



## SOUTH JERSEY INDUSTRIES, INC.

### Offer to Purchase for Cash Any and All of the outstanding Corporate Units and 2021 Series B 1.65% Remarketable Junior Subordinated Notes due 2029

South Jersey Industries, Inc., a New Jersey corporation (as used herein, the “*Company*,” “*SJI*,” “*we*,” “*us*” or “*our*”), hereby offers, upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, this “*Offer to Purchase*”), to purchase for cash any and all of (i) the outstanding Corporate Units, each consisting of a purchase contract issued by us to purchase shares of our common stock and a 1/20, or 5%, undivided beneficial ownership interest in \$1,000 principal amount of our 2021 Series B 1.65% Remarketable Junior Subordinated Notes due 2029 (the “*RSNs*”) (the “*Corporate Units*”) and (ii) the Separate RSNs (as defined below) listed in the table below (collectively, the “*Securities*,” and each a “*Series*” of Securities) from each registered holder of the applicable Series of Securities (each, a “*Holder*,” and collectively, the “*Holders*”) subject to the terms and conditions specified in this Offer to Purchase (the “*Tender Offer*”), including the Financing Condition (as defined below).

On February 1, 2023, the Infrastructure Investments Fund (“*IIF*”), a private investment vehicle focused on investing in critical infrastructure assets, closed its acquisition of the Company (the “*Acquisition*”) solely for cash and, in accordance with the terms of the PCPA (as defined herein), we consummated a Fundamental Change Early Settlement (as defined in the PCPA) on February 24, 2023. For holders of Corporate Units who elected the Early Settlement, the purchase contract forming a part of the Corporate Units were early settled and the RSNs forming a part of the Corporate Units were delivered to the electing holders (the “*Separate RSNs*”). For holders of Corporate Units who did not elect the Early Settlement, the purchase contract forming part of each Corporate Unit became the right to receive an amount of cash calculated by reference to the Acquisition consideration. The Tender Offer is open to all Holders of the applicable Series of Securities. For the avoidance of doubt, IIF is not, and will not be, party to the Tender Offer or any related transactions.

Title of Security	CUSIP / ISIN	Aggregate Number of Corporate Units and Aggregate Principal Amount of Separate RSNs Outstanding	Early Tender Premium	Total Consideration <sup>(1)(2)</sup>
Corporate Units <sup>(3)</sup>	838518306/ US8385183061	3,085,100 Corporate Units	\$1.50 per Corporate Unit	\$69.00 per Corporate Unit
Separate RSNs	838518AB4 / US838518AB47	\$173,149,000 principal amount of Separate RSNs	\$30 per \$1,000 principal amount of Separate RSN	\$975 per \$1,000 principal amount of Separate RSN

(1) Holders whose Corporate Units are accepted for purchase pursuant to the Tender Offer will also receive (i) accrued and unpaid contract adjustment payments and (ii) accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date (as defined below). Holders whose Separate RSNs are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased RSNs from the last interest payment date for such RSNs to, but excluding, the Settlement Date. Contract adjustment payments and interest payments on the Corporate Units and interest payments on the Separate RSNs will be paid on October 1, 2023, so we expect accrued and unpaid interest payments and contract adjustment payments, as applicable, to accrue from October 1, 2023 to, but excluding, the Settlement Date.

(2) Includes the Early Tender Premium.

(3) Each Corporate Unit has a stated amount of \$50.

The Tender Offer will expire at 5:00 p.m., New York City time, on October 3, 2023, unless extended (such date and time, as the same may be extended, the “*Expiration Time*”). **Holders of Securities must validly tender and not validly withdraw their Securities at or before 5:00 p.m., New York City time, on September 18, 2023, unless extended (such date and time, as the same may be extended, the “*Early Tender Deadline*”), to be eligible to receive the applicable Total Consideration (as defined herein) for their tendered Securities, which includes the applicable Early Tender Premium set forth in the table above (the “*Early Tender Premium*”).** Holders of Securities who validly tender their Securities after the Early Tender Deadline and on or before the Expiration Time will be eligible to receive the applicable Tender Consideration (as defined herein) per Corporate Unit and \$1,000 principal amount of the Separate RSNs tendered by such Holders that are accepted for purchase, which is equal to the applicable Total Consideration for each Corporate Unit and \$1,000 principal amount of the Separate RSNs tendered and accepted for purchase minus the applicable Early Tender Premium. The Tender Offer is subject to certain conditions, including the Financing Condition, described under “*Terms of the Tender Offer—Conditions to the Tender Offer*.”

