringement, or misappropriation by others of its rights to or in connection with the Partnership Intellectual Property and (d) no Person is infringing or misappropriating any Partnership Intellectual Property.

Section 4.15 Opinion of Financial Advisor. The Audit Committee has received the opinion of Tudor Pickering Holt & Co Advisors LP (the "Partnership Financial Advisor") to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Merger Consideration to be paid to the Partnership Unaffiliated Unitholders in the Merger pursuant to this Agreement is fair, from a financial point of view, to such Partnership Unaffiliated Unitholders.

Section 4.16 Brokers and Other Advisors. Except for the Partnership Financial Advisor, the fees and expenses of which will be paid by the Partnership, no broker, investment banker or financial advisor is entitled to any broker's, finder's or financial advisor's fee or commission, or the reimbursement of expenses, in connection with the Merger or the other transactions contemplated by this Agreement based on arrangements made by or on behalf of the Audit Committee. The Partnership has made available to Parent a correct and complete copy of the Partnership's engagement letter with the Partnership Financial Advisor, which letter describes all fees payable to the Partnership Financial Advisor, in connection with the transactions contemplated hereby and all agreements under which any such fees or any expenses are payable and all indemnification and other agreements with the Partnership Financial Advisor, entered into in connection with the transactions contemplated hereby.

Section 4.17 Insurance. Except as would not, individually or in the aggregate, have a Partnership Material Adverse Effect, (a) the businesses and assets of the Partnership and its Subsidiaries are covered by, and insured under, insurance policies underwritten by reputable insurers that include coverages and related limits and deductibles that are customary in the retail propane marketing and distribution industry, (b) all such insurance policies are in full force and effect and all premiums due and payable on such policies have been paid and (c) no notice of cancellation of, material premium increase of, or indication of an intention not to renew, any such insurance policy has been received by the Partnership or any of its Subsidiaries other than in the ordinary course of business.

Section 4.18 Investment Company Act. The Partnership is not, nor immediately after the Closing will be, subject to regulation under the Investment Company Act of 1940, as amended.

Section 4.19 No Other Representations or Warranties. Except for the representations and warranties set forth in this Article IV, neither the Partnership nor any other Person makes or has made any express or implied representation or warranty with respect to the Partnership or with respect to any other information provided to Parent or Merger Sub in connection with the Merger or the other transactions contemplated by this Agreement. Each of Parent, Holdings and Merger Sub acknowledges and agrees that, without limiting the generality of the foregoing, neither the Partnership nor any other Person will have or be subject to any liability or other obligation to Parent, Holdings, Merger Sub or any other Person resulting from the distribution to Parent or Merger Sub (including their respective Representatives), or Parent's, Holdings' or Merger Sub's (or such Representatives') use of, any such information, including any information, documents, projections, forecasts or other materials made available to Parent, Holdings or Merger Sub in expectation of the Merger, unless any such information is the subject of an express representation or warranty set forth in this Article IV.

## ARTICLE V

### **REPRESENTATIONS AND WARRANTIES OF PARENT, HOLDINGS AND MERGER SUB**

Except as disclosed in (a) the Parent SEC Documents filed or publicly furnished with the SEC on or after October 1, 2016, and prior to the date of this Agreement (but excluding any disclosure contained in any such Parent SEC Documents under the heading "Risk Factors" or "Forward-Looking Information" or similar heading (other than any factual information contained within such headings, disclosure or statements)), or (b) the disclosure letter delivered by Parent to the Partnership (the "Parent Disclosure Schedule") prior to the execution of this Agreement (*provided*, that (i) disclosure in any section of such Parent Disclosure Schedule shall be deemed to be disclosed with respect to any other section of this Agreement to the extent that it is reasonably apparent on the face of such disclosure that it is applicable to such other section notwithstanding the omission of a reference or cross reference thereto and (ii) the mere inclusion of an item in such Parent Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item has had, would have or would reasonably be expected to have a Parent Material Adverse Effect), Parent represents and warrants to the Partnership and the General Partner as follows:

#### Section 5.1 Organization, Standing and Power.

(a) Each of Parent and its Subsidiaries is a legal entity duly organized, validly existing and in good standing under the applicable Laws of the jurisdiction in which it is incorporated, formed or organized, as applicable, and has all requisite partnership, corporate, limited liability company or other applicable entity power and authority necessary to own or lease all of its properties and assets and to carry on its business as it is now being conducted, except where the failure to have such power or authority has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Parent ("Parent Material Adverse Effect").

(b) Each of Parent and its Subsidiaries is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(c) All the outstanding partnership interests, limited liability company interests, shares of capital stock of, or other equity interests in, each material Subsidiary of Parent that are owned directly or indirectly by Parent have been duly authorized and validly issued in accordance with the Organizational Documents of each such entity (in each case as in effect on the date of this Agreement and on the Closing Date) and are fully paid (in the case of an interest in a limited partnership or limited liability company, to the extent required under the Organizational Documents of such entity) and nonassessable (to the extent such Subsidiary is a corporate entity) and are owned free and clear of all Liens.

(d) Parent has made available to the Partnership correct and complete copies of its Organizational Documents, and correct and complete copies of the Organizational Documents of each of its material Subsidiaries, in each case as amended to the date of this Agreement. All such Organizational Documents are in full force and effect, and Parent is not in violation of any of their provisions in any material respect.

Section 5.2 Capitalization.

(a) As of the date of this Agreement, the authorized equity interests of Parent consist of (i) 450,000,000 Parent Shares, (ii) 1,000 shares of Parent Restructuring Stock, without par value ("Restructuring Stock"), and (iii) 10,000,000 shares of Parent Series Preferred Stock, without par value ("Preferred Stock"). As of March 1, 2019, there were (i) 174,103,366 Parent Shares issued and outstanding (excluding, for the avoidance of doubt, any Parent Shares held in treasury), (ii) 408,166 Parent Shares held in treasury, (iii) no shares of Restructuring Stock issued or outstanding or held in treasury, (iv) no shares of Preferred Stock issued and outstanding or held in treasury, (v) 9,551,191 Parent Shares subject to outstanding awards granted under Parent's equity plans (assuming any applicable performance goals are attained at maximum level), and (vi) 7,371,418 Parent Shares reserved for issuance in connection with future grants of awards under Parent's equity plans. From September 30, 2018 until the date of this Agreement, no additional equity interests of Parent have been issued, other than Parent Shares issued in connection with or pursuant to the Parent's equity plans. All outstanding equity securities of Parent are, and all Parent Shares issuable pursuant to Parent's outstanding equity awards, when issued in accordance with the respective terms thereof, will be, duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights.

(b) As of the date of this Agreement, except as set forth above in this Section 5.2 and set forth in Parent's equity plans or grant documents issued thereunder, (i) there are no other equity securities of Parent issued or authorized and reserved for issuance, (ii) there are no outstanding options, profits interest units, phantom units, restricted units, unit appreciation rights or other compensatory equity or equity-based awards or rights, warrants, preemptive rights, subscriptions, calls or other Rights, convertible securities, exchangeable securities, agreements or

commitments of any character obligating Parent or its Subsidiaries to issue, transfer or sell any equity interest of Parent or any securities convertible into or exchangeable for such equity interests, or any commitment to authorize, issue or sell the same or any such equity securities, except pursuant to this Agreement, and (iii) there are no contractual obligations of Parent to repurchase, redeem or otherwise acquire any other equity interest in Parent or any such securities or agreements listed in clause (ii) of this sentence. Since September 30, 2018, there have been no partnership interests, limited liability company interests, other equity securities, options, profits interest units, phantom units, restricted units, unit appreciation rights, warrants, preemptive rights, subscriptions, calls or other Rights, convertible securities, exchangeable securities, agreements or commitments, or contractual obligations of the types described in the foregoing sentence issued or entered into by or on behalf of Parent.

(c) Neither Parent nor any of its Subsidiaries has outstanding bonds, debentures, notes or other indebtedness, the holders of which have the right to vote (or which are convertible or exchangeable into or exercisable for securities having the right to vote) with Parent Stockholders or any other equity interest on any matter.

(d) Other than the Support Agreement, there are no voting trusts or other agreements or understandings to which Parent or any of its Subsidiaries is a party with respect to the voting or registration of capital stock or other equity interest of Parent.

(e) When issued pursuant to the terms of this Agreement, all Parent Shares constituting any part of the Merger Consideration will be duly authorized, validly issued, fully paid and nonassessable and free of preemptive rights.

(f) All of the issued and outstanding shares of capital stock of Holdings are beneficially owned by the General Partner. All of the issued and outstanding limited liability company interests of Merger Sub are beneficially owned by Holdings. Each of Holdings and Merger Sub was formed solely for the purpose of engaging in the transactions contemplated hereby. Except for the obligations and liabilities incurred in connection with their respective formation and incorporation, and the transactions contemplated hereby, each of Holdings and Merger Sub has not and will not have incurred, directly or indirectly, any obligations or engaged in any business activities of any type or kind whatsoever or entered into any agreements or arrangements with any Person.

Section 5.3 Authority; Noncontravention; Voting Requirements.

(a) Each of Parent, Holdings and Merger Sub has all necessary entity power and authority to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement. The execution, delivery and performance by Parent, Holdings and Merger Sub of this Agreement, and the consummation of the transactions contemplated by this Agreement, have been duly authorized and approved by each of Merger Sub, Holdings as the sole member of Merger Sub and Parent, and no other entity action on the part of Parent, Holdings or Merger Sub is necessary to authorize the execution, delivery and performance by Parent, Holdings or Merger Sub of this Agreement and the consummation of the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by each of Parent, Holdings and Merger Sub and, assuming due authorization, execution and delivery of this

Agreement by the other parties hereto, constitutes a legal, valid and binding obligation of Parent and Merger Sub, enforceable against each of them in accordance with its terms, except as such enforcement may be limited by the Enforceability Exceptions. The Parent Board has taken all necessary action so that any takeover, anti-takeover, moratorium, "fair price," "control share" or similar Law applicable to Parent or any of its Subsidiaries (including the restrictions on "business combinations" with an "interested stockholder" (each as defined in Section 203 of the DGCL) under Section 203 of the DGCL) ("Takeover Laws") do not, and will not, apply to this Agreement and the consummation of the transactions contemplated this Agreement, including the Merger and the Parent Stock Issuance.

(b) Neither the execution and delivery of this Agreement by Parent, Holdings and Merger Sub, nor the consummation by Parent, Holdings and Merger Sub of the transactions contemplated by this Agreement, nor compliance by Parent, Holdings and Merger Sub with any of the terms or provisions of this Agreement, will (i) contravene, conflict with, violate any provision of, result in any breach of, or require the consent of any Person under, the terms, conditions or provisions of the Organizational Documents of Parent, Holdings or Merger Sub or any of Parent's material Subsidiaries, (ii) assuming the authorizations, consents and approvals referred to in Section 5.4 are obtained and the filings referred to in Section 5.4 are made, (A) contravene, violate or conflict with any Law, judgment, writ or injunction of any Governmental Authority applicable to Parent or any of its Subsidiaries or any of their respective properties or assets, or (B) violate, conflict with, result in the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, give rise to a right to receive a change of control payment (or similar payment) under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of, Parent or any of its Subsidiaries under, any of the terms, conditions or provisions of any Contract or Parent Permit to which Parent or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected or (iii) result in the exercisability of any right to purchase or acquire any material asset of Parent or any of its Subsidiaries, except, in the case of clause (ii) of this sentence, for such violations, conflicts, losses, defaults, terminations, cancellations, accelerations or Liens that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(c) The Parent Board, at a meeting duly called and held, has unanimously (i) determined that the Merger is in the best interests of Parent and the Parent Stockholders, and declared it advisable, to enter into this Agreement and (ii) approved the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement, including the Parent Stock Issuance.

(d) Simultaneously with the execution of this Agreement, the General Partner has executed and delivered the Support Agreement.

Section 5.4 Governmental Approvals. Except for (a) filings required under, and compliance with other applicable requirements of, the Exchange Act, the Securities Act, including the filing of the Registration Statement, the Proxy Statement and the Schedule 13E-3 with the SEC, and applicable state securities and "blue sky" laws, (b) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or (c) any consents, authorizations, approvals,

filings or exemptions in connection with compliance with the rules of the NYSE, no consents or approvals of, or filings, declarations or registrations with, any Governmental Authority are necessary for the execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, other than such other consents, approvals, filings, declarations or registrations that are not required to be obtained or made prior to the consummation of such transactions or, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to result in a Parent Material Adverse Effect.

Section 5.5 Parent SEC Documents; Undisclosed Liabilities; Internal Controls.

(a) Parent and its Subsidiaries have filed or furnished all reports, schedules, forms, certifications, prospectuses, and registration, proxy and other statements required to be filed or furnished by them with the SEC since October 1, 2016 (collectively and together with all documents filed or publicly furnished on a voluntary basis on Form 8-K, and in each case including all exhibits and schedules thereto and documents incorporated by reference therein, the "Parent SEC Documents"). The Parent SEC Documents, as of their respective effective dates (in the case of the Parent SEC Documents that are registration statements filed pursuant to the requirements of the Securities Act) and as of their respective SEC filing dates (in the case of all other Parent SEC Documents), or, if amended, as finally amended prior to the date of this Agreement, complied in all material respects with the requirements of the Exchange Act, the Securities Act and the Sarbanes-Oxley Act, as the case may be, applicable to such Parent SEC Documents, and none of the Parent SEC Documents as of such respective dates contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(b) The consolidated financial statements of Parent included in the Parent SEC Documents as of their respective dates (if amended, as of the date of the last such amendment) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with GAAP (except, in the case of unaudited quarterly statements, as indicated in the notes thereto) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly present in all material respects the consolidated financial position of Parent and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations, cash flows and changes in stockholders' equity for the periods then ended (subject, in the case of unaudited quarterly statements, to normal year-end audit adjustments, none of which has been or will be, individually or in the aggregate, material to Parent and its consolidated Subsidiaries, taken as a whole).

(c) Except (i) as reflected or otherwise reserved against on the balance sheet of Parent and its consolidated Subsidiaries (including the notes thereto) included in the Parent SEC Documents filed by Parent and publicly available prior to the date of this Agreement, (ii) for liabilities and obligations incurred since the Balance Sheet Date in the ordinary course of business consistent with past practice and (iii) for liabilities and obligations incurred under or in accordance with this Agreement or in connection with the transactions contemplated by this Agreement, neither Parent nor any of its Subsidiaries has any liabilities or obligations of any nature (whether

or not accrued or contingent), that would be required to be reflected or reserved against on a consolidated balance sheet of Parent prepared in accordance with GAAP or the notes thereto, other than as have not and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(d) No Subsidiary of Parent is required to file reports, forms or other documents with the SEC pursuant to the Exchange Act. There are no outstanding comments from, or unresolved issues raised by, the staff of the SEC with respect to the Parent SEC Documents. No enforcement action has been initiated against Parent relating to disclosures contained or omitted from any Parent SEC Document.

(e) Parent makes and keeps books, records, and accounts and has devised and maintains a system of internal controls, in each case, in all material respects, as required pursuant to Section 13(b)(2) of the Exchange Act. Parent has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act and the applicable listing standards of the NYSE. Such disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by Parent in the reports that it files under the Exchange Act are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to its management as appropriate to allow timely decisions regarding required disclosure. Parent's principal executive officer and its principal financial officer have disclosed, based on their most recent evaluation, to Parent's auditors and the audit committee of the Parent Board (A) all significant deficiencies in the designation or operation of internal controls which could adversely affect Parent's ability to record, process, summarize and report financial data and have identified for Parent's auditors any material weakness in internal controls and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal controls.

(f) Since October 1, 2016, the principal executive officer and principal financial officer of Parent have made all certifications (without qualification or exceptions to the matters certified, except as to knowledge) required by the Sarbanes-Oxley Act, and the statements contained in any such certifications are complete and correct, and none of such entities or its officers have received notice from any Governmental Authority questioning or challenging the accuracy, completeness, form or manner of filing or submission of such certification. As of the date of this Agreement, and except as disclosed in a Parent SEC Document filed with the SEC prior to the date of this Agreement, none of such entities has any knowledge of any material weaknesses in the design or operation of such internal controls over financial reporting.

Section 5.6 Absence of Certain Changes or Events. Since the Balance Sheet Date, there has not occurred any change, effect, event or occurrence that, individually or in the aggregate, has resulted, or would reasonably be likely to result, in a Parent Material Adverse Effect.

Section 5.7 Legal Proceedings. There are no Proceedings pending or, to the knowledge of Parent, threatened in writing with respect to Parent or any of its Subsidiaries or Proceedings pending or, to the knowledge of Parent, threatened in writing with respect to any of their respective properties or assets at law or in equity before any Governmental Authority, and there are no orders,



judgments, decrees or similar rulings of any Governmental Authority against Parent or any of its Subsidiaries, in each case except for those that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 5.8 Compliance With Laws; Permits.

(a) Parent and its Subsidiaries are, and since the later of September 30, 2015 and their respective dates of incorporation, formation or organization, have been, in compliance with and are not in default under or in violation of any applicable Law, except where such non-compliance, default or violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) Parent and its Subsidiaries are in possession of all Permits necessary for Parent and its Subsidiaries to own, lease and operate their properties and assets or to carry on their businesses as they are now being conducted (collectively, the "Parent Permits"), except where the failure to have any of the Parent Permits has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. All Parent Permits are in full force and effect, except where the failure to be in full force and effect has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. No suspension or cancellation of any of the Parent Permits is pending or, to the knowledge of Parent, threatened in writing, except where such suspension or cancellation has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Parent and its Subsidiaries are not, and since September 30, 2016 have not been, in violation or breach of, or default under, any Parent Permit, except where such violation, breach or default has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. As of the date of this Agreement, no event or condition has occurred or exists which would result in a violation of, breach, default or loss of a benefit under, or acceleration of an obligation of Parent or any of its Subsidiaries under, any Parent Permit, or has caused (or would cause) an applicable Governmental Authority to fail or refuse to issue, renew or extend, any Parent Permit (in each case, with or without notice or lapse of time or both), except for violations, breaches, defaults, losses, accelerations or failures that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. The Parent Permits will not be subject to suspension, modification, revocation or non-renewal as a result of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, except, in each case, as would not, individually or in the aggregate, have a Parent Material Adverse Effect. No Proceeding is pending or, to the knowledge of Parent, threatened with respect to any alleged failure by Parent or any of its Subsidiaries to have any material Permit necessary for the operation of any asset or the conduct of their businesses or to be in compliance therewith, except, in each case, as would not, individually or in the aggregate, have a Parent Material Adverse Effect.

(c) Without limiting the generality of Section 5.8(a), none of Parent, its Subsidiaries, nor, to the knowledge of Parent, any consultant, agent or representative of any of the foregoing (in their respective capacities as such), (i) has violated the U.S. Foreign Corrupt Practices Act, and any other U.S. and foreign anti-corruption Laws that are applicable to Parent or its Subsidiaries; (ii) has, to the knowledge of Parent, been given written notice by any Governmental Authority of any facts which, if true, would constitute a violation of the U.S.