*The Dealer Manager is:*

**BofA Securities**

September 5, 2023

**The Tender Offer is not conditioned upon any minimum amount of Securities being tendered, and, subject to applicable law, the Tender Offer may be amended, extended, terminated or withdrawn in whole or with respect to any of the Securities at any time.**

**The Tender Offer is conditioned upon, among other things, the consummation of a \$300,000,000 term loan with BofA Securities, Inc. and TD Securities (USA) LLC (the “Financing Condition”). See “Description of the Debt Financing” for further information regarding the Debt Financing (as defined herein).**

**Holders should not tender any Securities that they do not wish to be accepted for purchase. If Holders tender more Securities than they expect to be accepted for purchase by the Company, and we subsequently accept more of such Securities tendered and not validly withdrawn on or before the Withdrawal Deadline, such Holders will not be able to withdraw any of their previously tendered Securities.**

The “*Total Consideration*” for each Corporate Unit and \$1,000 principal amount of the Separate RSNs tendered and accepted for purchase pursuant to the Tender Offer will be \$69.00 and \$975, respectively, which Total Consideration will include the applicable Early Tender Premium.

Holders of Securities that are validly tendered and not validly withdrawn on or before the Early Tender Deadline and accepted for purchase will receive the applicable Total Consideration for such Securities, which will be payable on the Settlement Date (as defined herein).

Holders of Securities that are validly tendered after the Early Tender Deadline and on or before the Expiration Time and accepted for purchase will receive the applicable Tender Consideration for such Securities, which equals the applicable Total Consideration for such Securities minus the applicable Early Tender Premium (the “*Tender Consideration*”), and which will be payable on the Settlement Date. Holders whose Corporate Units are accepted for purchase pursuant to the Tender Offer will also receive (i) accrued and unpaid contract adjustment payments and (ii) accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date. Holders whose Separate RSNs are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased RSNs from the last interest payment date for such RSNs to, but excluding, the Settlement Date. Contract adjustment payments and interest payments on the Corporate Units and interest payments on the Separate RSNs will be paid on October 1, 2023, so we expect accrued and unpaid interest payments and contract adjustment payments, as applicable, to accrue from October 1, 2023 to, but excluding, the Settlement Date.

**Securities tendered may be validly withdrawn at any time on or before 5:00 p.m., New York City time, on September 18, 2023 (such time and date, as the same may be extended, the “*Withdrawal Deadline*”), but not thereafter, except in certain limited circumstances where additional withdrawal rights are required by law.**

Subject to applicable law, the Tender Offer may be amended, extended, terminated or withdrawn with respect to any Series of Securities at any time. If the Tender Offer is terminated with respect to any Series of Securities without Securities of such Series being accepted for purchase, Securities of such Series tendered pursuant to the Tender Offer will promptly be returned to the tendering Holders.

Upon the terms and subject to the conditions to the Tender Offer, we will notify D.F. King & Co., Inc. (the “*Tender Agent*” and the “*Information Agent*”) of which Securities tendered on or before the Early Tender Deadline or the Expiration Time, as the case may be, are accepted for purchase and payment pursuant to the Tender Offer.

We reserve the right, subject to applicable law, to:

- waive any and all conditions to the Tender Offer with respect to one or both Series of Securities;
- extend, terminate or withdraw the Tender Offer with respect to one or both Series of Securities;

- extend the Early Tender Deadline or the Withdrawal Deadline with respect to one or both Series of Securities; and
- otherwise amend the Tender Offer in any respect in relation to one or both Series of Securities.

In the event we extend the Early Tender Deadline or the Expiration Time, we also reserve the right, in our sole discretion, subject to applicable law, to take such action without extending the Withdrawal Deadline.

BofA Securities, Inc. is serving as the Dealer Manager (the “*Dealer Manager*”) in connection with the Tender Offer. D.F. King & Co., Inc. is serving as the Tender Agent and the Information Agent for the Tender Offer.