Foreign Corrupt Practices Act or any other U.S. or foreign anti-corruption Laws by any such Person; and (iii) to the knowledge of Parent, is being (and has not been) investigated by any Governmental Authority except, in each case of the foregoing clauses (i) through (iii), as would not have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 5.9 Information Supplied. Subject to the accuracy of the representations and warranties of the Partnership and the General Partner, set forth in Section 4.9, none of the information supplied (or to be supplied) in writing by or on behalf of Parent specifically for inclusion or incorporation by reference in (a) the Registration Statement will, at the time the Registration Statement, or any amendment or supplement thereto, is filed with the SEC or at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, (b) the Proxy Statement will, on the date it is first mailed to Limited Partners and at the time of the Partnership Unitholder Meeting, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading or (c) the Schedule 13E-3 will, at the time the Schedule 13E-3, or any amendment or supplement thereto, is filed with the SEC, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading. The Proxy Statement will comply as to form in all material respects with the applicable requirements of the Securities Act or Exchange Act, as applicable. Notwithstanding the foregoing, Parent makes no representation or warranty with respect to information supplied by or on behalf of the Partnership for inclusion or incorporation by reference in any of the foregoing documents.

Section 5.10 Tax Matters. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect: (a) all Tax Returns that were required to be filed by or with respect to Parent or any of its Subsidiaries have been duly and timely filed (taking into account any extension of time within which to file) and all such Tax Returns are complete and accurate, (b) all Taxes owed by Parent or any of its Subsidiaries that are or have become due have been timely paid in full or an adequate reserve for the payment of such Taxes has been established in their books and records, (c) there are no Liens on any of the assets of the Parent or any of its Subsidiaries that arose in connection with any failure (or alleged failure) to pay any Taxes on any of such assets (except in all cases for Liens permissible under or not prohibited by any applicable material loan agreements and indentures (together with all related mortgages, deeds of trust and other security agreements)), (d) there is no claim against Parent or any of its Subsidiaries for any Taxes, and no assessment, deficiency, or adjustment has been asserted, proposed, or threatened in writing with respect to any Taxes or Tax Returns of or with respect to Parent or any of its Subsidiaries and (e) Parent has not constituted either a “distributing corporation” or a “controlled corporation” in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code in the two years prior to the date of this Agreement or in a distribution that could otherwise constitute part of a “plan” or “series of related transactions” (within the meaning of Section 355(e) of the Code) in conjunction with the transactions contemplated by this Agreement.

Section 5.11 Contracts.

(a) Except for this Agreement or as filed or publicly furnished with the SEC prior to the date of this Agreement, neither Parent nor any of its Subsidiaries is a party to or bound by, as of the date of this Agreement, any Contract (whether written or oral) which is a “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to Parent (each Contract that is described in this Section 5.11(a) being a “Parent Material Contract”).

(b) Except as has not had and would not reasonably be expected to have, either individually or in the aggregate, a Parent Material Adverse Effect, (i) each Parent Material Contract is legal, valid and binding on and enforceable against Parent and its Subsidiaries, as applicable, except as such enforcement may be limited by the Enforceability Exceptions, and is in full force and effect, (ii) Parent and each of its Subsidiaries has in all respects performed all obligations required to be performed by it to date under each Parent Material Contract, (iii) neither Parent nor any of its Subsidiaries has received written notice of or knows of, the existence of any event or condition which constitutes, or, after notice or lapse of time or both, will constitute, a breach or default on the part of Parent or any of its Subsidiaries or permit termination, modification or acceleration, under any such Parent Material Contract and (iv) as of the date of this Agreement no other party to any Parent Material Contract is in default thereunder, nor does any condition exist that with notice or lapse of time or both would constitute a default by any such other party thereunder, or permit termination, modification or acceleration under any Parent Material Contract other than in accordance with its terms nor has any other party repudiated any provision of the Parent Material Contract.

Section 5.12 Parent Benefit Plans; Labor Matters.

(a) Each Parent Benefit Plan has been established, maintained and administered in compliance with its terms and with applicable Laws, including ERISA and the Code, except for such non-compliance which has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Except as has not had and would not reasonably be expected to have a Parent Material Adverse Effect, no Parent Benefit Plan is or has been within the past six years a (i) multiemployer plan (within the meaning of Section 3(37) of ERISA), (ii) pension plan subject to Title IV of ERISA or Section 302 of ERISA or Section 412 of the Code, (iii) “multiple employer plan” within the meaning of ERISA or an employee benefit plan subject to Section 413(c) of the Code, or (iv) “multiple employer welfare arrangement” within the meaning of Section 3(40) of ERISA.

(b) Each Parent Benefit Plan intended to be “qualified” within the meaning of Section 401(a) of the Code has received a favorable determination or opinion letter as to such qualification from the Internal Revenue Service, and, to the knowledge of Parent, no event has occurred that could reasonably be expected to cause the loss of any such qualification, except where such loss of qualification, individually or in the aggregate, would not have a Parent Material Adverse Effect.

(c) Except as would not reasonably be expected to have a Parent Material Adverse Effect, no Proceeding, including any audit or investigation by any Governmental Authority, is pending or, to the knowledge of Parent, threatened with respect to any Parent Benefit Plan (other than routine claims for benefits and non-material appeals of such claims).

(d) Neither Parent nor its Subsidiaries (excluding the Partnership and its Subsidiaries) is, and has not at any time been, bound by or a party to any collective bargaining agreement or similar contract with any labor union or organization. Neither Parent nor its Subsidiaries (excluding the Partnership and its Subsidiaries) is currently engaged in any negotiation with any labor union or organization and, to the knowledge of Parent, there is no union representation question or certification petition pending before the National Labor Relations Board or any other similar Governmental Authority relating to Parent or its Subsidiaries (excluding the Partnership and its Subsidiaries). Except as has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) no organized work stoppage, labor strike, labor dispute, lockout or slowdown against Parent is pending or, to the knowledge of Parent, threatened against or involving Parent or its Subsidiaries (excluding the Partnership and its Subsidiaries); and (ii) neither Parent nor its Subsidiaries (excluding the Partnership and its Subsidiaries) has received written notice of any unfair labor practice complaint and, to the knowledge of Parent, no such complaints against Parent or such Subsidiaries are pending before the National Labor Relations Board or other similar Governmental Authority.

Section 5.13 Environmental Matters. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect: (a) each of Parent and its Subsidiaries is and has been in compliance with all applicable Environmental Laws, which compliance includes obtaining, maintaining and complying with all Parent Permits required to be obtained to own, lease and operate their properties and assets or to carry on their businesses as they are now being conducted pursuant to applicable Environmental Laws ("Parent Environmental Permits"); (b) all Parent Environmental Permits are in full force and effect and, where applicable, applications for renewal or amendment thereof have been timely filed; (c) no suspension or cancellation of any Parent Environmental Permit is pending or, to the knowledge of Parent, threatened in writing; (d) there has been no Release or arrangement for disposal of any Hazardous Substance by Parent or any of its Subsidiaries or, to the knowledge of Parent, by any other Person that would reasonably be expected to give rise to Parent or any of its Subsidiaries incurring any liability, remedial obligation, or corrective action requirement under applicable Environmental Laws; (e) there are no Proceedings pending or, to the knowledge of Parent, threatened in writing against Parent or any of its Subsidiaries or involving any real property currently or, to the knowledge of Parent, formerly owned, operated or leased by or for Parent or any of its Subsidiaries alleging noncompliance with, or liability under, any applicable Environmental Law; (f) no Hazardous Substance has been disposed of, Released or transported on, to or from any properties currently or, to the knowledge of Parent, formerly owned, leased or operated by Parent or any of its Subsidiaries, or as a result of any operations or activities of Parent or any of its Subsidiaries, in violation of any applicable Environmental Law or in a manner that would reasonably be expected to give rise to Parent or any of its Subsidiaries incurring any liability, remedial obligation, or corrective action requirement under applicable Environmental Laws; and (g) neither the Parent nor any of its Subsidiaries has either, expressly or by operation of Law, assumed or undertaken any liability, including any obligation for remedial or corrective action, of any other Person relating to Environmental Laws, other than in the ordinary course of its business.

Section 5.14 Property. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, Parent or a Subsidiary of Parent owns and has good and valid title

to all of its owned real property and good and valid title to all its owned personal property, and has good and valid leasehold interests in all of its leased real properties free and clear of all Liens, in each case, to an extent sufficient to conduct their respective businesses as currently conducted (except in all cases for Liens permissible under or not prohibited by any applicable material loan agreements and indentures (together with all related mortgages, deeds of trust and other security agreements)). Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, all leases under which Parent or any of its Subsidiaries lease any real or personal property are valid and effective against Parent or any of its Subsidiaries and the counterparties thereto, in accordance with their respective terms and there is not, under any of such leases, any existing material default by Parent or any of its Subsidiaries the counterparties thereto, or any event which, with notice or lapse of time or both, would become a material default by Parent or any of its Subsidiaries or the counterparties thereto.

Section 5.15 Intellectual Property. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, Parent or a Subsidiary of Parent (including, solely for purposes of this Section 5.15, the Partnership and its Subsidiaries) owns, or is licensed or otherwise possesses adequate rights to use, all material trademarks, trade names, service marks, service names, mark registrations, logos, assumed names, domain names, registered and unregistered copyrights, patents or applications and registrations, and trade secrets (collectively, the "Parent Intellectual Property") used in their respective businesses as currently conducted. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, (a) there are no pending or threatened in writing claims by any Person alleging infringement or misappropriation by Parent or any of its Subsidiaries of such Person's intellectual property, (b) the conduct of the business of Parent and its Subsidiaries does not infringe or misappropriate any intellectual property rights of any Person, (c) neither Parent nor any of its Subsidiaries has made any claim of a violation or infringement, or misappropriation by others of its rights to or in connection with the Parent Intellectual Property, and (d) no Person is infringing or misappropriating any Parent Intellectual Property.

Section 5.16 Brokers and Other Advisors. No broker, investment banker or financial advisor is entitled to any broker's, finder's or financial advisor's fee or commission, or the reimbursement of expenses, in connection with the Merger or the other transactions contemplated by this Agreement based on arrangements made by or on behalf of Parent or any of its Subsidiaries.

Section 5.17 Insurance. Except as would not, individually or in the aggregate, have a Parent Material Adverse Effect, (a) the businesses and assets of Parent and its Subsidiaries are covered by, and insured under, insurance policies underwritten by reputable insurers that include coverages and related limits and deductibles that are customary in the energy products and services industry, including with respect to the distribution, storage, transportation and marketing of propane, natural gas, electricity and other energy products, (b) all such insurance policies are in full force and effect and all premiums due and payable on such policies have been paid and (c) no notice of cancellation of, material premium increase of, or indication of an intention not to renew, any such insurance policy has been received by Parent or any of its Subsidiaries other than in the ordinary course of business.

Section 5.18 Investment Company Act. Parent is not, nor immediately after the Closing will be, subject to regulation under the Investment Company Act of 1940, as amended.

Section 5.19 Ownership of Common Units. Parent and its Subsidiaries, taken together, are the beneficial owners of 23,756,882 Common Units, which are owned of record by the General Partner and represent all Common Units held of record or beneficially by Parent or any of its Subsidiaries as of the date of this Agreement.

Section 5.20 No Other Representations or Warranties. Except for the representations and warranties set forth in this Article V, neither Parent nor any other Person makes or has made any express or implied representation or warranty with respect to Parent and Merger Sub or with respect to any other information provided to the Partnership in connection with the Merger or the other transactions contemplated by this Agreement. Without limiting the generality of the foregoing, neither Parent nor any other Person will have or be subject to any liability or other obligation to the Partnership or the General Partner or any other Person resulting from the distribution to the Partnership (including their Representatives), or the Partnership's or the General Partner's (or such Representatives') use of, any such information, including any information, documents, projections, forecasts or other materials made available to the Partnership and the General Partner in expectation of the Merger, unless any such information is the subject of an express representation or warranty set forth in this Article V.

## ARTICLE VI

### ADDITIONAL COVENANTS AND AGREEMENTS

#### Section 6.1 Preparation of the Registration Statement, the Proxy Statement and Schedule 13E-3; Partnership Unitholder Meeting.

(a) As promptly as practicable following the date of this Agreement, (i) the Partnership shall prepare and file with the SEC the Proxy Statement and (ii) the Partnership and Parent shall jointly prepare and Parent shall file with the SEC the Registration Statement, in which the Proxy Statement will be included as a prospectus, and the Schedule 13E-3 and any amendments thereto as required by Rule 13e-3 under the Exchange Act. Each of the Partnership and Parent shall use its reasonable best efforts to have the Registration Statement declared effective under the Securities Act as promptly as practicable after such filing and keep the Registration Statement effective for so long as necessary to consummate the transactions contemplated by this Agreement. The Partnership shall use its reasonable best efforts to cause the Proxy Statement to be mailed to the Limited Partners as promptly as practicable after the Registration Statement is declared effective under the Securities Act. Each of the parties shall cooperate and consult with each other in connection with the preparation and filing of the Registration Statement, the Proxy Statement and the Schedule 13E-3, as applicable, including promptly furnishing to each other in writing upon request any and all information relating to a party or its Affiliates as may be required to be set forth therein, as applicable, under applicable Law. No filing of, or amendment or supplement to, the Registration Statement, the Proxy Statement or the Schedule 13E-3 will be made by a party without providing the other parties a reasonable opportunity to review and comment thereon. If at any time prior to the Effective Time any information relating to the Partnership or Parent, or any of their respective Affiliates, directors or officers, is discovered by the Partnership or Parent that should

be set forth in an amendment or supplement to, the Registration Statement, the Proxy Statement or the Schedule 13E-3, so that any such document would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other parties and an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and, to the extent required by applicable Laws, disseminated to the Limited Partners. The parties shall notify each other promptly of the receipt of any comments, written or oral, from the SEC or the staff of the SEC and of any request by the SEC or the staff of the SEC for amendments or supplements to the Proxy Statement, the Registration Statement or the Schedule 13E-3 or for additional information and each party shall supply each other with copies of (i) all correspondence between it or any of its Representatives, on the one hand, and the SEC or the staff of the SEC, on the other hand, with respect to the Proxy Statement, the Registration Statement, the Schedule 13E-3 or the transactions contemplated by this Agreement and (ii) all orders of the SEC relating to the Registration Statement or the Schedule 13E-3.

(b) The Partnership shall, as promptly as practicable after the Registration Statement is declared effective under the Securities Act, establish a record date for, duly call, give notice of, convene and hold a special meeting of the Limited Partners (the “Partnership Unitholder Meeting”) (which Partnership Unitholder Meeting date shall be no later than 35 days after the date that the Registration Statement is declared effective under the Securities Act) for the purpose of obtaining the Partnership Unitholder Approval. Subject to Section 6.3, the Partnership shall, through the GP Board, recommend to the Limited Partners approval of this Agreement (collectively, the “Partnership Board Recommendation”) and use the Partnership’s reasonable best efforts to obtain from the Limited Partners the Partnership Unitholder Approval. The Proxy Statement shall include, subject to Section 6.3, the Partnership Board Recommendation. Without limiting the generality of the foregoing, unless this Agreement is validly terminated in accordance with Article VIII, the Partnership’s obligations pursuant to the first sentence of this Section 6.1(b) shall not be affected by the withdrawal or modification by the Audit Committee or the GP Board of the Partnership Board Recommendation or any other action by the Audit Committee or the GP Board with respect to this Agreement or the transactions contemplated by this Agreement. Notwithstanding anything in this Agreement to the contrary, the Partnership may postpone or adjourn the Partnership Unitholder Meeting (i) to solicit additional proxies for the purpose of obtaining the Partnership Unitholder Approval, (ii) for the absence of quorum, (iii) to the extent reasonably necessary to ensure that any supplement or amendment to the Proxy Statement that the Audit Committee has determined after consultation with outside legal counsel is necessary under applicable Laws is provided to the Limited Partners within the minimum amount of time reasonably practicable prior to the Partnership Unitholder Meeting, and (iv) if the Partnership has delivered any notice contemplated by Section 6.3(d) and the time periods contemplated by Section 6.3(d) have not expired; *provided, however*, that in each case, without the written consent of the Parent (which shall not be unreasonably withheld, delayed or conditioned), the Partnership shall not be permitted to postpone or adjourn the Partnership Unitholder Meeting for more than 10 Business Days later than the most recently adjourned meeting or to a date after the date that is two Business Days prior to the Outside Date. The Partnership shall adjourn the Partnership Unitholder Meeting at the request of Parent (but in no event for more than 30 days from the date the Partnership Unitholder Meeting was originally scheduled to convene) (i) to solicit additional proxies for the purpose of obtaining the Partnership Unitholder Approval or (ii) for the absence of

quorum. Without the written consent of the Parent (which shall not be unreasonably withheld, delayed or conditioned), no matter shall be submitted for action at the Partnership Unitholder Meeting except the approval of this Agreement and matters reasonably related to this Agreement.

(c) Unless this Agreement is validly terminated in accordance with Article VIII, the Partnership shall submit this Agreement to the Limited Partners for approval at the Partnership Unitholder Meeting even if the GP Board or the Audit Committee shall have effected a Partnership Adverse Recommendation Change.

Section 6.2 Conduct of Business.

(a) Except (i) as provided in this Agreement, (ii) as set forth in Section 6.2(a) of the Partnership Disclosure Schedule, (iii) as required by applicable Laws, (iv) as provided in any Partnership Material Contract in effect as of the date of this Agreement (including the Partnership Agreement) or (v) as consented to in writing by Parent (which consent shall not be unreasonably withheld, delayed or conditioned), during the period from the date of this Agreement until the Effective Time, each of the Partnership and the General Partner shall, and shall cause each of their respective Subsidiaries to, (A) conduct its business in the ordinary course of business consistent with past practice, (B) use commercially reasonable efforts to maintain and preserve intact its business organization and the goodwill of those having business relationships with it and retain the services of its present officers and key employees, (C) use commercially reasonable efforts to keep in full force and effect all material Partnership Permits and all material insurance policies maintained by the Partnership and its Subsidiaries, other than changes to such policies made in the ordinary course of business, and (D) use commercially reasonable efforts to comply in all material respects with all applicable Laws and the requirements of all Partnership Material Contracts. Without limiting the generality of the foregoing, except (i) as expressly permitted by this Agreement, (ii) as set forth in Section 6.2(a) of the Partnership Disclosure Schedule, (iii) as required by applicable Laws, (iv) as provided in any Partnership Material Contract in effect as of the date of this Agreement (including the Partnership Agreement) or (v) as consented to in writing by Parent (which consent shall not be unreasonably withheld, delayed or conditioned), during the period from the date of this Agreement until the Effective Time, the Partnership and the General Partner shall not, and shall not permit any of their respective Subsidiaries to:

(i) amend the Organizational Documents (whether by merger, consolidation, conversion or otherwise) of such entity in any manner that would reasonably be expected to prevent or in any material respect hinder, impede or delay the ability of the parties to satisfy any of the conditions to or the consummation of the Merger or the other transactions contemplated by this Agreement;

(ii) declare, authorize, set aside or pay any dividend or distribution payable in cash, equity or property in respect of the Common Units, other than regular quarterly cash distributions on the Common Units not to exceed \$0.95 per Common Unit;

(iii) make any acquisition or disposition, directly or indirectly (including by merger, consolidation, acquisition of assets, tender or exchange offer or otherwise), of any business or any corporation, partnership, limited liability company, joint venture or other business organization or division thereof or any property or assets of any other Person, other than acquisitions or dispositions, the consideration for which does not exceed \$3 million in value individually, or \$10 million in the aggregate;



(iv) split, combine, divide, subdivide, reverse split, reclassify, recapitalize or effect any other similar transaction with respect to any of such entity's capital stock or other equity interests;

(v) adopt a plan or agreement of complete or partial liquidation, dissolution or restructuring or a plan or agreement of reorganization under any bankruptcy or similar Law;

(vi) waive, release, assign, settle or compromise any Proceeding, including any state or federal regulatory Proceeding seeking damages or injunction or other equitable relief, which waiver, release, assignment, settlement or compromise would reasonably be expected to result in a Partnership Material Adverse Effect;

(vii) except as required by applicable Law or the terms of any Partnership Benefit Plan existing and in effect on the date of this Agreement, (1) establish, adopt, materially amend or modify, commence participation in or terminate (or commit to establish, adopt, materially amend or modify, commence participation in or terminate) any material Partnership Benefit Plan (or any material plan or arrangement that would be a Partnership Benefit Plan if in effect as of the date of this Agreement), (2) materially increase in any manner the compensation, severance or benefits of any of the current or former directors, officers, employees, consultants, independent contractors or other service providers of the General Partner, the Partnership or any of their respective Subsidiaries, or enter into or amend any employment, severance, termination, retention or consulting agreement, in each case, other than in the ordinary course of business, (3) accelerate any material rights or benefits under any Partnership Benefit Plan, or (4) grant or amend any equity awards, except in the ordinary course of business; or

(viii) agree, in writing or otherwise, to take any of the foregoing actions, or take any action or agree, in writing or otherwise, to take any action, including proposing or undertaking any merger, consolidation or acquisition, in each case, that would reasonably be expected to prohibit, prevent or in any material respect hinder, impede or delay the ability of the parties to satisfy any of the conditions to or the consummation of the Merger or the other transactions contemplated by this Agreement.

(b) Except (i) as provided in this Agreement, (ii) as set forth in Section 6.2(b) of the Parent Disclosure Schedule, (iii) as required by applicable Laws, (iv) as provided in any Parent Material Contract in effect as of the date of this Agreement or (v) as consented to in writing by the Partnership (which consent shall not be unreasonably withheld, delayed or conditioned), during the period from the date of this Agreement until the Effective Time, Parent shall, and shall cause each of its Subsidiaries to, (A) conduct its business in the ordinary course of business consistent with past practice, (B) use commercially reasonable efforts to maintain and preserve intact its business organization and the goodwill of those having business relationship with it and retain the services of its present officers and key employees, (C) use commercially reasonable efforts to keep in full force and effect all material Parent Permits and all material insurance policies

maintained by the Parent and its Subsidiaries, other than changes to such policies made in the ordinary course of business, and (D) use commercially reasonable efforts to comply in all material respects with all applicable Laws and the requirements of all Parent Material Contracts. Without limiting the generality of the foregoing, except (i) as expressly permitted by this Agreement, (ii) as set forth in Section 6.2(b) of the Parent Disclosure Schedule, (iii) as required by applicable Laws, (iv) as provided in any Parent Material Contract in effect as of the date of this Agreement or (v) as consented to in writing by the Partnership (which consent shall not be unreasonably withheld, delayed or conditioned), during the period from the date of this Agreement until the Effective Time, Parent shall not, and shall not permit any of its Subsidiaries to:

(i) amend Parent's or any of its Subsidiaries' Organizational Documents (whether by merger, consolidation, conversion or otherwise) in any manner that would reasonably be expected to (a) prevent or in any material respect hinder, impede or delay the ability of the parties to satisfy any of the conditions to or the consummation of the Merger or the other transactions contemplated by this Agreement, or (b) adversely affect (1) the economic benefits to be obtained by the holders of Public Common Units upon the consummation of the Merger or (2) the terms of the Parent Common Stock in any material respect;

(ii) declare, authorize, set aside or pay any dividend or distribution payable in cash, stock or property in respect of any of Parent's capital stock, other than regular quarterly cash dividends on the Parent Common Stock in the ordinary course of business consistent with past practice and other than dividends or distributions with a record date after the Effective Time; *provided, however*, that nothing contained herein shall prohibit Parent from increasing the quarterly cash dividend on Parent Common Stock;

(iii) merge, consolidate or enter into any other business combination transaction or agreement with any Person;

(iv) split, combine, divide, subdivide, reverse split, reclassify, recapitalize or effect any other similar transaction with respect to any of Parent's capital stock or other equity interests;

(v) issue or sell any Parent Shares, issue or sell any Preferred Stock, or grant or issue any warrant, option, right, contract, call, or other security or instrument granting the holder thereof the right to acquire Parent Shares or any other capital stock of the Parent or its Subsidiaries, in each case other than pursuant to a Parent Benefit Plan existing on the date of this Agreement;

(vi) solely with respect to Parent, adopt a plan or agreement of complete or partial liquidation, dissolution or restructuring or a plan or agreement of reorganization under any bankruptcy or similar Law;

(vii) directly or indirectly purchase, acquire or otherwise become beneficial owner of (or direct the Partnership to repurchase, redeem or otherwise acquire) any Public Common Units; or

(viii) agree, in writing or otherwise, to take any of the foregoing actions, or take any action or agree, in writing or otherwise, to take any action, including proposing or undertaking any acquisition or disposition, in each case, that would reasonably be expected to prohibit, prevent or in any material respect hinder, impede or delay the ability of the parties to satisfy any of the conditions to or the consummation of the Merger or the other transactions contemplated by this Agreement.

Section 6.3 No Solicitation: Partnership Adverse Recommendation Change.

(a) The Partnership shall, and the General Partner shall use its reasonable best efforts to cause its and the Partnership's and its Subsidiaries' respective directors, officers, employees, investment bankers, financial advisors, attorneys, accountants, agents and other representatives (collectively, "Representatives") to, immediately cease and cause to be terminated any discussions or negotiations with any Person conducted heretofore with respect to an Alternative Proposal, require the return or destruction of all confidential information previously provided to such parties by or on behalf of the Partnership or its Subsidiaries and immediately prohibit any access by any Person (other than Parent and its Representatives) to any physical or electronic data room relating to a possible Alternative Proposal. Except as permitted by this Section 6.3, (x) without the prior written consent of Parent, the Partnership shall not, and shall cause its Subsidiaries not to, and shall use its reasonable best efforts to cause their respective Representatives not to, directly or indirectly (A) solicit, initiate, knowingly facilitate, knowingly encourage (including by way of furnishing confidential information) or knowingly induce or take any other action intended to lead to any inquiries or any proposals that constitute or could reasonably be expected to lead to an Alternative Proposal, (B) grant any waiver or release of any standstill or similar agreement with respect to any Partnership Interests of the Partnership or of any of its Subsidiaries, (C) except for an Acceptable Confidentiality Agreement permitted pursuant to Section 6.3(b), enter into any confidentiality agreement, merger agreement, letter of intent, agreement in principle, unit purchase agreement, asset purchase agreement or unit exchange agreement, option agreement or other similar agreement relating to an Alternative Proposal, or (D) withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in a manner adverse to Parent, the Partnership Board Recommendation or publicly recommend the approval or adoption of, or publicly approve or adopt, or propose to publicly recommend, approve or adopt, any Alternative Proposal, or fail to recommend against acceptance of any tender offer or exchange offer for Common Units within ten Business Days after commencement of such offer, or resolving or agreeing to take any of the foregoing actions, and (y) subject to Section 6.3(b), within five Business Days of receipt of a written request of Parent following the receipt by the Partnership of any Alternative Proposal (but, for the avoidance of doubt, not during any Superior Proposal Notice Period), the Partnership shall publicly reconfirm the Partnership Board Recommendation; *provided, that*, in the event that Parent requests such public reconfirmation of the Partnership Board Recommendation, then the Partnership may not unreasonably withhold, delay (beyond the five Business Day period) or condition the public reconfirmation of the Partnership Board Recommendation (the taking of any action described in clause (x)(C) or clause (x)(D)), the failure to take the action described in clause (y) or the failure to include the Partnership Board Recommendation in the Proxy Statement being referred to as a "Partnership Adverse Recommendation Change"; *provided, however*, that to the extent any such action was taken solely by Representatives of Parent or by the Partnership at the explicit direction of Representatives of Parent, it will not be deemed a "Partnership Adverse Recommendation Change").

(b) Notwithstanding anything to the contrary contained in this Agreement, if at any time following the date of this Agreement and prior to obtaining the Partnership Unitholder Approval, (i) the Partnership has received an unsolicited written Alternative Proposal that the Audit Committee believes is bona fide, (ii) the Audit Committee, after consultation with its financial advisors and outside legal counsel, determines in good faith that (A) such Alternative Proposal constitutes or could reasonably be expected to lead to or result in a Superior Proposal and (B) failure to take such action would be inconsistent with its duties under applicable Law, as modified by the Partnership Agreement, and (iii) such Alternative Proposal did not result from a material breach of Section 6.3(a), then the Partnership may, subject to clauses (x) and (y) below, (A) furnish information, including confidential information, with respect to the Partnership and its Subsidiaries to the Person making such Alternative Proposal and (B) participate in discussions or negotiations regarding such Alternative Proposal; *provided*, that (x) the Partnership will not, and will use reasonable best efforts to cause its Representatives not to, disclose any non-public information to such Person unless the Partnership has, or first enters into, an Acceptable Confidentiality Agreement with such Person and (y) the Partnership will provide to Parent non-public information about the Partnership or its Subsidiaries that was not previously provided or made available to Parent prior to or substantially concurrently with providing or making available such non-public information to such other Person.

(c) In addition to the other obligations of the Partnership set forth in this Section 6.3, the Partnership shall promptly advise Parent, orally and in writing, and in no event later than 48 hours after receipt, if any proposal, offer, inquiry or other contact is received by, any information is requested from, or any discussions or negotiations are sought to be initiated or continued with, the Partnership in respect of any Alternative Proposal, and shall, in any such notice to Parent, indicate the identity of the Person making such proposal, offer, inquiry or other contact and the terms and conditions of any proposals or offers or the nature of any inquiries or contacts (and shall include with such notice copies of any written materials received from or on behalf of such Person relating to such proposal, offer, inquiry or request), and thereafter shall promptly keep Parent reasonably informed of all material developments affecting the status and terms of any such proposals, offers, inquiries or requests (and the Partnership shall promptly provide Parent with copies of any additional material written materials received by the Partnership or that the Partnership has delivered to any third party making an Alternative Proposal that relate to such proposals, offers, inquiries or requests) and of the status of any such discussions or negotiations.

(d) Notwithstanding any other provision of this Agreement, at any time prior to obtaining the Partnership Unitholder Approval, the Audit Committee may effect a Partnership Adverse Recommendation Change in response to an Alternative Proposal or an Intervening Event if the Audit Committee, after consultation with its outside legal counsel and financial advisors, determines in good faith that the failure to take such action would be inconsistent with its duties under applicable Law, as modified by the Partnership Agreement; *provided, however*, that the Audit Committee may not effect a Partnership Adverse Recommendation Change pursuant to the foregoing unless:

(i) if the Audit Committee intends to effect such Partnership Adverse Recommendation Change in response to an Alternative Proposal:

(1) such Alternative Proposal is bona fide, in writing and has not been withdrawn or abandoned;

- (2) the Audit Committee has determined, after consultation with its outside legal counsel and financial advisors, that such Alternative Proposal constitutes a Superior Proposal after giving effect to all of the adjustments offered by Parent pursuant to clause (5) below;
- (3) the Audit Committee or Partnership has provided prior written notice to Parent in accordance with Section 9.10 (the "Superior Proposal Notice") of the Audit Committee's intention to effect a Partnership Adverse Recommendation Change, and such Superior Proposal Notice has specified the identity of the Person making such Alternative Proposal, the material terms and conditions of such Alternative Proposal, and complete copies of any written proposal or offers (including proposed agreements) received by the Partnership in connection with such Alternative Proposal;
- (4) during the period that commences on the date of delivery of the Superior Proposal Notice as determined in accordance with Section 9.10 and ends at 11:59 p.m. Eastern time on the date that is the fifth calendar day following the date of such delivery (the "Superior Proposal Notice Period"), the Audit Committee shall (A) negotiate with Parent in good faith (to the extent Parent seeks to negotiate) to make such adjustments to the terms and conditions of this Agreement as would permit the Audit Committee not to effect a Partnership Adverse Recommendation Change; and (B) keep Parent reasonably informed with respect to the status and changes in the material terms and conditions of such Alternative Proposal or other change in circumstances related thereto; *provided, however*, that any material revisions to such Alternative Proposal (it being agreed that any change in the purchase price in such Alternative Proposal shall be deemed a material revision) shall require delivery of a subsequent Superior Proposal Notice and a subsequent Superior Proposal Notice Period in respect of such revised Alternative Proposal, except that such subsequent Superior Proposal Notice Period shall expire upon the later of (x) the end of the initial Superior Proposal Notice Period and (y) 11:59 p.m. Eastern time on the date that is the third calendar day following the date of the delivery of such subsequent Superior Proposal Notice; and
- (5) the Audit Committee shall have considered all revisions to the terms of this Agreement irrevocably offered in writing by Parent and, at the end of the Superior Proposal Notice Period, shall have determined in good faith that (A) such Alternative Proposal continues to constitute a Superior Proposal even if such revisions were to be given effect and (B) failure to effect a Partnership

Adverse Recommendation Change would be inconsistent with its duties under applicable Law, as modified by the Partnership Agreement, even if such revisions were to be given effect.

- (ii) if the Audit Committee intends to effect such Partnership Adverse Recommendation Change in response to an Intervening Event:
  - (1) the Partnership has provided prior written notice to Parent in accordance with Section 9.10 (the “Partnership Recommendation Change Notice”) of the Audit Committee’s intention to effect a Partnership Adverse Recommendation Change, and such Partnership Recommendation Change Notice has specified the details of such Intervening Event and the reasons for the Partnership Adverse Recommendation Change;
  - (2) during the period that commences on the date of delivery of the Partnership Recommendation Change Notice as determined in accordance with Section 9.10 and ends at 11:59 p.m. Eastern time on the date that is the fifth calendar day following the date of such delivery (the “Partnership Recommendation Change Notice Period”), the Partnership shall (A) negotiate with Parent in good faith to make such adjustments to the terms and conditions of this Agreement as would permit the Audit Committee not to effect a Partnership Adverse Recommendation Change; and (B) keep Parent reasonably informed of any change in circumstances related thereto; and
  - (3) the Audit Committee shall have considered all revisions to the terms of this Agreement irrevocably offered in writing by Parent and, at the end of the Partnership Adverse Recommendation Change Notice Period, shall have determined in good faith that the failure to effect a Partnership Adverse Recommendation Change would be inconsistent with its duties under applicable Law, as modified by the Partnership Agreement, even if such revisions were to be given effect.

(e) Nothing contained in this Agreement shall prevent the Partnership or the GP Board from issuing a “stop, look and listen” communication pursuant to Rule 14d-9(f) under the Exchange Act or complying with Rule 14d-9 and Rule 14e-2 under the Exchange Act with respect to an Alternative Proposal if the GP Board determines in good faith (after consultation with outside legal counsel) that its failure to do so would be reasonably likely to constitute a violation of applicable Law; *provided*, that any Partnership Adverse Recommendation Change may only be made in accordance with Section 6.3(d). For the avoidance of doubt, a public statement that describes the Partnership’s receipt of an Alternative Proposal and the operation of this Agreement with respect thereto shall not be deemed a Partnership Adverse Recommendation Change.

Section 6.4 Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, Parent, on the one hand, and each of the Partnership and the General Partner, on the other hand, shall cooperate with the other and use and shall cause their respective Subsidiaries to use its reasonable best efforts to (i) take, or cause to be taken, all appropriate actions, and do, or cause to be done, all things, necessary, proper or advisable to cause the conditions to the Closing to be satisfied as promptly as practicable (and in any event no later than the Outside Date), including, for the avoidance of doubt, in the case of Parent and the General Partner until the Effective Time or the termination of this Agreement, retaining ownership and voting control over all Common Units beneficially owned by Parent and the General Partner as of the date of this Agreement or acquired thereafter and to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including preparing and filing as promptly as practicable all documentation to effect all necessary filings, notifications, notices, petitions, statements, registrations, submissions of information, applications and other documents, (ii) obtain promptly (and in any event no later than the Outside Date) all approvals, consents, clearances, expirations or terminations of waiting periods, registrations, permits, authorizations and other confirmations from any Governmental Authority or third party necessary, proper or advisable to consummate the transactions contemplated by this Agreement, (iii) defend any Proceedings challenging this Agreement or the consummation of the transactions contemplated by this Agreement or seek to have lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the parties to consummate the transactions contemplated hereby and (iv) obtain all necessary consents, approvals or waivers from third parties. Parent and its Affiliates shall enter into the Support Agreement by execution of a joinder thereto if at any time prior to the taking of the vote of the Common Units in respect of this Agreement the Parent or its Affiliates acquire beneficial or direct ownership of any Common Units.

Section 6.5 Public Announcements. The initial press release with respect to the execution of this Agreement shall be a joint press release to be reasonably agreed upon by Parent and the Partnership. Thereafter, neither the Partnership nor Parent shall issue or cause the publication of any press release or other public announcement (to the extent not previously issued or made in accordance with this Agreement) with respect to this Agreement or the transactions contemplated by this Agreement without the prior consent of the other party (which consent shall not be unreasonably withheld, conditioned or delayed), except as may be required by applicable Laws or by any applicable listing agreement with the NYSE as determined in the good faith judgment of the party proposing to make such release (in which case such party shall not issue or cause the publication of such press release or other public announcement without prior consultation with the other party); *provided, however*, that neither the Partnership nor Parent shall be required by this Section 6.5 to consult with any other party with respect to a public announcement in connection with a Partnership Adverse Recommendation Change but nothing in this proviso shall limit the obligations of the Partnership, the General Partner, the GP Board, the Audit Committee, Parent or the Parent Board under Section 6.3; *provided, further*, that each party and their respective controlled Affiliates may make statements that are consistent with statements made in previous press releases, public disclosures or public statements made by Parent or the Partnership in compliance with this Section 6.5.