None of the Dealer Manager, the Tender Agent, the Information Agent, IIF, U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”) under the indenture governing the RSNs (the “*Indenture*”) and U.S. Bank National Association as purchase contract agent, collateral agent and securities intermediary (collectively in such capacities, the “*Purchase Contract Agent*”) under the Purchase Contract and Pledge Agreement, dated as of March 22, 2021 (as supplemented from time to time, the “*PCPA*”), nor their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information contained in this Offer to Purchase or related documents including the information concerning the Tender Offer, the Company or any of its affiliates contained in this Offer to Purchase or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent is providing Holders with any legal, business, tax or other advice in this Offer to Purchase. Holders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to tender Securities for cash. Holders must comply with all laws that apply to them in any place in which they possess this Offer to Purchase.

Holders must also obtain any consents or approvals that they need in order to tender their Securities. None of the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent is responsible for Holders’ compliance with these legal requirements.

Notwithstanding any other provision of the Tender Offer, the Company’s obligation to accept for purchase, and to pay for, any Securities validly tendered (and not validly withdrawn) pursuant to the Tender Offer is subject to, and conditioned upon, the satisfaction of or, where applicable, its waiver of the conditions set forth under “Terms of the Tender Offer—Conditions to the Tender Offer,” including the Financing Condition.

**None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent is making any recommendation as to whether Holders should tender Securities in the Tender Offer. Holders must make their own decision as to whether to tender any of their Securities, and, if so, the number of Corporate Units and principal amount of the Separate RSNs to tender.**

## IMPORTANT INFORMATION

**None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent is making any recommendation as to whether Holders should tender Securities in response to the Tender Offer. Holders must make their own decision as to whether to tender any of their Securities, and, if so, the number of Corporate Units and principal amount of the Separate RSNs to tender.**

All of the Securities are held in book-entry form through the facilities of The Depository Trust Company (“DTC”). Any Holder desiring to tender Securities should (a) tender through DTC pursuant to DTC’s Automated Tender Offer Program (“ATOP”) or (b) request the Holder’s broker, dealer, commercial bank, trust company or other nominee to effect the transaction. There is no letter of transmittal for the Offer to Purchase. Any Holder who holds Securities through Clearstream Banking, *société anonyme* (“Clearstream”) or Euroclear Bank SA/NV (“Euroclear”) must comply with the applicable procedures of Clearstream or Euroclear. Both Clearstream and Euroclear are indirect participants in the DTC system. A Holder with Securities held through a broker, dealer, commercial bank, trust company or other nominee must contact that party if such Holder desires to tender those Securities and give that party appropriate instructions to tender such Securities on the Holder’s behalf. **Beneficial owners should be aware that their broker, dealer, commercial bank, trust company or other nominee may establish its own earlier deadlines for participation in the Tender Offer. Accordingly, beneficial owners wishing to participate in the Tender Offer should contact their broker, dealer, commercial bank, trust company or other nominee as soon as possible in order to determine the times by which such owner must take action in order to participate in the Tender Offer.**

Tendering Holders will not be obligated to pay brokerage fees or commissions to the Dealer Manager, the Tender Agent, the Information Agent, the Trustee, the Purchase Contract Agent, IIF or the Company. Holders whose Securities are held by a broker, dealer, commercial bank, trust company or other nominee should contact such nominee to determine whether a fee will be charged for tendering Securities pursuant to the Tender Offer.

There are no guaranteed delivery provisions applicable to the Tender Offer. Holders must tender their Securities in accordance with the procedures set forth under “Terms of the Tender—Procedures for Tendering.”

Requests for additional copies of this Offer to Purchase, and requests for assistance relating to the procedures for tendering Securities may be directed to the Information Agent at the address and telephone numbers on the back cover of this Offer to Purchase. Requests for assistance relating to the terms and conditions to the Tender Offer may be directed to the Dealer Manager at its address and telephone numbers on the back cover of this Offer to Purchase. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance regarding the Tender Offer.