Section 6.6 Access to Information. Upon reasonable advance notice and subject to applicable Laws relating to the exchange of information, each party shall, and shall cause each of its material Subsidiaries to afford to the other party and its Representatives, reasonable access

during normal business hours (and, with respect to books and records, the right to copy) to all of its and its Subsidiaries' properties, commitments, books, Contracts, records and correspondence (in each case, whether in physical or electronic form), officers, employees, accountants, counsel, financial advisors and other Representatives, in each case for the purpose of completing diligence related to the transactions contemplated by this Agreement; *provided*, that such access shall be provided on a basis that minimizes the disruption to the operations of the requested party and its Representatives. Subject to applicable Laws, during such period, Parent shall furnish promptly to the Partnership (i) a copy of each report, schedule, registration statement and other document filed, published, announced or received by it in connection with the transactions contemplated by this Agreement during such period pursuant to the requirements of federal, state or foreign Laws (including pursuant to the Securities Act, the Exchange Act and the rules of any Governmental Authority thereunder), as applicable (other than documents which such party is not permitted to disclose under applicable Laws) and (ii) all information concerning Parent's business, properties and personnel as the Partnership may reasonably request, including all information relating to environmental matters, for the purpose of completing the Partnership's due diligence. Notwithstanding the foregoing, no party shall have an obligation to provide access to any information the disclosure of which the other party has concluded may jeopardize any privilege available to such party or any of its Affiliates relating to such information or would be in violation of a confidentiality obligation binding on such party or any of its Affiliates.

Section 6.7 Indemnification and Insurance.

(a) From and after the Effective Time, to the fullest extent permitted under applicable Laws, Parent and the Surviving Entity jointly and severally agree to (i) indemnify and hold harmless against any reasonable costs or expenses (including reasonable attorneys' fees and all other reasonable costs, expenses and obligations (including experts' fees, travel expenses, court costs, retainers, transcript fees, duplicating, printing and binding costs, as well as telecommunications, postage and courier charges) paid or incurred in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to investigate, defend, be a witness in or participate in, any Proceeding, including any Proceeding relating to a claim for indemnification or advancement brought by an Indemnified Person), judgments, fines, losses, claims, damages or liabilities, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of any thereof) in connection with any actual or threatened Proceeding, and, upon receipt by Parent of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall be determined in a final and non-appealable judgment entered by a court of competent jurisdiction that the Indemnified Person is not entitled to be indemnified, provide advancement of expenses with respect to each of the foregoing to, all Indemnified Persons and (ii) honor the provisions regarding elimination of liability of officers and directors, indemnification of officers, directors and employees and advancement of expenses contained in the Organizational Documents of the Partnership and the General Partner immediately prior to the Effective Time, and ensure that the Organizational Documents of the Partnership and the General Partner or any of their respective successors or assigns, if applicable, shall, for a period of six years following the Effective Time, contain provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors, officers and employees of the Partnership and the General Partner than are presently set forth in such Organizational Documents. Any right of an Indemnified Person pursuant to this Section 6.7(a) shall not be amended, repealed, terminated or



otherwise modified at any time in a manner that would adversely affect the rights of such Indemnified Person as provided herein, and shall be enforceable by such Indemnified Person and their respective heirs and representatives against Parent and the General Partner and their respective successors and assigns.

(b) For a period of six years following the Effective Time, Parent shall maintain in effect Parent's current directors' and officers' liability insurance policies covering acts or omissions occurring at or prior to the Effective Time with respect to Indemnified Persons (*provided*, that Parent may substitute therefor policies with reputable carriers of at least the same coverage containing terms and conditions that are no less favorable to the Indemnified Persons); *provided, however*, that in no event shall Parent be required to expend pursuant to this Section 6.7(b) more than an amount per year equal to 300% of current annual premiums paid by Parent for such insurance (the "Maximum Amount"). In the event that, but for the proviso to the immediately preceding sentence, Parent would be required to expend more than the Maximum Amount, Parent shall obtain the maximum amount of such insurance as is available for the Maximum Amount. If Parent in its sole discretion elects, then, in lieu of the obligations of Parent under this Section 6.7(b), Parent may (but shall be under no obligation to), prior to the Effective Time, purchase a "tail policy" with respect to acts or omissions occurring or alleged to have occurred prior to the Effective Time that were committed or alleged to have been committed by such Indemnified Persons in their capacity as such; *provided*, that in no event shall the cost of such policy exceed the Maximum Amount.

(c) The rights of any Indemnified Person under this Section 6.7 shall be in addition to any other rights such Indemnified Person may have under the Organizational Documents of the Partnership and the General Partner, any indemnification agreements, or the DLLCA and DRULPA. The provisions of this Section 6.7 shall survive the consummation of the transactions contemplated by this Agreement and are expressly intended to benefit each of the Indemnified Persons and their respective heirs and representatives. If Parent and/or the General Partner, or any of their respective successors or assigns (i) consolidates with or merges into any other Person, or (ii) transfers or conveys all or substantially all of their businesses or assets to any other Person, then, in each such case, to the extent necessary, a proper provision shall be made so that the successors and assigns of Parent and/or the General Partner shall assume the obligations of Parent and the General Partner set forth in this Section 6.7.

Section 6.8 Fees and Expenses. Except as otherwise provided in Section 8.2 and Section 8.3, all fees and expenses incurred in connection with the transactions contemplated by this Agreement including all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties incurred by a party in connection with the negotiation and effectuation of the terms and conditions of this Agreement and the transactions contemplated by this Agreement, shall be the obligation of the respective party incurring such fees and expenses, except (a) Parent and the Partnership shall each bear and pay one half of the expenses incurred in connection with the filing, printing and mailing of the Registration Statement, the Proxy Statement and the Schedule 13E-3 and (b) Parent shall pay all costs and fees of the Exchange Agent and all expenses associated with the exchange process.

Section 6.9 Section 16 Matters. Prior to the Effective Time, Parent and the Partnership shall take all such steps as may be required (to the extent permitted under applicable Laws) to

cause any dispositions of Common Units (including derivative securities with respect to Common Units) or acquisitions of Parent Common Stock (including derivative securities with respect to Parent Common Stock) resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Partnership, or will become subject to such reporting requirements with respect to Parent, to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 6.10 Listing. Parent shall use reasonable best efforts to cause the Parent Common Stock to be issued pursuant to and in accordance with this Agreement to be approved for listing (subject, if applicable, to notice of issuance) for trading on the NYSE prior to the Closing.

Section 6.11 Dividends and Distributions.

(a) After the date of this Agreement until the Effective Time, subject to Section 6.11(b), each of Parent and the Partnership shall coordinate with the other regarding the timing of any declaration of any dividends or distributions in respect of Parent Common Stock and Partnership Interests and the record dates and payment dates relating thereto, it being the intention of the parties that holders of Partnership Interests shall not receive, for any quarter, distributions both in respect of Partnership Interests and also dividends in respect of Parent Common Stock that they receive in exchange therefor in the Merger, but that they shall receive for any such quarter either: (i) only distributions in respect of Partnership Interests or (ii) only dividends in respect of Parent Common Stock that they receive in exchange therefor in the Merger.

(b) After the date of this Agreement and until the Effective Time, the General Partner shall (and the Parent shall, directly or indirectly, cause its Representatives on the GP Board to), determine, declare, and cause the Partnership to pay regular quarterly cash distributions on the Common Units for each quarter in accordance with the Partnership Agreement and in the ordinary course of business consistent with past practice, including with respect to the timing of record dates and payment dates; *provided, however*, that subject to Section 18-607 of the DRULPA and the Partnership Agreement, any such regular quarterly distribution shall not be less than \$0.95 per Common Unit. The General Partner shall (and the Parent shall, directly or indirectly, cause its Representatives on the GP Board to) designate the record date for the quarterly cash distribution related to the quarter immediately prior to the quarter in which the Closing occurs so that such record date precedes the Effective Time so as to permit the payment of such quarterly distribution to the holders of the Common Units.

Section 6.12 Audit Committee. Prior to the earlier of the Effective Time and the termination of this Agreement, Parent shall not and it shall not permit any of its Subsidiaries to, and it shall not and shall not permit any of its Subsidiaries to take any action intended to cause the General Partner to, without the consent of a majority of the then existing members of the Audit Committee, eliminate the Audit Committee, revoke or diminish the authority of the Audit Committee or remove or cause the removal of any director of the General Partner that is a member of the Audit Committee either as a director or as a member of such committee. For the avoidance of doubt, this Section 6.12 shall not apply to the filling, in accordance with the provisions of the General Partner Bylaws, of any vacancies caused by the resignation, death or incapacity of any such director.

Section 6.13 Performance by the General Partner. Parent will cause the General Partner, the Partnership and their respective Subsidiaries to comply with the provisions of this Agreement and, with respect to the General Partner, the Support Agreement. Notwithstanding the foregoing, it is understood and agreed that actions or inactions by the Partnership and the General Partner and their respective Subsidiaries shall not be deemed to be breaches or violations or failures to perform by Parent of any of the provisions of this Agreement unless such action or inaction was or was not taken, in either case, at the direction of Parent. In no event shall the General Partner or the Partnership have any liability for, or be deemed to breach, violate or fail to perform any of the provisions of this Agreement by reason of, any action taken or omitted to be taken by the General Partner, the Partnership, any of their respective Subsidiaries or any of their respective Representatives at the direction of Parent, any of its Subsidiaries or any of their respective Representatives.

Section 6.14 Cooperation with Debt and Equity Financing. From and after the date of this Agreement, the Partnership shall, and the Partnership shall cause each of its Subsidiaries and use reasonable best efforts to cause its and their representatives (including their auditors) to, use its respective reasonable best efforts to provide all customary cooperation (including providing reasonably available financial and other information regarding the Partnership and its Subsidiaries for use in marketing and offering documents and to enable Parent to prepare pro forma financial statements) as reasonably requested by Parent to assist Parent in the arrangement of any bank debt financing or any capital markets debt or equity financing, any repayment, restructuring or refinancing of debt contemplated by this Agreement or required in connection with the transactions contemplated by this Agreement and any other amounts required to be paid in connection with the consummation of the Merger; it being understood that the arrangement of any bank debt financing or any capital markets debt financing or the repayment, restructuring or refinancing of any debt shall not be a condition to Parent's or Merger Sub's obligations to effect the Merger. Parent shall indemnify and hold harmless the General Partner, the Partnership and their respective Subsidiaries from and against any and all losses or damages actually suffered or incurred by them directly in connection with the arrangement of any such bank debt financing or any capital markets debt financing.

Section 6.15 Tax Treatment. For United States federal income tax purposes (and for purposes of any applicable state, local or foreign Tax that follows the United States federal income tax treatment), the parties agree to treat the Merger as a taxable sale of the Public Common Units to Holdings in exchange for the Merger Consideration. The parties will prepare and file all Tax Returns consistent with the foregoing and will not take any inconsistent position on any Tax Return, or during the course of any Proceeding with respect to Taxes, except as otherwise required by applicable Laws following a final determination by a court of competent jurisdiction or other administrative settlement with or final administrative decision by the relevant Governmental Authority.

Section 6.16 Takeover Statutes. Parent shall not, and shall cause its Subsidiaries not to, take any action that would, or would reasonably be expected to, cause any Takeover Law to become applicable to this Agreement, the Merger, the Parent Stock Issuance or the other transactions contemplated hereby or related thereto. If any Takeover Law shall become applicable to this Agreement, the Merger, the Parent Stock Issuance or the other transactions contemplated hereby or related thereto, Parent and the Parent Board shall grant such approvals and shall use

reasonable best efforts to take such actions so that the transactions contemplated hereby, including the Merger and the Parent Stock Issuance, may be consummated as promptly as practicable on the terms contemplated hereby and otherwise use reasonable best efforts to eliminate or minimize the effects of such statute or regulation on the transactions contemplated hereby, including the Merger and the Parent Stock Issuance.

Section 6.17 Securityholder Litigation. The Partnership and the General Partner shall give Parent prompt notice and the opportunity to participate in the defense or settlement of any securityholder litigation against the Partnership and the General Partner and/or their directors (as applicable) relating to the transactions contemplated by this Agreement and no such settlement shall be agreed to without the prior written consent of Parent, which shall not be unreasonably withheld, conditioned or delayed; *provided*, that the Partnership and the General Partner shall in any event control such defense and/or settlement and shall not be required to provide information if doing so would be reasonably expected to violate the confidentiality obligations of such party or threaten the loss of any attorney-client privilege or other applicable legal privilege.

## ARTICLE VII

### CONDITIONS PRECEDENT

Section 7.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party hereto to effect the Merger shall be subject to the satisfaction (or waiver, if permissible under applicable Laws) on or prior to the Closing Date of the following conditions:

(a) Partnership Unitholder Approval. The affirmative vote or consent of the holders of a majority of the outstanding Common Units at the Partnership Unitholder Meeting or any adjournment or postponement thereof in favor of the approval of this Agreement (the "Partnership Unitholder Approval") shall have been obtained in accordance with applicable Laws and the Organizational Documents of the Partnership.

(b) No Injunctions or Restraints. No Law, injunction, judgment or ruling enacted, promulgated, issued, entered, amended or enforced by any Governmental Authority (collectively, "Restraints") shall be in effect enjoining, restraining, preventing or prohibiting consummation of the transactions contemplated by this Agreement or making the consummation of the transactions contemplated by this Agreement illegal.

(c) Registration Statement. The Registration Statement shall have become effective under the Securities Act and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been initiated or threatened by the SEC.

(d) Stock Exchange Listing. The Parent Common Stock deliverable to the Limited Partners as contemplated by this Agreement shall have been approved for listing on the NYSE, subject to official notice of issuance.

Section 7.2 Conditions to Obligations of Parent and Merger Sub to Effect the Merger. The obligations of Parent and Merger Sub to effect the Merger are further subject to the satisfaction

(or waiver, if permissible under applicable Laws) on or prior to the Closing Date of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of the Partnership and the General Partner contained in Section 4.3(a), Section 4.3(c) and Section 4.6 shall be true and correct in all respects, in each case both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date); (ii) the representations and warranties of the Partnership and the General Partner contained in Section 4.2(a) shall be true and correct in all respects, other than immaterial misstatements or omissions, both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date); and (iii) all other representations and warranties of the Partnership and the General Partner set forth herein shall be true and correct both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except, in the case of this clause (iii), where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to “materiality” or “Partnership Material Adverse Effect” set forth in any individual representation or warranty, other than in Section 4.5 and Section 4.9 and the definition of Partnership Material Contract in Section 4.10(a)) does not have, and would not reasonably be expected to have, individually or in the aggregate, a Partnership Material Adverse Effect. Parent shall have received a certificate signed on behalf of the Partnership and the General Partner by an executive officer of the General Partner to such effect.

(b) Performance of Obligations of the Partnership and the General Partner. Each of the Partnership and the General Partner shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date. Parent shall have received a certificate signed on behalf of the Partnership and the General Partner by an executive officer of the General Partner to such effect.

Section 7.3 Conditions to Obligation of the Partnership to Effect the Merger. The obligation of the Partnership to effect the Merger is further subject to the satisfaction (or waiver, if permissible under applicable Laws) on or prior to the Closing Date of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of Parent contained in Section 5.3(a) and Section 5.6 shall be true and correct in all respects, in each case both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date); (ii) the representations and warranties of Parent contained in Section 5.2(a) shall be true and correct in all respects, other than immaterial misstatements or omissions, both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date); and (iii) all other representations and warranties of Parent set forth herein shall be true and correct both when made and at and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except, in the case of this clause (iii), where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to “materiality” or “Parent Material Adverse Effect” set forth in any individual representation or warranty, other than in Section 5.5 and Section 5.9 and the definition of Parent Material Contract in Section 5.11(a))

does not have, and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. The Partnership shall have received a certificate signed on behalf of Parent by an executive officer of Parent to such effect.

(b) Performance of Obligations of the Parent and Merger Sub. Each of Parent, Holdings and Merger Sub shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date. The Partnership shall have received a certificate signed on behalf of Parent by an executive officer of Parent to such effect.

Section 7.4 Frustration of Closing Conditions.

(a) None of the Partnership nor the General Partner may rely on the failure of any condition set forth in Section 7.1, Section 7.2 or Section 7.3, as the case may be, to be satisfied if such failure was due to the failure of either such party to perform and comply in all material respects with the covenants and agreements in this Agreement to be performed or complied with by it prior to the Closing.

(b) None of Parent, Holdings or Merger Sub may rely on the failure of any condition set forth in Section 7.1, Section 7.2 or Section 7.3, as the case may be, to be satisfied if such failure was due to the failure of any such party to perform and comply in all material respects with the covenants and agreements in this Agreement to be performed or complied with by it prior to the Closing.

ARTICLE VIII

TERMINATION

Section 8.1 Termination. This Agreement may be terminated and the transactions contemplated by this Agreement abandoned at any time prior to the Effective Time:

(a) by the mutual written consent of the Partnership and Parent duly authorized by the Parent Board and the Audit Committee, respectively.

(b) by either of the Partnership or Parent:

(i) if the Closing shall not have been consummated on or before November 1, 2019 (the "Outside Date"); *provided, however*, that the right to terminate this Agreement under this Section 8.1(b)(i) shall not be available (A) to a party if the inability to satisfy such condition was due to the failure of such party to perform any of its obligations under this Agreement or (B) to a party if the other party has filed (and is then pursuing) an action seeking specific performance as permitted by Section 9.9;

(ii) if any Restraint having the effect set forth in Section 7.1(b) shall be in effect and shall have become final and nonappealable; *provided, however*, that the right to terminate this Agreement under this Section 8.1(b)(ii) shall not be available to a party if such Restraint was due to the failure of such party to perform any of its obligations under this Agreement; or

(iii) if the Partnership Unitholder Meeting shall have concluded and the Partnership Unitholder Approval shall not have been obtained.

(c) by Parent:

(i) if a Partnership Adverse Recommendation Change shall have occurred prior to receipt of the Partnership Unitholder Approval; or

(ii) if the Partnership or the General Partner shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement (or if any of the representations or warranties of the Partnership or the General Partner set forth in this Agreement shall fail to be true), which breach or failure (A) would (if it occurred or was continuing as of the Closing Date) give rise to the failure of a condition set forth in Section 7.2(a) or Section 7.2(b) and (B) is incapable of being cured, or is not cured, by the Partnership or the General Partner within 30 days following receipt of written notice from Parent of such breach or failure; *provided, however*, that Parent shall not have the right to terminate this Agreement pursuant to this Section 8.1(c)(ii) if Parent, Holdings or Merger Sub is then in material breach of any of its representations, warranties, covenants or agreements contained in this Agreement.

(d) by the Partnership (which termination may be effected for the Partnership by the Audit Committee without the consent, authorization or approval of the GP Board) if Parent shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement (or if any of the representations or warranties of Parent set forth in this Agreement shall fail to be true), which breach or failure (A) would (if it occurred or was continuing as of the Closing Date) give rise to the failure of a condition set forth in Section 7.3(a) or Section 7.3(b) and (B) is incapable of being cured, or is not cured, by Parent within 30 days following receipt of written notice from the Partnership of such breach or failure; *provided*, that the Partnership shall not have the right to terminate this Agreement pursuant to this Section 8.1(d) if the Partnership or the General Partner is then in material breach of any of its representations, warranties, covenants or agreements contained in this Agreement.