**This Offer to Purchase contains important information that Holders are urged to read before any decision is made with respect to the Tender Offer.**

**This Offer to Purchase does not constitute an offer to purchase Securities in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or blue sky laws and tenders of Securities in the Tender Offer will not be accepted from Holders, in any circumstances in which such offer is unlawful. In those jurisdictions where the securities, blue sky or other laws require an offer to be made by a licensed broker or dealer and the Dealer Manager or any of its affiliates is such a licensed broker or dealer in such jurisdictions, such offer shall be deemed to be made by such Dealer Manager or its affiliate (as the case may be) on behalf of the Company in such jurisdictions.**

**The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in the affairs of the Company or any of our affiliates since the date hereof.**

**No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Offer to Purchase, and, if given or made, such information or**

**representation may not be relied upon as having been authorized by the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent.**

**From time to time, we may purchase additional Securities in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem the RSNs pursuant to the terms of the Indenture. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders of Securities than the terms of the Tender Offer. Any future purchases by the Company will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.**

## Important Dates

Holders of Securities should take note of the following important dates in connection with the Tender Offer:

<b><i>Date</i></b>	<b><i>Calendar Date and Time</i></b>	<b><i>Event</i></b>
Early Tender Deadline	5:00 p.m., New York City time, on September 18, 2023, unless extended.	The deadline for Holders to tender Securities to be eligible to receive the applicable Total Consideration for their tendered Securities.
Withdrawal Deadline	5:00 p.m., New York City time, on September 18, 2023, except in certain limited circumstances where additional withdrawal rights are required by law.	The deadline for Holders to validly withdraw tenders of Securities. If tenders are validly withdrawn, the Holder will no longer receive the applicable consideration on the Settlement Date (unless the Holder validly retenders such Securities on or before the Early Tender Deadline or the Expiration Time, as applicable, and we accept such Securities for purchase).
Expiration Time	5:00 p.m., New York City time, on October 3, 2023, unless extended with respect to one or both Series of Securities.	The final deadline for Holders to tender Securities.
Settlement Date	Promptly after the Expiration Time. Expected to be October 5, 2023, the second business day following the Expiration Time, but subject to change.	<p>Upon the terms and subject to the conditions to the Tender Offer, we will deposit with DTC the amount of cash necessary to pay:</p> <ul style="list-style-type: none"> <li>• each Holder of Securities that validly tendered Securities on or prior to the Early Tender Deadline (and did not validly withdraw such Securities on or prior to the Withdrawal Deadline), and which Securities were accepted for purchase, the applicable Total Consideration, and</li> <li>• each Holder of Securities that validly tendered Securities, after the Early Tender Deadline and on or before the Expiration Time, and which Securities were accepted for purchase, the applicable Tender Consideration, plus: <ul style="list-style-type: none"> <li>• in the case of Corporate Units, (i) the accrued and unpaid contract adjustment payments and (ii) the accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date; or</li> <li>• in the case of Separate RSNs, the accrued and unpaid interest in respect of such RSNs, from the last interest payment date for such RSNs to, but excluding, the Settlement Date.</li> </ul> </li> </ul>

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## SUMMARY

*The following summary is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere in this Offer to Purchase. Each undefined capitalized term used in this summary has the meaning set forth elsewhere in this Offer to Purchase.*

The Company ..... The Tender Offer is being made by South Jersey Industries, Inc., a New Jersey corporation.

The Securities .....	<b>Title of Security</b>	<b>CUSIP / ISIN Numbers</b>	<b>Aggregate Number of Corporate Units and Aggregate Principal Amount of Separate RSNs Outstanding</b>
	Corporate Units	838518306 / US83851830 61	3,085,100 Corporate Units
	Separate RSNs	838518AB4 / US838518A B47	\$173,149,000 principal amount of Separate RSNs

Total Consideration ..... The Total Consideration for each Corporate Unit or \$1,000 principal amount of the Separate RSNs, as applicable, tendered and accepted for purchase pursuant to the Tender Offer will be \$69.00 and \$975, respectively.

Early Tender Premium ..... Each Holder who validly tenders Securities pursuant to the Tender Offer on or before the Early Tender Deadline and whose Securities are accepted for purchase will receive, as part of its Total Consideration, the Early Tender Premium of \$1.50 per Corporate Unit or \$30 per \$1,000 principal amount of the Separate RSNs, as applicable.

Consideration for the Tender Offer ..... Holders who validly tender their Securities and do not validly withdraw their Securities on or before the Early Tender Deadline and whose Securities are accepted for purchase, will receive the applicable Total Consideration for their purchased Securities.