Section 8.2 Effect of Termination. In the event of the termination of this Agreement as provided in Section 8.1, written notice thereof shall be given to the other party or parties, specifying the provision of this Agreement pursuant to which such termination is made, and this Agreement shall forthwith become null and void (other than the provisions in the last sentence of Section 6.6, the provisions in Section 6.8, this Section 8.2, Section 8.3 and Article IX, all of which shall survive termination of this Agreement), and, except as otherwise provided in this Section 8.2, there shall be no liability on the part of any of Parent, Holdings, Merger Sub or the Partnership and the General Partner or their respective directors, officers and Affiliates; *provided, however*, that no such termination shall relieve any party hereto from (a) its obligation to pay the Parent Expense Reimbursement or the Partnership Termination Fee, as applicable, if, as and when required pursuant to Section 8.3, (b) any liability for any failure to consummate the Merger and the other transactions contemplated by this Agreement when required pursuant to this Agreement or (c) any liability for intentional fraud or a willful breach of any covenant or other agreement contained in this Agreement. For purposes of this Section 8.2, "willful breach" shall mean a material breach of this Agreement that is a consequence of a deliberate act or a deliberate failure

to act by the breaching party with the knowledge that the taking of such act (or the failure to take such act) would (i) cause a material breach of this Agreement and (ii) prevent or materially delay the Closing. Notwithstanding the foregoing, in no event shall the General Partner or the Partnership have any liability for any matter set forth in the proviso of the preceding sentence for any action taken or omitted to be taken by the General Partner, the Partnership, any of their respective Subsidiaries or any of their respective Representatives at the direction of Parent, any of its Subsidiaries or any of their respective Representatives.

**Section 8.3 Termination Fees; Expenses.**

(a) In the event this Agreement is terminated (i) by Parent pursuant to Section 8.1(c)(i) (*Partnership Adverse Recommendation Change*), (ii) by the Partnership or Parent pursuant to Section 8.1(b)(iii) (*Failed Partnership Unitholder Vote*) in a case where a Partnership Adverse Recommendation Change has occurred, or (iii) by the Partnership pursuant to Section 8.1(b)(i) (*Outside Date*) and, at the time of such termination under this clause (iii), (A) the Partnership Unitholder Approval shall not have been obtained and (B) Parent would have been permitted to terminate this Agreement pursuant to Section 8.1(c)(i) (*Partnership Adverse Recommendation Change*), then the Partnership shall pay to Parent a termination fee equal to \$20 million (the "Partnership Termination Fee") within two Business Days after the date of termination.

(b) In the event of termination of this Agreement by (i) the Partnership or Parent pursuant to Section 8.1(b)(iii) (*Failed Partnership Unitholder Vote*) (or termination by the Partnership pursuant to a different provision of Section 8.1 at a time when this Agreement was terminable pursuant to Section 8.1(b)(iii) (*Failed Partnership Unitholder Vote*) other than if the General Partner, the Parent and its Affiliates, each in their capacity as a Partnership Unitholder, shall have failed to vote in favor of approval of the Merger at the Partnership Unitholder Meeting, or (ii) Parent pursuant to Section 8.1(c)(ii) (*Partnership or General Partner Uncured Breach*), then the Partnership shall promptly, but in no event later than two Business Days after receipt of an invoice (with supporting documentation) therefor from Parent, pay Parent's designee all of the reasonably documented out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financing sources, hedging counterparties, experts and consultants) incurred by Parent and its Affiliates in connection with this Agreement and the transactions contemplated hereby up to a maximum amount of \$5 million (the "Parent Expense Reimbursement").

(c) In the event of termination of this Agreement by the Partnership pursuant to Section 8.1(d) (*Parent Uncured Breach*), then Parent shall promptly, but in no event later than two Business Days after receipt of an invoice (with supporting documentation) therefor from the Partnership, pay the Partnership's designee all of the reasonably documented out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financing sources, hedging counterparties, experts and consultants) incurred by the Partnership and its Affiliates in connection with this Agreement and the transactions contemplated hereby up to a maximum amount of \$5 million (the "Partnership Expense Reimbursement").

(d) Each of the parties hereto acknowledges that the Partnership Termination Fee, Parent Expense Reimbursement and Partnership Expense Reimbursement are not intended to



be a penalty, but rather are liquidated damages in a reasonable amount that will compensate the other party, as applicable, in the circumstances in which such amounts are due and payable and which do not involve fraud or willful and material breach, for the efforts and resources expended and opportunities forgone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision. In no event shall a party be entitled to more than one payment of the Partnership Termination Fee, Parent Expense Reimbursement and Partnership Expense Reimbursement, as applicable, in connection with a termination of this Agreement pursuant to which such amounts are payable.

(e) The parties acknowledge that the provisions of this Section 8.3 are an integral part of the transactions contemplated hereby and that, without these agreements, none of the Partnership, General Partner, Parent, Holdings or Merger Sub would enter into this Agreement. Accordingly, in the event that the Partnership shall fail to pay the Partnership Termination Fee required pursuant to this Section 8.3 when due, such fee shall accrue interest for the period commencing on the date such fee became past due, at a rate equal to the prime rate set forth in *The Wall Street Journal* in effect on the date such payment was required to be made plus 5%. In addition, if the Partnership shall fail to pay the Partnership Termination Fee when due, the Partnership shall also pay all of Parent's reasonable costs and expenses (including fees and expenses of counsel) in connection with efforts to collect such fee.

## ARTICLE IX

### MISCELLANEOUS

Section 9.1 No Survival, Etc. The representations, warranties and agreements in this Agreement (including, for the avoidance of doubt, any schedule, instrument or other document delivered pursuant to this Agreement) shall terminate at the Effective Time or, except as otherwise provided in Section 8.2 or Section 8.3, upon the termination of this Agreement pursuant to Section 8.1, as the case may be, except that the agreements set forth in Article I, Article II, Article III, the last sentence of Section 6.6, Section 6.8, Section 6.10 and Article IX and any other agreement in this Agreement that contemplates performance after the Effective Time shall survive the Effective Time.

Section 9.2 Amendment or Supplement. At any time prior to the Effective Time, this Agreement may be amended or supplemented in any and all respects, whether before or after receipt of the Partnership Unitholder Approval, by written agreement of the parties, by action taken or authorized by the Parent Board and the GP Board; *provided, however*, that the GP Board may not take or authorize any such action unless it has been approved by the Audit Committee; *provided, further*, that following receipt of the Partnership Unitholder Approval, there shall be no amendment or change to the provisions of this Agreement which by applicable Laws or stock exchange rule would require further approval by the Limited Partners without such approval.

Section 9.3 GP Board Consent. Unless otherwise expressly set forth in this Agreement, whenever a determination, decision, approval, consent, waiver or agreement of the Partnership or the General Partner is required pursuant to this Agreement (including any determination to exercise or refrain from exercising any rights under Article VIII or to enforce the terms of this Agreement

(including [Section 9.9](#)), such determination, decision, approval or consent must be authorized by the GP Board; *provided, however*, that the GP Board may not take or authorize any such action unless it has been approved in writing by the Audit Committee.

Section 9.4 Extension of Time, Waiver, Etc. At any time prior to the Effective Time, any party may, subject to applicable Law, (a) waive any inaccuracies in the representations and warranties of any other party hereto, (b) extend the time for the performance of any of the obligations or acts of any other party hereto, (c) waive compliance by the other party with any of the agreements contained herein or, except as otherwise provided herein, waive any of such party's conditions or (d) make or grant any consent under this Agreement; *provided, however*, that the GP Board may not take or authorize any such action unless it has been approved in writing by the Audit Committee. Notwithstanding the foregoing, no failure or delay by the Partnership, the General Partner, Parent or Merger Sub in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

Section 9.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise, by any of the parties without the prior written consent of the other parties, except that Merger Sub may assign, in its sole discretion, any of or all of its rights, interests and obligations under this Agreement to any other wholly owned Subsidiary of Parent or Holdings (including any wholly owned Subsidiary of Parent or Holdings created after the date of this Agreement but prior to the Effective Time), but no such assignment shall relieve Merger Sub of any of its obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns. Any purported assignment not permitted under this [Section 9.5](#) shall be null, void and ineffective.

Section 9.6 Counterparts. This Agreement may be executed in counterparts (each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement) and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

Section 9.7 Entire Understanding; No Third-Party Beneficiaries. This Agreement, the Support Agreement, the Partnership Disclosure Schedule, the Parent Disclosure Schedule and any certificates delivered by any party pursuant to this agreement (a) constitute the entire agreement and understanding, and supersede all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter of this Agreement and thereof and (b) shall not confer upon any Person other than the parties hereto any rights (including third-party beneficiary rights or otherwise) or remedies hereunder, except for, in the case of [clause \(b\)](#) of this sentence, the provisions of [Section 6.7](#) and [Section 9.12](#). Notwithstanding anything to the contrary in this Agreement, [Section 9.8](#) and [Section 9.12](#) shall be for the benefit of, and enforceable by, any financing sources or lender providing financing in connection with the Merger.

Section 9.8 Governing Law; Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, applicable to contracts executed in and to be performed entirely within that State.

(b) Each of the parties hereto irrevocably agrees that any legal action or Proceeding with respect to this Agreement and the rights and obligations arising hereunder, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware). Each of the parties hereto consents to service being made through the notice procedures set forth in Section 9.10, irrevocably submits with regard to any such action or Proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the aforesaid courts. Each of the parties hereto irrevocably waives, and agrees not to assert as a defense, counterclaim or otherwise, in any action or Proceeding with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve in accordance with this Section 9.8, (ii) any claim that it or its property is exempt or immune from the jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by the applicable Laws, any claim that (A) the suit, action or Proceeding in such court is brought in an inconvenient forum, (B) the venue of such suit, action or Proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts. Each party hereto expressly acknowledges that the foregoing waiver is intended to be irrevocable under the Law of the State of Delaware and of the United States of America; *provided, however*, that each such party's consent to jurisdiction and service contained in this Section 9.8(b) is solely for the purpose referred to in this Section 9.8(b) and shall not be deemed to be a general submission to such courts or in the State of Delaware other than for such purpose.

(c) EACH PARTY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR THE ACTIONS OF ANY PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

Section 9.9 Specific Performance. The parties agree that irreparable damage would occur and that the parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and it is accordingly agreed that the parties shall be entitled to an injunction or

injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, in each case, in accordance with this Section 9.9 in the Delaware Court of Chancery or any federal court sitting in the State of Delaware, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that (a) either party has an adequate remedy at law or (b) an award of specific performance is not an appropriate remedy for any reason at law or equity (it being understood that nothing in this sentence shall prohibit the parties hereto from raising other defenses to a claim for specific performance or other equitable relief under this Agreement). Each party further agrees that no party shall be required to obtain, furnish or post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 9.9, and each party irrevocably waives any right it may have to require the obtaining, furnishing or posting of any such bond or similar instrument.

Section 9.10 Notices. All notices and other communications hereunder must be in writing and will be deemed duly given if delivered personally or by email transmission, or mailed through a nationally recognized overnight courier, postage prepaid, to the parties at the following addresses (or at such other address for a party as specified by like notice, *provided, however*, that notices of a change of address will be effective only upon receipt thereof):

If to Parent or Merger Sub, to:

UGI Corporation  
460 North Gulph Road  
King of Prussia, PA 19406  
Attention: Monica M. Gaudiosi,  
Vice President, General Counsel & Secretary  
Email: gaudiosim@ugicorp.com

with copies (which shall not constitute notice) to:

Latham & Watkins LLP  
811 Main Street, Suite 3700 Houston, TX 77002  
Attention: Ryan J. Maieron  
John M. Greer  
Email: ryan.maieron@lw.com  
john.greer@lw.com

If to the Partnership or the General Partner, to:

AmeriGas Partners, L.P.  
460 North Gulph Road  
King of Prussia, PA 19406  
Attention: Michelle Bimson Maggi  
Email: michelle.bimson@amerigas.com

with copies (which shall not constitute notice) to:

Potter Anderson & Corroon, LLP  
1313 N Market Street  
Wilmington, DE 19801  
Attention: Mark A. Morton  
Thomas A. Mullen  
Email: mmorton@potteranderson.com  
tmullen@potteranderson.com

and

Baker Botts L.L.P.  
910 Louisiana Street  
Houston, TX 77002  
Attention: Joshua Davidson  
Andrew J. Ericksen  
Email: joshua.davidson@bakerbotts.com  
aj.ericksen@bakerbotts.com

Notices will be deemed to have been received on the date of receipt if (a) delivered by hand or nationally recognized overnight courier service or (b) upon receipt of an appropriate confirmation by the recipient when so delivered by email (to such email specified above or another email or emails as such person may subsequently designate by notice given hereunder only if followed by overnight or hand delivery).

Section 9.11 Severability. If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Laws in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the extent possible.

Section 9.12 Non-Recourse. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, financing source, lender, agent, attorney, representative or Affiliate of any party hereto or of any of their respective Affiliates (unless such Affiliate is expressly a party to this Agreement) shall have any liability (whether in contract or in tort or otherwise) for any obligations or liabilities arising under, in connection with or related to this Agreement or for any claim based on, in respect of, or by reason of, the transactions contemplated by this Agreement; *provided, however*, that nothing in this Section 9.12 shall limit any liability of the parties to this Agreement for breaches of the terms and conditions of this Agreement.

[Signature page follows.]

**PARENT:**

UGI CORPORATION

By: /s/ John L. Walsh

Name: John L. Walsh

Title: President and Chief Executive Officer

**HOLDINGS:**

AMERIGAS PROPANE HOLDINGS, INC.

By: /s/ Ted J. Jastrzebski

Name: Ted J. Jastrzebski

Title: President

**MERGER SUB:**

AMERIGAS PROPANE HOLDINGS, LLC

By: /s/ Ted J. Jastrzebski

Name: Ted J. Jastrzebski

Title: President

*Signature Page to Agreement and Plan of Merger*

**PARTNERSHIP:**

AMERIGAS PARTNERS, L.P.

By: AMERIGAS PROPANE, INC.,  
its general partner

By: /s/ Hugh J. Gallagher

Name: Hugh J. Gallagher

Title: President and Chief Executive Officer

**GENERAL PARTNER:**

AMERIGAS PROPANE, INC.

By: /s/ Hugh J. Gallagher

Name: Hugh J. Gallagher

Title: President and Chief Executive Officer

*Signature Page to Agreement and Plan of Merger*

## SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT, dated as of April 1, 2019 (this "Agreement"), is entered into by and between AmeriGas Partners, L.P., a Delaware limited partnership (the "Partnership"), and AmeriGas Propane, Inc., a Pennsylvania corporation and the general partner of the Partnership (the "General Partner").

## RECITALS

WHEREAS, concurrently with the execution of this Agreement, UGI Corporation, a Pennsylvania corporation (the "Parent"), AmeriGas Propane Holdings, Inc., a Delaware corporation, AmeriGas Propane Holdings, LLC, a Delaware limited liability company ("Merger Sub"), the Partnership and the General Partner are entering into an Agreement and Plan of Merger (as it may be amended from time to time, the "Merger Agreement"), pursuant to which (and subject to the terms and conditions set forth therein) Merger Sub shall be merged with and into the Partnership, the separate existence of Merger Sub shall cease and the Partnership shall survive and continue to exist as a Delaware limited partnership (the "Merger");

WHEREAS, as of the date hereof, the General Partner is the Record Holder and beneficial owner in the aggregate of, and has the right to vote and dispose of, the number of common units representing limited partner interests in the Partnership ("Common Units") set forth opposite its name on Schedule A hereto (the "Existing Units");

WHEREAS, as a condition and inducement to the Partnership's willingness to enter into the Merger Agreement and to proceed with the transactions contemplated thereby, including the Merger, the General Partner is entering into this Agreement; and

WHEREAS, the General Partner acknowledges that the Partnership is entering into the Merger Agreement in reliance on the representations, warranties, covenants and other agreements of the General Partner set forth in this Agreement and would not enter into the Merger Agreement if the General Partner did not enter into this Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the General Partner hereby agrees as follows:

1. Defined Terms. The following capitalized terms, as used in this Agreement, shall have the meanings set forth below. Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to them in the Merger Agreement.

"Audit Committee" has the meaning ascribed thereto in the Partnership Agreement.

"Covered Unitholder" means the General Partner and each such other Person as may later become party to this Agreement as a result of becoming a Record Holder or beneficial owner of Covered Units pursuant to Section 6(a), by joinder or otherwise.



“**Covered Units**” means the Existing Units of which the General Partner is the Record Holder or beneficial owner as of the date hereof, together with any Common Units of which the General Partner becomes the Record Holder or beneficial owner on or after the date hereof (or any Common Units with respect to which any Person as may later become party to this Agreement pursuant to Section 6(a), by joinder or otherwise, if applicable, becomes the Record Holder or beneficial owner on or after the date hereof).

“**Proxy Designee**” means a Person designated by the Audit Committee by written notice to each of the parties hereto, which notice may simultaneously revoke the designation of any other Person as a Proxy Designee.

“**Record Holder**” has the meaning ascribed thereto in the Partnership Agreement.

“**Transfer**” means, directly or indirectly, to sell, transfer, assign, pledge, encumber or similarly dispose of (by merger (including by conversion into securities or other consideration), by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise), either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the voting of or sale, transfer, assignment, pledge, encumbrance or similar disposition of (by merger, by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise).

2. **Agreement to Vote Covered Units.** Prior to the Termination Date (as defined herein), each Covered Unitholder, severally and not jointly, irrevocably and unconditionally agrees that it shall at any meeting of the limited partners of the Partnership (whether annual or special and whether or not an adjourned or postponed meeting), however called and in connection with the Merger, appear at such meeting or otherwise cause the Covered Units to be counted as present thereat for purpose of establishing a quorum and vote (or consent), or cause to be voted at such meeting (or validly execute and return and cause such consent to be granted with respect to), in person or by proxy, all Covered Units (in all manners and by each applicable class): (a) in favor of the Merger, the approval of the Merger Agreement and any other matter necessary or desirable for the consummation of the transactions contemplated by the Merger Agreement, including the Merger, and (b) against any action, agreement, transaction, or proposal that is intended, would reasonably be expected, or the result of which would reasonably be expected, to impede, interfere with, delay, postpone, discourage, frustrate the purposes of, or adversely affect any of the transactions contemplated by the Merger Agreement, including the Merger. For the avoidance of doubt, no Covered Unitholder (in its capacity as a unitholder) shall be under any obligation whatsoever to require or request that the limited partners of the Partnership vote on, consent to or otherwise approve or reject any matter or issues; notwithstanding the foregoing, if any Covered Unitholder is the beneficial owner, but not the Record Holder, of any Covered Units, such beneficial owner agrees to take all actions necessary to cause the Record Holder and any nominees to vote (or execute a consent with respect to) all of such Covered Units in accordance with this Section 2.

3. Grant of Irrevocable Proxy; Appointment of Proxy.

(a) FROM AND AFTER THE DATE HEREOF UNTIL THE TERMINATION DATE, EACH COVERED UNITHOLDER HEREBY IRREVOCABLY AND UNCONDITIONALLY GRANTS TO, AND APPOINTS, HUGH J. GALLAGHER, ANN KELLY, AND ANY OTHER PROXY DESIGNEE, EACH OF THEM INDIVIDUALLY, SUCH COVERED UNITHOLDER'S, AS APPLICABLE, PROXY AND ATTORNEY-IN-FACT (WITH FULL POWER OF SUBSTITUTION) TO VOTE (OR EXERCISE A WRITTEN CONSENT WITH RESPECT TO) THE COVERED UNITS SOLELY IN ACCORDANCE WITH SECTION 2. THIS PROXY IS IRREVOCABLE (UNTIL THE TERMINATION DATE AND EXCEPT AS TO ANY PROXY DESIGNEE WHOSE DESIGNATION AS A PROXY DESIGNEE IS REVOKED BY THE AUDIT COMMITTEE) AND COUPLED WITH AN INTEREST AND EACH COVERED UNITHOLDER SHALL TAKE SUCH FURTHER ACTION OR EXECUTE SUCH OTHER INSTRUMENTS AS MAY BE NECESSARY TO EFFECTUATE THE INTENT OF THIS PROXY AND HEREBY REVOKES ANY OTHER PROXY PREVIOUSLY GRANTED BY SUCH COVERED UNITHOLDER, AS APPLICABLE, WITH RESPECT TO THE COVERED UNITS (AND EACH COVERED UNITHOLDER HEREBY REPRESENTS TO THE PARTNERSHIP THAT ANY SUCH OTHER PROXY IS REVOCABLE AND HEREBY REVOKES ANY SUCH OTHER PROXIES). EACH COVERED UNITHOLDER HEREBY AFFIRMS THAT THE IRREVOCABLE PROXY SET FORTH IN THIS SECTION IS GIVEN IN CONNECTION WITH THE MERGER AGREEMENT, AND THAT SUCH IRREVOCABLE PROXY IS GIVEN TO SECURE THE PERFORMANCE OF THE DUTIES OF SUCH COVERED UNITHOLDER UNDER THIS AGREEMENT.

(b) The proxy granted in this Section 3 shall automatically expire upon the termination of this Agreement.

4. Termination. This Agreement shall terminate upon the earliest of (a) the Effective Time, (b) the termination of the Merger Agreement in accordance with its terms and (c) the mutual written agreement of the parties hereto to terminate this Agreement (such earliest date being referred to herein as the "Termination Date"); *provided* that the provisions set forth in Sections 12 to 18 shall survive the termination of this Agreement; *provided further* that any liability incurred by any party hereto as a result of a breach of a term or condition of this Agreement prior to such termination shall survive the termination of this Agreement. Upon termination of this Agreement, none of the Covered Unitholders shall have any further obligations or liabilities hereunder.

5. Representations and Warranties of each Covered Unitholder. Each Covered Unitholder, severally (but not jointly) and making representations only as to itself, hereby represents and warrants to the Partnership as follows:

(a) Such party is the Record Holder and beneficial owner of, and has good and valid title to, its respective Covered Units, free and clear of Liens other than as created by this Agreement, the Merger Agreement or arising under generally applicable securities Laws. Such party has voting power, power of disposition, and power to agree to all of the matters set forth in this Agreement, in each case with respect to all of such Covered Units. As of the date hereof, other

than the Covered Units or as contemplated by the Standby Equity Commitment Agreement dated November 7, 2017 among the Partnership, the General Partner and Parent, such party is not the Record Holder and does not own beneficially any (i) units or voting securities of the Partnership, (ii) securities of the Partnership convertible into or exchangeable for units or voting securities of the Partnership or (iii) options or other rights to acquire from the Partnership any units, voting securities or securities convertible into or exchangeable for units or voting securities of the Partnership. The Covered Units are not subject to any voting trust agreement or other contract to which such party is a party restricting or otherwise relating to the voting or Transfer of the Covered Units. Such party has not appointed or granted any proxy or power of attorney that is still in effect with respect to any Covered Units, except as contemplated by this Agreement.

(b) Such party is duly organized, validly existing and in good standing under the Laws of Pennsylvania, or such other Laws of its jurisdiction, and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by such party, the performance by such party of its obligations hereunder and the consummation by such party of the transactions contemplated hereby have been duly and validly authorized by such party and no other actions or proceedings on the part of such party are necessary to authorize the execution and delivery by such party of this Agreement, the performance by such party of its obligations hereunder or the consummation by such party of the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by such party and, assuming due authorization, execution and delivery by the Partnership, constitutes a legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law).

(c) Except for the applicable requirements of the Exchange Act, (i) no filing with, and no permit, authorization, consent or approval of, any Governmental Authority is necessary on the part of such party for the execution, delivery and performance of this Agreement by such party or the consummation by such party of the transactions contemplated hereby and (ii) neither the execution, delivery or performance of this Agreement by such party nor the consummation by such party of the transactions contemplated hereby nor compliance by such party with any of the provisions hereof shall (A) conflict with or violate, any provision of the Organizational Documents of such party, (B) result in any breach or violation of, or constitute a default (or an event which, with notice or lapse of time or both, would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of a Lien on such property or asset of such party pursuant to, any contract to which such party is a party or by which such party or any property or asset of such party is bound or affected or (C) violate any order, writ, injunction, decree, statute, rule or regulation applicable to such party or any of such party's properties or assets except, in the case of clause (B) or (C), for breaches, violations or defaults that would not, individually or in the aggregate, materially impair the ability of such party to perform its obligations hereunder.

(d) As of the date of this Agreement, there is no action, suit, investigation, complaint or other proceeding pending against such party or, to the actual knowledge of such party, any other Person or, to the actual knowledge of such party, threatened against such party or any other Person that restricts or prohibits (or, if successful, would restrict or prohibit) the Partnership of their rights under this Agreement or the performance by any party of its obligations under this Agreement.

(e) Such party understands and acknowledges that the Partnership is entering into the Merger Agreement in reliance upon such party's execution and delivery of this Agreement and the representations and warranties of such party contained herein.

6. Certain Covenants of each Covered Unitholder. Each Covered Unitholder, severally (but not jointly) hereby covenants and agrees, in each case, only on its own behalf as follows, in each case except as otherwise approved in writing by Audit Committee:

(a) Prior to the Termination Date, and except as contemplated hereby, such party shall not (i) Transfer, or enter into any contract, option, agreement or other arrangement or understanding with respect to the Transfer of any of the Covered Units or beneficial ownership or voting power thereof or therein (including by operation of law), (ii) grant any proxies or powers of attorney, deposit any Covered Units into a voting trust or enter into a voting agreement with respect to any Covered Units or (iii) knowingly take any action that would make any representation or warranty of such party contained herein untrue or incorrect or have the effect of preventing or disabling such party from performing its obligations under this Agreement. Notwithstanding anything to the contrary in this Agreement, such party may Transfer any or all of the Covered Units, in accordance with applicable Law, to each other or any Affiliate of the General Partner; *provided* that prior to and as a condition to the effectiveness of such Transfer, each Person to whom any of such Covered Units or any interest in any of such Covered Units is or may be Transferred shall have executed and delivered to the Partnership a counterpart of this Agreement pursuant to which such Person shall be bound by all of the terms and provisions of this Agreement as if such Person were a party with the obligations of a Covered Unitholder. Any Transfer in violation of this provision shall be void.

(b) Prior to the Termination Date, in the event that such party becomes the Record Holder or acquires beneficial ownership of, or the power to vote or direct the voting of, any additional Common Units or other voting interests with respect to the Partnership, such Covered Unitholder shall promptly notify the Partnership of such Common Units or voting interests, such Common Units or voting interests shall, without further action of the parties, be deemed Covered Units and subject to the provisions of this Agreement, and the number of Common Units held by such party set forth on Schedule A hereto shall be deemed amended accordingly and such Common Units or voting interests shall automatically become subject to the terms of this Agreement.

7. Transfer Agent. Each Covered Unitholder hereby authorizes the Partnership or its counsel to notify the Partnership's transfer agent that there is a stop transfer order with respect to all Covered Units (and that this Agreement places limits on the voting and Transfer of such Covered Units); *provided, however*, the Partnership or its counsel shall further notify the Partnership's transfer agent to lift and vacate the stop transfer order with respect to the Covered Units on the Termination Date.

8. Unitholder Capacity. This Agreement is being entered into by each Covered Unitholder solely in its capacity as a holder of Common Units, and nothing in this Agreement

shall restrict or limit the ability of such Covered Unitholder or any of its respective Affiliates or any employee thereof who is a director or officer of the Partnership to take any action in his or her capacity as a director or officer of the Partnership to the extent specifically permitted by the Merger Agreement.

9. Disclosure. Each Covered Unitholder hereby authorizes the Partnership to publish and disclose in any announcement or disclosure required by the SEC and in the Proxy Statement and the Schedule 13E-3 such party's identity and ownership of the Covered Units and the nature of such party's obligations under this Agreement.

10. Non-Survival of Representations and Warranties. The representations and warranties of each Covered Unitholder contained herein shall not survive the Termination Date or the closing of the transactions contemplated hereby and by the Merger Agreement.

11. Amendment and Modification. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each party hereto and otherwise as expressly set forth herein.

12. Waiver. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder. Any agreement on the part of a party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by such party.

13. Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given if delivered personally or by email transmission, or mailed through a nationally recognized overnight courier, postage prepaid, to the parties at the following addresses (or at such other address for a party as specified by like notice, *provided, however*, that notices of a change of address shall be effective only upon receipt thereof):

- (i) If to the General Partner (or any other Covered Unitholder):

UGI Corporation  
460 North Gulph Road  
King of Prussia, PA 19406  
Attention: Monica M. Gaudiosi,  
Vice President, General Counsel & Secretary  
Email: gaudiosim@ugicorp.com

with copies (which shall not constitute notice) to:

Latham & Watkins LLP  
811 Main Street, Suite 3700  
Houston, TX 77002  
Attention: Ryan J. Maierson  
John M. Greer  
Email: ryan.maierson@lw.com  
john.greer@lw.com

(ii) If to the Partnership:

AmeriGas Partners, L.P.  
460 North Gulph Road  
King of Prussia, PA 19406  
Attention: Michelle Bimson Maggi  
Email: michelle.bimson@amerigas.com

with copies (which shall not constitute notice) to:

Potter Anderson & Corroon, LLP  
1313 N Market Street  
Wilmington, DE 19801  
Attention: Mark A. Morton  
Thomas A. Mullen  
Email: mmorton@potteranderson.com  
tmullen@potteranderson.com

and

Baker Botts L.L.P.  
910 Louisiana Street  
Houston, TX 77002  
Attention: Joshua Davidson  
Andrew J. Ericksen  
Email: joshua.davidson@bakerbotts.com  
aj.ericksen@bakerbotts.com

Notices shall be deemed to have been received on the date of receipt if (a) delivered by hand or nationally recognized overnight courier service or (b) upon receipt of an appropriate confirmation by the recipient when so delivered by email (to such email specified above or another email or emails as such person may subsequently designate by notice given hereunder only if followed by overnight or hand delivery).

14. Entire Agreement. This Agreement and the Merger Agreement (including the Exhibits and Schedules thereto) constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings between the parties with respect to the subject matter hereof and thereof.

15. No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement, with the exception of those rights conferred to the Audit Committee in this Agreement.

16. Assignment; Successors. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of all other parties, and any such assignment without such prior written consent shall be null and void; *provided, however*, that the Partnership may assign all or any of its rights and obligations hereunder to any direct or indirect wholly owned Subsidiary of the Partnership, and the General Partner may Transfer any or all of the Covered Units in accordance with Section 6(a); *provided further* that no assignment shall limit the assignor's obligations hereunder. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

17. Other Miscellaneous Provisions. The provisions of Sections 9.6, 9.8, 9.9, 9.11 and 9.12 of the Merger Agreement shall be incorporated into to this Agreement, *mutatis mutandis*, except for such changes as are required to comply with applicable Law.

18. Audit Committee. In addition to any other approvals required by the parties under this Agreement, any waiver, amendment, termination or assignment of rights permitted by this Agreement must be approved, in the case of the Partnership, by the Audit Committee.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Partnership and the General Partner have caused to be executed or executed this Agreement as of the date first written above.

**GENERAL PARTNER**

AMERIGAS PROPANE, INC.

By: /s/ Hugh J. Gallagher

Name: Hugh J. Gallagher

Title: President and Chief Executive Officer

SIGNATURE PAGE TO SUPPORT AGREEMENT



**PARTNERSHIP**

AMERIGAS PARTNERS, L.P.

By: AmeriGas Propane, Inc., its general partner

By: /s/ Hugh J. Gallagher

Name: Hugh J. Gallagher

Title: President and Chief Executive Officer

SIGNATURE PAGE TO SUPPORT AGREEMENT

<u>Unitholder</u>	<u>Existing Units</u>
General Partner	23,756,882

Schedule A



**UGI TO ACQUIRE 100% OF THE PUBLICLY HELD UNITS OF AMERIGAS PARTNERS, L.P.**

*Proposed acquisition of third party common units follows comprehensive strategic review of AmeriGas*

*Transaction beneficial to both companies*

*Unitholders of AmeriGas to receive cash and stock consideration representing a premium of 13.5% to AmeriGas' current trading price*

*UGI announces cumulative 25% dividend increase*

*UGI and AmeriGas update fiscal 2019 guidance*

**VALLEY FORGE, Pa., April 2, 2019** – UGI Corporation (NYSE: UGI) and AmeriGas Partners, L.P. (NYSE: APU; “AmeriGas”) announced today that they have entered into a merger agreement under which UGI will fully consolidate its ownership of AmeriGas, the nation’s largest retail propane marketer, by acquiring the 69.2 million publicly held common units it does not already own. Under the terms of the agreement, AmeriGas unitholders will receive 0.50 shares of UGI common stock plus \$7.63 in cash consideration for each common unit of AmeriGas, representing a premium of 21.9% to AmeriGas’ 30-day volume weighted average price and a 13.5% premium to the April 1, 2019 closing price of \$31.13. AmeriGas unitholders will continue to receive a \$0.95 per unit distribution for each quarter completed prior to the closing of the merger.

As part of the transaction, AmeriGas will no longer be a Master Limited Partnership (“MLP”) and will instead become a wholly owned subsidiary of UGI. UGI currently holds an approximate 26% ownership interest in AmeriGas. AmeriGas Propane, Inc., a wholly owned UGI subsidiary, has served as AmeriGas’ sole general partner since 1995 (the “General Partner”).

The General Partner’s Audit Committee, comprised entirely of independent directors, after consultation with its independent legal and financial advisors, unanimously approved the merger agreement and determined it to be fair and reasonable to, and in the best interests of, AmeriGas and the unitholders unaffiliated with UGI. Subsequently, the transaction was approved by the Boards of both UGI and the General Partner.

“Our two companies have a long and successful history of working together, spanning 60 years,” said John L. Walsh, President and Chief Executive Officer of UGI. “A consolidation of AmeriGas’ ownership maximizes value for both companies and our respective stakeholders, as we will be better positioned to invest and grow. In particular, we welcome AmeriGas’ current unitholders and look forward to being exceptional stewards of their capital.”

The closing of the merger is subject to satisfaction of customary conditions. Under the partnership agreement, the merger is required to be approved by a majority of the outstanding AmeriGas common units. Affiliates of UGI own approximately 26% of the outstanding common units and have entered into a support agreement with AmeriGas whereby they have agreed to vote their common units in favor of the transaction.

### **Compelling Financial and Strategic Benefits**

The transaction offers compelling financial and strategic benefits for both UGI and AmeriGas in the near and long term.

#### For UGI, the transaction is expected to:

- Increase UGI's cash flow per share by over 15% for fiscal 2020 on a fully consolidated basis.
- Provide over \$200 million in additional annual cash flow, increasing its capability to make diversified investments across all business segments to further the company's growth strategy.
- Support the increase of UGI's annualized dividend to its shareholders, by \$0.16 for the July dividend and another \$0.10 following the transaction's close.
- Be accretive to Adjusted EPS beginning in fiscal 2020.

#### For AmeriGas and its current investors, the transaction is expected to:

- Provide unitholders an immediate 13.5% premium to the value of their units.
- Improve AmeriGas' cost of capital through the elimination of incentive distribution rights payable to the General Partner and support the long-term strength and stability of AmeriGas.
- Enable unitholders to share in the value of UGI, which has a diversified asset portfolio and a history of meeting long-term commitments to shareholders including 6% - 10% annual earnings growth and 4% annual dividend growth.
- Support the paydown of AmeriGas' short-term debt as a means of reducing leverage resulting in an enhanced credit profile.
- Eliminate administrative complexities and costs inherent to the MLP structure and resolve distribution coverage challenges.

"After conducting a comprehensive review of strategic alternatives, both the AmeriGas and UGI Boards determined that a merger of AmeriGas was the most compelling next step in our development. The transaction with UGI supports a strong and stable AmeriGas and empowers a focus on growth opportunities," said Hugh J. Gallagher, President and Chief Executive Officer of AmeriGas.

Roger Perreault, Executive Vice President, Global LPG, added, "This transaction provides an opportunity to further align AmeriGas and UGI International's LPG distribution operations to drive efficiencies, support strategic initiatives, and accelerate growth. Additionally, AmeriGas unitholders will share in the value of a company with an outstanding track record of enhancing shareholder value."

John L. Walsh concluded, "We are pleased to increase our ownership of AmeriGas. This merger offers a compelling premium for AmeriGas unitholders and creates a platform for future cash flow and earnings growth for UGI. Our dividend increases represent our confidence in that future outlook."

### **Guidance Update<sup>1</sup>**

As the heating season concludes, UGI is updating its fiscal 2019 adjusted EPS guidance to \$2.40 - \$2.60 from \$2.75 - \$2.95, due to significantly warmer-than-normal winter weather in its European markets, as well as the impact of limited weather volatility during the fiscal 2019 heating season on its capacity management business. This updated guidance excludes the impact of the proposed merger described above.

AmeriGas expects to be at the low end of its fiscal 2019 Adjusted EBITDA guidance range of \$610mm - \$650mm due in large part to unfavorable weather patterns in the Southern U.S. during January and February.

#### **Dividend Increase**

UGI plans to increase its second fiscal quarter dividend by 15% (an increase from \$0.26 to \$0.30) and an additional 10% (an increase from \$0.30 to \$0.325) following the closing of the transaction.

#### **Financing**

UGI, which does not currently have debt at the corporate level, plans to finance the cash portion of the transaction by entering into a bank term loan of approximately \$500 million. The merger is not, however, subject to any financing condition.

#### **Closing Details**

This transaction is subject to the approval of AmeriGas' unitholders, as well as the satisfaction of customary closing conditions. The transaction is expected to close in the fourth quarter of fiscal 2019.

#### **Advisors**

J.P. Morgan Securities LLC is serving as UGI's financial advisor and Latham & Watkins LLP is serving as legal counsel.

Tudor, Pickering, Holt & Co. is serving as financial advisor to AmeriGas' Audit Committee. Potter Anderson & Corroon LLP is serving as legal counsel to AmeriGas' Audit Committee and Baker Botts L.L.P. is serving as legal counsel to AmeriGas.

In connection with the transaction, the financial advisors provided fairness opinions to both UGI's Board and AmeriGas' Audit Committee. The fairness opinions referred to herein are, in each case, subject to certain assumptions made, matters considered, procedures followed, and other qualifications and limitations described in such opinions.

#### **Investment Community Call**

UGI and AmeriGas will hold a live Internet Audio Webcast of its conference call to discuss the proposed merger of AmeriGas at 9:00 AM ET on Tuesday, April 2, 2019. Interested parties may listen to the audio webcast both live and in replay on the Internet at <http://www.ugicorp.com/investor-relations/events-and-presentations/default.aspx> or at the company website at <http://www.ugicorp.com> under Investor Relations. A telephonic replay will be available from 12:00 PM ET on April 2, 2019 through 11:59 PM ET on April 9, 2019. The replay may be accessed at (800) 585-8367, and internationally at (416) 621-4642, conference ID 8689186.

#### **About UGI Corporation**

UGI Corporation is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, distributes propane both domestically and internationally, manages midstream energy and electric generation

assets in Pennsylvania, and engages in energy marketing in ten states, the District of Columbia and internationally in France, Belgium, the Netherlands and the UK. UGI, through subsidiaries, is the sole general partner and owns approximately 26% of AmeriGas, the nation's largest retail propane distributor.

#### **About AmeriGas Partners, L.P.**

AmeriGas Partners, L.P. is the nation's largest retail propane marketer, serving over 1.7 million customers in all 50 states from approximately 1,900 distribution locations. UGI, through subsidiaries, is currently the sole general partner and owns approximately 26% of AmeriGas, with the public owning the remaining 74%. Comprehensive information about AmeriGas is available on the Internet at <http://www.amerigas.com>.

#### **UGI and AmeriGas**

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Alanna Zahora 610-337-1000 ext. 1004  
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#### **USE OF NON-GAAP MEASURES**

##### **UGI**

Management uses "adjusted diluted earnings per share," which is derived from "adjusted net income attributable to UGI Corporation," both of which are non-GAAP financial measures, when evaluating UGI's overall performance. For the periods presented, adjusted net income attributable to UGI Corporation is net income attributable to UGI Corporation after excluding net after-tax gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions (principally comprising changes in unrealized gains and losses on such derivative instruments), losses associated with extinguishments of debt, and the impact on net deferred tax liabilities from a change in the French tax rate and U.S. tax reform legislation. Volatility in net income at UGI can occur as a result of gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions but included in earnings in accordance with U.S. generally accepted accounting principles ("GAAP").

Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. Management believes that these non-GAAP measures provide meaningful information to investors about UGI's performance because they eliminate the impact of (1) gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and (2) other significant discrete items that can affect the comparison of period-over-period results.

#### **AmeriGas**

AmeriGas' management uses certain non-GAAP financial measures, including adjusted total margin, EBITDA, adjusted EBITDA and adjusted net income (loss) attributable to AmeriGas Partners, L.P., when evaluating AmeriGas' overall performance. These financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

Management believes earnings before interest, income taxes, depreciation and amortization ("EBITDA"), as adjusted for the effects of gains and losses on commodity derivative instruments not associated with current-period transactions and other gains and losses that competitors do not necessarily have ("Adjusted EBITDA"), is a meaningful non-GAAP financial measure used by investors to (1) compare AmeriGas' operating performance with that of other companies within the propane industry and (2) assess AmeriGas' ability to meet loan covenants. AmeriGas' definition of Adjusted EBITDA may be different from those used by other companies.

Management uses Adjusted EBITDA to compare year-over-year profitability of the business without regard to capital structure as well as to compare the relative performance of AmeriGas to that of other MLPs without regard to their financing methods, capital structure, income taxes, the effects of gains and losses on commodity derivative instruments not associated with current-period transactions or historical cost basis. In view of the omission of interest, income taxes, depreciation and amortization, gains and losses on commodity derivative instruments not associated with current-period transactions and other gains and losses that competitors do not necessarily have from adjusted EBITDA, management also assesses the profitability of the business by comparing net income attributable to AmeriGas Partners, L.P. for the relevant periods. Management also uses Adjusted EBITDA to assess AmeriGas' profitability because its parent, UGI, uses AmeriGas' Adjusted EBITDA to assess the profitability of AmeriGas, which is one of UGI's industry segments. UGI discloses AmeriGas' Adjusted EBITDA as the profitability measure for its domestic propane segment.

Management believes the presentation of other non-GAAP financial measures, comprised of adjusted total margin and adjusted net income (loss) attributable to AmeriGas Partners, L.P., provide useful information to investors to more effectively evaluate the period-over-period results of operations of the Partnership. Management uses these non-GAAP financial measures because they eliminate the impact of (1) gains and losses on commodity derivative instruments that are not associated with current-period transactions and (2) other gains and losses that competitors do not necessarily have to provide insight into the comparison of period-over-period profitability to that of other master limited partnerships.

#### **A Note on Guidance<sup>1</sup>**

##### **UGI**

Because UGI is unable to predict certain potentially material items affecting diluted earnings per share on a GAAP basis, principally mark-to-market gains and losses on commodity and certain foreign currency derivative instruments and impacts from tax reform in the U.S. and France, UGI cannot reconcile 2019 adjusted earnings per share guidance, a non-GAAP measure, to diluted earnings per share, the most directly comparable GAAP measure, in reliance on the "unreasonable efforts" exception set forth in the rules of the U.S. Securities and Exchange Commission ("SEC").

## AmeriGas

Because AmeriGas is unable to predict certain potentially material items affecting net income on a GAAP basis, principally mark-to-market gains and losses on commodity derivative instruments, we cannot reconcile 2018 Adjusted EBITDA, a non-GAAP measure, to net income attributable to AmeriGas Partners, L.P., the most directly comparable GAAP measure, in reliance on the “unreasonable efforts” exception set forth in SEC rules. Adjustments that management can reasonably estimate are provided below.

The following table includes a quantification of interest expense, income tax expense, depreciation and amortization included in the calculation of forecasted Adjusted EBITDA guidance range for the fiscal year ending September 30, 2019:

	Forecast Fiscal Year Ending September 30, 2019	
	(Low End)	(High End)
Adjusted EBITDA (estimate)	\$ 610,000	\$ 650,000
Interest expense (estimate)	166,000	162,000
Income tax expense (estimate)	3,000	3,500
Depreciation (estimate)	142,000	149,000
Amortization (estimate)	41,000	40,000

## Forward-Looking Statements

All statements in this press release (and oral statements made regarding the subjects of this communication) other than historical facts are forward-looking statements. The safe harbor provisions under Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 do not apply to forward-looking statements made or referred to in this release. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and factors, many of which are outside the control of UGI and AmeriGas, which could cause actual results to differ materially from such statements. Forward-looking information includes, but is not limited to: statements regarding the expected benefits of the proposed transaction to UGI and its shareholders and to AmeriGas and its unitholders; the anticipated completion of the proposed transaction and the timing thereof; the expected future growth, dividends and distributions of the combined company; and plans and objectives of management for future operations. While UGI believes that the assumptions concerning future events are reasonable, it cautions that there are inherent difficulties in predicting certain important factors that could impact the future performance or results of its business. Among the factors that could cause results to differ materially from those indicated by such forward-looking statements are: the failure to realize the anticipated costs savings, synergies and other benefits of the transaction; the possible diversion of management time on transaction-related issues; the risk that the requisite approvals to complete the transaction are not obtained; local, regional and national economic conditions and the impact they may have on UGI, AmeriGas and their customers; changes in tax laws that impact MLPs and the continued analysis of recent tax legislation; conditions in the energy industry, including cost volatility and availability of all energy products, including propane, natural gas, electricity and fuel oil as well as increased customer conservation measures; adverse weather conditions; the financial condition of UGI's and AmeriGas' customers; any non-performance by customers of their contractual obligations; changes in customer, employee or supplier relationships;



changes in safety, health, environmental and other regulations; liability for uninsured claims and for claims in excess of insurance coverage; domestic and international political, regulatory and economic conditions in the U.S. and in foreign countries, including the current conflicts in the Middle East; foreign currency exchange rate fluctuations (particularly the euro); the timing of development of Marcellus Shale gas production; the results of any reviews, investigations or other proceedings by government authorities; addressing any reviews, investigations or other proceedings by government authorities or shareholder actions; the performance of AmeriGas; and the interruption, disruption, failure, malfunction or breach of UGI's or AmeriGas' information technology systems, including due to cyber-attack.

These forward-looking statements are also affected by the risk factors, forward-looking statements and challenges and uncertainties described in each of UGI's and AmeriGas' Annual Reports on Form 10-K for the fiscal year ended September 30, 2018, and those set forth from time to time in each entity's filings with the SEC, which are available at [www.ugicorp.com](http://www.ugicorp.com) and [www.amerigas.com](http://www.amerigas.com), respectively. Except as required by law, UGI and AmeriGas expressly disclaim any intention or obligation to revise or update any forward-looking statements whether as a result of new information, future events or otherwise.

#### **No Offer or Solicitation**

This press release is for informational purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities pursuant to the proposed transaction or otherwise, nor shall there be any sale of securities in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

#### **Additional Information and Where You Can Find It**

UGI and AmeriGas will each file with the SEC a Current Report on Form 8-K, which will contain, among other things, a copy of the merger agreement and the support agreement. In connection with the proposed transaction, UGI and AmeriGas, as applicable, will file a registration statement on Form S-4, including a proxy statement/prospectus, and other related documents, including a Schedule 13E-3, with the SEC. This press release is not a substitute for the merger agreement, proxy statement/prospectus, the Schedule 13E-3 or any other document that UGI or AmeriGas may file with the SEC in connection with the transaction. BEFORE MAKING ANY VOTING DECISION OR ELECTION, SECURITY HOLDERS OF AMERIGAS ARE ADVISED TO CAREFULLY READ THE MERGER AGREEMENT, THE PROXY STATEMENT/PROSPECTUS (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO), THE SCHEDULE 13E-3, AND ANY OTHER DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE TRANSACTION, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION, THE PARTIES TO THE TRANSACTION AND THE RISKS ASSOCIATED WITH THE TRANSACTION. A definitive proxy statement/prospectus will be sent to AmeriGas unitholders in connection with the special meeting. Investors and security holders may obtain a free copy of the proxy statement/prospectus (when available), the Schedule 13E-3 (when available) and other relevant documents filed by UGI or AmeriGas with the SEC from the SEC's website at [www.sec.gov](http://www.sec.gov). Security holders and other interested parties will also be able to obtain, without charge, a copy of the proxy statement/prospectus, the Schedule 13E-3 and other relevant documents (when available) from [www.ugicorp.com](http://www.ugicorp.com) under the tab "Investor Relations" and then under the heading "SEC Filings."

**Participants in the Solicitation**

UGI, AmeriGas, the General Partner and their respective directors, executive officers and certain other members of management may be deemed to be participants in the solicitation of proxies from their respective security holders with respect to the transaction. Information about these persons is set forth in UGI's proxy statement relating to its 2019 Annual Meeting of Shareholders, which was filed with the SEC on December 20, 2018, and AmeriGas' Annual Report on Form 10-K for the fiscal year ended September 30, 2018, which was filed with the SEC on November 20, 2018, and subsequent statements of changes in beneficial ownership on file with the SEC. Security holders and investors may obtain additional information regarding the interests of such persons, which may be different than those of the respective companies' security holders generally, by reading the joint proxy statement/prospectus and other relevant documents regarding the transaction, which will be filed with the SEC.

# UGI/APU TRANSACTION

April 2, 2019



UGI  
CORPORATION  
**AmeriGas**

# About This Presentation

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# Legal Disclaimer

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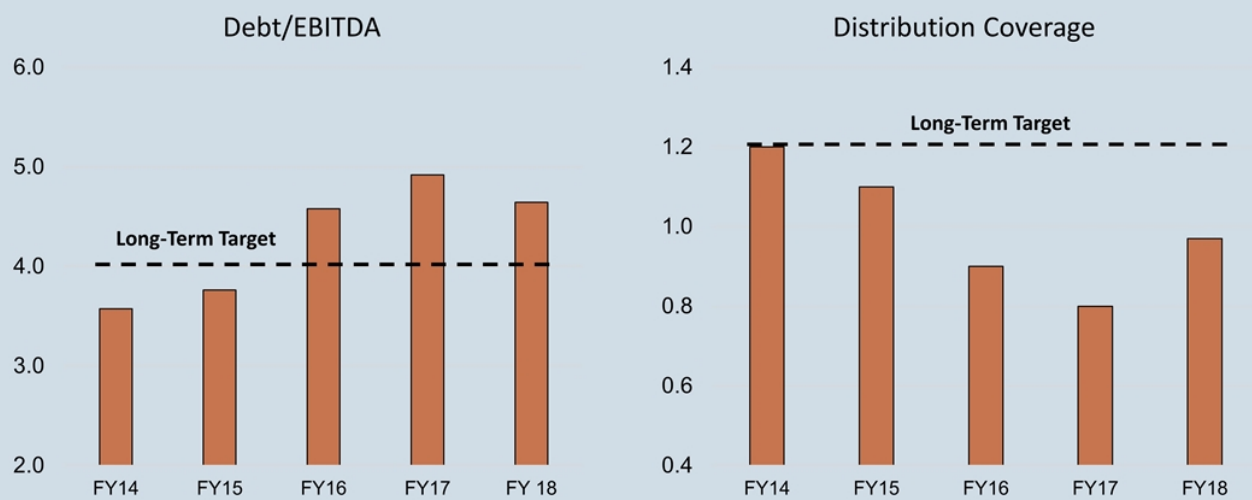
# Transaction Summary

- UGI Corp (NYSE: UGI) has executed a definitive agreement to acquire the 69.2 million common units of AmeriGas Partners, L.P. (NYSE: APU) not already owned by UGI for a total transaction value of approximately \$4.6 billion<sup>1</sup>
- AmeriGas unitholders will receive 0.500 shares of UGI plus \$7.63 in cash for each common unit of AmeriGas
  - Implies a 21.9% premium to AmeriGas' 30-day volume weighted average price and 13.5% premium to April 1, 2019 closing price
- Allows UGI to increase its dividend by 25%; 15% increase to the next quarterly dividend and the remaining 10% following transaction close
- All existing debt at AmeriGas will remain outstanding at close
- Transaction results in a significant step up in basis to UGI and is taxable to APU common unitholders<sup>2</sup>
- Transaction expected to close in FY19 Q4
  - The transaction has been approved by the Boards of UGI and the general partner of AmeriGas (the "General Partner") as well as the General Partner's Audit Committee, comprised solely of independent directors
  - Requires approval from a majority of AmeriGas' outstanding common units

<sup>1</sup>Please see appendix for components of the transaction value

<sup>2</sup>Taxes paid will vary depending on individual common unitholder tax attributes

# Conclusion of 120-day Strategic Review



Transaction supports a strong and stable AmeriGas for the long term

# Compelling Long-Term Value

- Strong business with exceptional cash flow
- Expected to increase UGI's cash flow<sup>1</sup> per share by over 15% for FY20 on a fully consolidated basis
  - Over \$200 million in additional annual free cash flow to UGI
- Funds growth opportunities across the business
- Reduces MLP administrative and structural complexities
- Resolves AmeriGas' distribution coverage challenges
- Expected to be accretive to UGI beginning in FY20

<sup>1</sup>Consolidated UGI cash flow from operations less AmeriGas cash flow from operations plus AmeriGas distributions to UGI



# UGI Corporation's Strategy

Be the preferred provider in all markets

- ✓ **Build businesses of scale**
  - Leverage our position as the last link in energy distribution
  - Protect and enhance our brands

Capitalize on synergies and leverage strengths

- ✓ **Leverage successful programs and services across the corporation**
- ✓ **Gain efficiencies**
  - Expand further into midstream
  - Seek new international markets

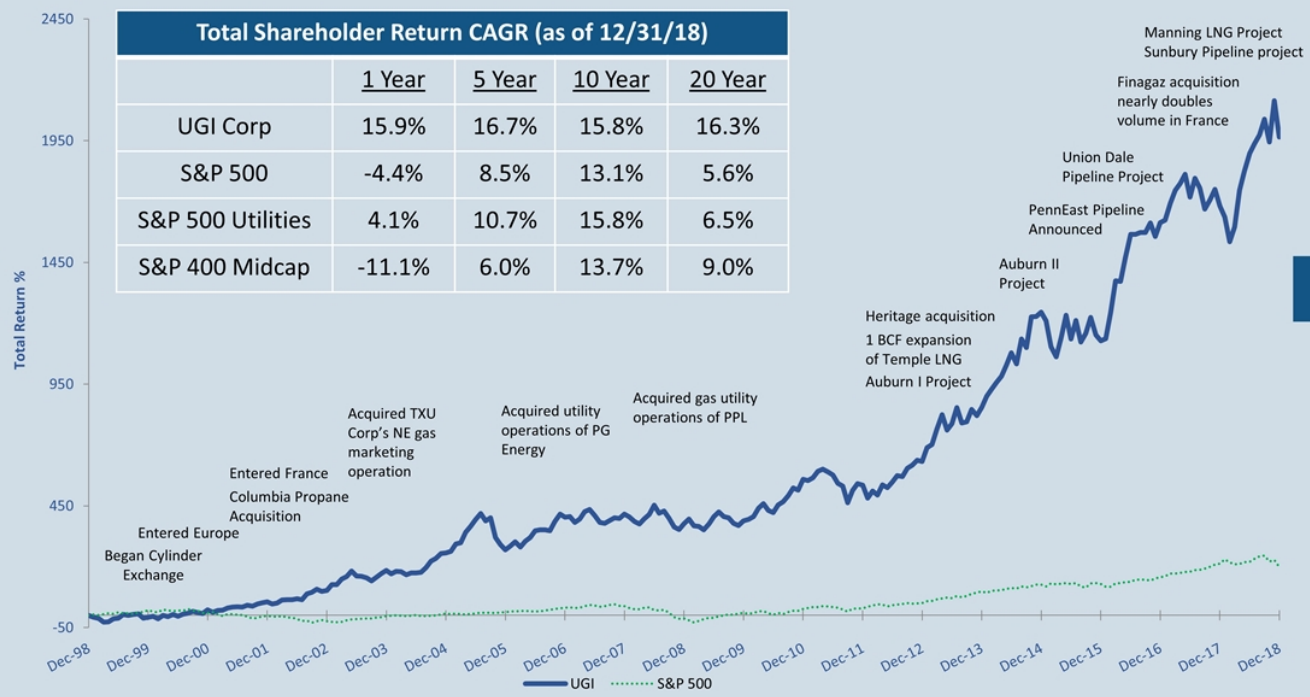
Grow earnings through acquisitions, capital projects, and organic growth

- ✓ **Organic growth sets the foundation**
- ✓ **Invest in adjacent geographies, leveraging our experience and products**
  - Manage risk when investing in new areas or products
- ✓ **Focus on cash flow, limit commodity exposure, and execute**

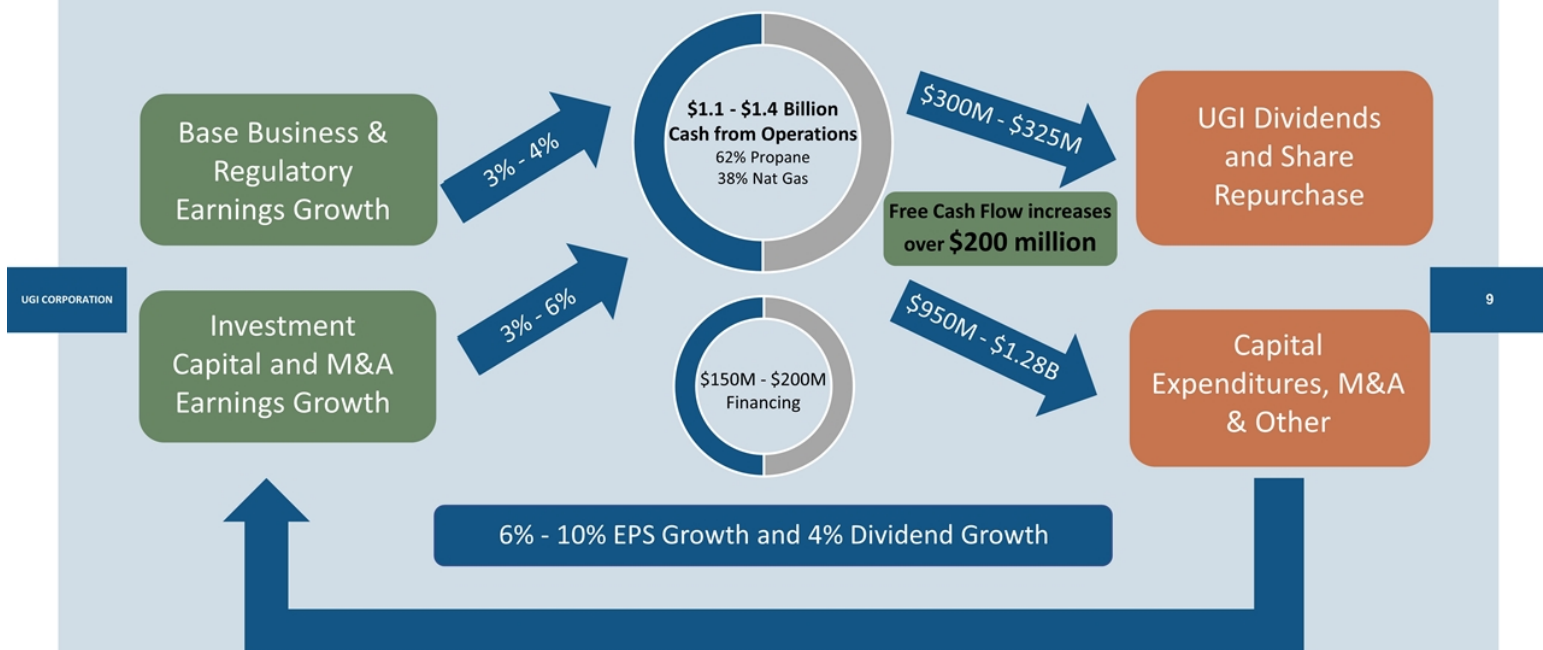
**Grow and Deliver Value**

✓ Aspects of the strategy directly impacted by this transaction

# Outperformance Driven by Cadence of Disciplined Investments



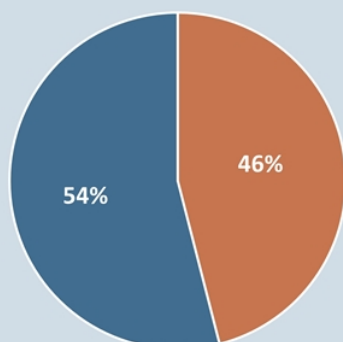
# Cash Engine Drives Future EPS and Dividend Growth



All figures represent multi-year average targets.

# Portfolio Mix Remains Balanced

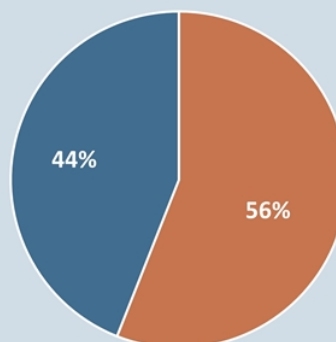
2018 Adjusted EPS<sup>1</sup>



■ Natural Gas ■ LPG

Propane = 46%

2018 Pro Forma Adjusted EPS<sup>1</sup>



■ Natural Gas ■ LPG

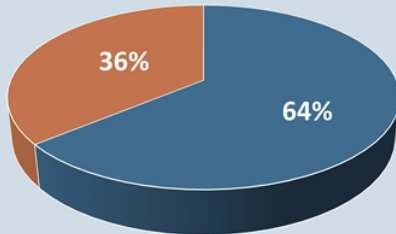
Propane = 56%

<sup>1</sup>Adjusted EPS is a non-GAAP measure. Excludes Corporate & Other.

# Record Capital Deployment

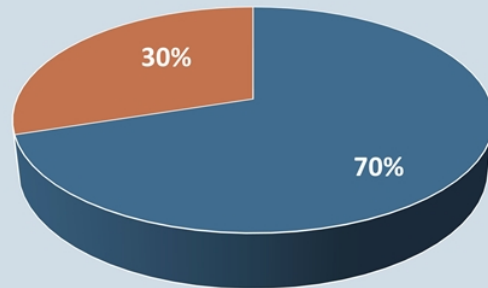
CAPEX expected to increase to **~\$900 million** in FY20

Capital Expenditures: 2013-2017  
\$2.6 Billion



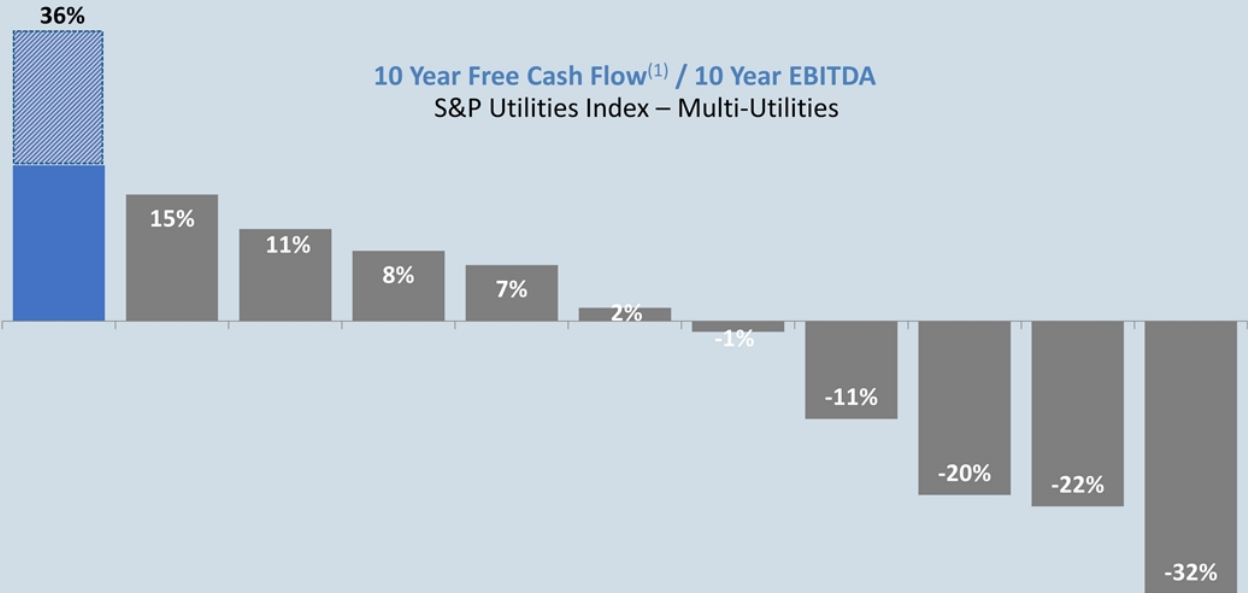
■ Natural Gas ■ LPG

Capital Expenditures: 2018-2022  
\$3.7 Billion



■ Natural Gas ■ LPG

# Cash Flow Compared to Peers Doubles on Pro Forma Basis



UGI      Peer 1      Peer 2      Peer 3      Peer 4      Peer 5      Peer 6      Peer 7      Peer 8      Peer 9      Peer 10

(1) UGI Free Cash Flow = Cash Provided by Operations less Capital Expenditures and less Distributions on AmeriGas Partners Publically Held Units for solid blue box. Striped box represents fully-consolidates AmeriGas. Free cash flow is a non-GAAP measure.

# UGI to Increase Dividend by 25%

- Two part increase
- \$0.16 increase to next quarterly dividend and an additional \$0.10 following the closing of the transaction



Red circles indicate dividend increases above 10%

<sup>1</sup>Dividends per share, adjusted for stock splits.

<sup>2</sup>Payable in FY20.

# Benefits to AmeriGas Investors

- Provides unitholders a substantial premium to the value of their units
- Enables unitholders to share in the value of UGI, which has a diversified asset portfolio and a history of meeting long-term commitments to shareholders including 6% - 10% annual earnings growth and 4% annual dividend growth
- Supports the long-term financial strength and stability of AmeriGas
- Supports the paydown of AmeriGas' short-term debt, driving to target of 4x leverage
  - Enhanced credit profile
- Eliminates administrative complexities inherent to the MLP structure



# Guidance Update

## UGI

- UGI is updating FY19 guidance for Adjusted EPS to \$2.40 - \$2.60<sup>1</sup> from \$2.75 - \$2.95
  - Significantly warmer-than-normal winter weather in our European markets
  - Limited weather volatility during 2019 heating season negatively impacted our capacity management business
  - UGI remains well-positioned to deliver long-term 6% - 10% EPS growth

UGI CORPORATION

15

## AmeriGas

- AmeriGas expects to be at the low end of its FY19 Adjusted EBITDA guidance range of \$610 million - \$650 million
  - Unfavorable weather patterns in the Southern U.S. during January and February

<sup>1</sup>Excluding the impact of the transaction.

Because UGI is unable to predict certain potentially material items affecting diluted earnings per share on a GAAP basis, principally mark-to-market gains and losses on derivative instruments, it cannot reconcile FY19 Adjusted EPS to diluted EPS, the most comparable GAAP measure.

## Summary

- AmeriGas 120-day strategic review concluded
  - Transaction provides unitholders an immediate 13.5% premium to the value of their units and an opportunity to share in the value of UGI
- Accretive to UGI beginning in FY20
- Increases cash flow to UGI to support growth investments
- 25% dividend increase
- Decreases AmeriGas leverage over time
- FY19 guidance updated, long-term growth outlook unchanged

Q&A



# Appendix





# UGI Supplemental Footnotes

- Management uses “Adjusted Earnings per Share,” “Free Cash Flow” and “Adjusted EBITDA,” all of which are non-GAAP financial measures, when evaluating UGI’s and AmeriGas’ overall performance. For the periods presented, Adjusted Earnings per Share is earnings per share after excluding net after-tax gains and losses on commodity and certain foreign currency derivative instruments not associated with current period transactions (principally comprising changes in unrealized gains and losses on derivative instruments), Finagaz integration expenses, losses associated with extinguishments of debt and the remeasurement impact on net deferred tax liabilities from a change in French corporate income tax rate and U.S. tax reform legislation, and impairment of AmeriGas tradenames and trademarks. Volatility in net income at UGI can occur as a result of gains and losses on commodity and certain foreign currency derivative instruments not associated with current period transactions but included in earnings in accordance with U.S. generally accepted accounting principles (“GAAP”).
- Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures. Management believes that these non-GAAP measures provide meaningful information to investors about UGI’s performance because they eliminate the impact of (1) gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and (2) other significant discrete items that can affect the comparison of period-over-period results.

# AmeriGas Supplemental Footnotes

- EBITDA and Adjusted EBITDA are not measures of performance or financial condition under GAAP. Management believes EBITDA and Adjusted EBITDA are meaningful non-GAAP financial measures used by investors to compare the Partnership's operating performance with that of other companies within the propane industry. AmeriGas' definitions of EBITDA and Adjusted EBITDA may be different from those used by other companies.
- EBITDA and Adjusted EBITDA should not be considered as alternatives to net income (loss) attributable to AmeriGas Partners, L.P. Management uses EBITDA to compare year-over-year profitability of the business without regard to capital structure as well as to compare the relative performance of AmeriGas to that of other master limited partnerships without regard to their financing methods, capital structure, income taxes or historical cost basis. Management uses Adjusted EBITDA to exclude from AmeriGas' EBITDA gains and losses that competitors do not necessarily have to provide additional insight into the comparison of year-over-year profitability to that of other master limited partnerships. In view of the omission of interest, income taxes, depreciation and amortization, gains and losses on commodity derivative instruments not associated with current-period transactions, and other gains and losses that competitors do not necessarily have from Adjusted EBITDA, management also assesses the profitability of the business by comparing net income attributable to AmeriGas Partners, L.P. for the relevant periods. Management also uses Adjusted EBITDA to assess the Partnership's profitability because its parent, UGI, uses AmeriGas' Adjusted EBITDA to assess the profitability of AmeriGas, which is one of UGI's business segments. UGI discloses AmeriGas' Adjusted EBITDA as the profitability measure for its domestic propane segment.
- The supplemental information below contains a reconciliation of earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA to Net Income.

	Forecast Fiscal Year Ending September 30, 2019	
	(Low End)	(High End)
Adjusted EBITDA (estimate)	\$ 610,000	\$ 650,000
Interest expense (estimate)	166,000	162,000
Income tax expense (estimate)	3,000	3,500
Depreciation (estimate)	142,000	149,000
Amortization (estimate)	41,000	40,000

# Transaction Value

Equity

+

Cash

+

Debt

=

Transaction Value

$$(\$69.2\text{MM} \times 0.500) \times \$55.39 = \$1.92\text{BN}$$

Converted AmeriGas units times UGI's current stock price

+

$$\$7.63 \times 69.2\text{MM} = \$528\text{MM}$$

Cash consideration for each common unit of AmeriGas

+

$$\$2.9\text{BN} \times 0.74 = \$2.15\text{BN}$$

Proportion of total debt related to 74% ownership not held by UGI affiliates

=

$$\$1.92\text{BN} + \$528\text{MM} + 2.15\text{BN} = \$4.6\text{BN}$$

Total Transaction Value

# UGI Corporation Free Cash Flow

(\$ in millions)

	Year Ended September 30,										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Net Cash Provided By Operating Activities	\$ 178.5	\$ 141.9	\$ 132.7	\$ 203.5	\$ 247.5	\$ 249.1	\$ 260.7	\$ 437.7	\$ 279.4	\$ 456.2	\$ 464.4
Less: Expenditures for property, plant, and equipment	(69.2)	(70.2)	(71.0)	(78.0)	(94.7)	(100.9)	(133.7)	(158.4)	(191.7)	(223.1)	(232.1)
Free Cash Flow Before Distributions on AmeriGas Partners Publically Held Common Units	\$ 109.3	\$ 71.7	\$ 61.7	\$ 125.5	\$ 152.8	\$ 148.2	\$ 127.0	\$ 279.3	\$ 87.7	\$ 233.1	\$ 232.3
Less: Distributions on AmeriGas Partners Publically Held Common Units	(39.0)	(39.0)	(39.1)	(44.3)	(53.5)	(56.4)	(62.4)	(66.6)	(73.6)	(85.0)	(80.9)
UGI Free Cash Flow After Distributions on AmeriGas Partners Publically Held Common Ur	\$ 70.3	\$ 32.7	\$ 22.6	\$ 81.2	\$ 99.3	\$ 91.8	\$ 64.6	\$ 212.7	\$ 14.1	\$ 148.1	\$ 151.4

	Year Ended September 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net Cash Provided By Operating Activities	\$ 665.0	\$ 598.8	\$ 554.7	\$ 707.7	\$ 801.5	\$ 1,005.4	\$ 1,163.8	\$ 969.7	\$ 964.4	\$ 1,085.3
Less: Expenditures for property, plant, and equipment	(301.8)	(347.3)	(360.7)	(339.4)	(486.0)	(456.8)	(490.6)	(563.8)	(638.9)	(574.9)
Free Cash Flow Before Distributions on AmeriGas Partners Publically Held Common Units	\$ 363.2	\$ 251.5	\$ 194.0	\$ 368.3	\$ 315.5	\$ 548.6	\$ 673.2	\$ 405.9	\$ 325.5	\$ 510.4
Less: Distributions on AmeriGas Partners Publically Held Common Units	(90.4)	(89.1)	(93.7)	(181.7)	(226.5)	(237.7)	(248.9)	(257.3)	(261.6)	(263.0)
UGI Free Cash Flow After Distributions on AmeriGas Partners Publically Held Common Ur	\$ 272.8	\$ 162.4	\$ 100.3	\$ 186.6	\$ 89.0	\$ 310.9	\$ 424.3	\$ 148.6	\$ 63.9	\$ 247.4



# 2018 UGI Corporation Adjusted EPS by Segment

Year Ended September 30, 2018 (Millions of dollars, except per share)	Total	AmeriGas Propane	UGI International	Midstream & Marketing	UGI Utilities	Corporate & Other
<b>Adjusted diluted earnings per share:</b>						
UGI Corporation earnings (loss) per share - diluted	\$ 4.06	\$ 0.99	\$ 0.78	\$ 1.11	\$ 0.84	\$ 0.34
Net gains on commodity derivative instruments not associated with current-period transactions (b)	(0.39)	—	—	—	—	(0.39)
Unrealized gains on foreign currency derivative instruments	(0.11)	—	—	—	—	(0.11)
Integration expenses associated with Finagaz	0.10	—	0.10	—	—	—
Impairment of Partnership tradenames and trademarks	0.08	0.08	—	—	—	—
Impact from December 2017 French Finance Bills	(0.07)	—	(0.07)	—	—	—
Remeasurement Impact from Tax Cuts and Jobs Act (b)	(0.93)	(0.64)	0.06	(0.39)	(0.04)	0.08
Adjusted net Income (loss) per share	<u>\$ 2.74</u>	<u>\$ 0.43</u>	<u>\$ 0.87</u>	<u>\$ 0.72</u>	<u>\$ 0.80</u>	<u>\$ (0.08)</u>
(b) Includes the effects of rounding						