Holders who validly tender their Securities after the Early Tender Deadline and on or before the Expiration Time, and whose Securities are accepted for purchase, will receive only the applicable Tender Consideration, which is equivalent to the applicable Total Consideration minus the applicable Early Tender Premium.

Accrued and Unpaid Interest and Contract Adjustment Payments ..... Subject to the terms and conditions to the Tender Offer, in addition to the Total Consideration or the Tender Consideration, as the case may be, (A) Holders whose Corporate Units are accepted for purchase pursuant to the Tender Offer will also receive (i) accrued and unpaid contract adjustment payments and (ii) accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date; and (B) Holders whose Separate RSNs are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased RSNs from the last interest payment date for such RSNs to, but excluding, the Settlement Date. Contract adjustment payments and interest payments on the Corporate Units and interest payments on the Separate RSNs will be paid on October 1, 2023, so we expect accrued

	and unpaid interest payments and contract adjustment payments, as applicable, to accrue from October 1, 2023 to, but excluding, the Settlement Date.
Early Tender Deadline.....	The Early Tender Deadline is 5:00 p.m., New York City time, on September 18, 2023, unless extended.
Withdrawal Deadline.....	The Withdrawal Deadline is 5:00 p.m., New York City time, on September 18, 2023, except in certain limited circumstances where additional withdrawal rights are required by law.
Expiration Time.....	The Tender Offer will expire at 5:00 p.m., New York City time, on October 3, 2023, unless extended.
Settlement Date .....	The settlement date (the “ <i>Settlement Date</i> ”) will be promptly after the Expiration Time. Assuming the Tender Offer is not extended and the conditions to the Tender Offer are satisfied or waived, we expect that the Settlement Date will be October 5, 2023.
Source of Funds.....	We plan to fund the Tender Offer with funds provided by the Debt Financing and cash on hand. See “Description of the Debt Financing.”
Acceptance of Tendered Securities and Payment.....	Upon the terms of the Tender Offer and upon satisfaction or waiver of (i) the Financing Condition and (ii) the conditions to the Tender Offer specified herein under “Terms of the Tender Offer—Conditions to the Tender Offer,” we will (a) accept for purchase Securities validly tendered (or defectively tendered, if we have waived such defect) and not validly withdrawn, and (b) promptly pay the Total Consideration or the Tender Consideration, as the case may be (plus accrued and unpaid interest, and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments, in each case from the last applicable payment date for such Securities to, but excluding, the Settlement Date), on the Settlement Date for all Securities accepted for purchase. We reserve the right, subject to applicable laws, to (a) accept for purchase and pay for Securities validly tendered on or before the Expiration Time and to keep the Tender Offer open or extend the Early Tender Deadline or the Expiration Time to a later date and time and (b) waive any or all of the conditions to the Tender Offer for Securities tendered and delivered on or before the Early Tender Deadline or the Expiration Time, as applicable.
Conditions to the Tender Offer.....	Our obligation to accept for purchase, and pay for, validly tendered Securities that have not been validly withdrawn is subject to, and conditioned upon, satisfaction or, where applicable, waiver of the conditions to the Tender Offer, including the Financing Condition. See “Terms of the Tender Offer—Conditions to the Tender Offer.” The Tender Offer is not conditioned on any minimum amount of Securities being tendered. However, there can be no assurance that we will complete in a timely manner, or at all, the Debt Financing or that the Financing Condition will be satisfied.
	Subject to applicable law, we expressly reserve the right, in our sole discretion, to terminate the Tender Offer at any time, with respect to one or more Series of Securities.

How to Tender Securities .....	See “Terms of the Tender Offer—Procedures for Tendering.” For further information, call the Tender Agent, Information Agent, Dealer Manager, or consult your broker, dealer, commercial bank, trust company or other nominee for assistance.
Withdrawal of Tenders .....	Tenders of Securities may be validly withdrawn at any time on or before the Withdrawal Deadline, but not thereafter, except in certain limited circumstances where additional withdrawal rights are required by law. <b>We may extend the Early Tender Deadline or the Expiration Time with respect to any or all Series of Securities at our own discretion, without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders, subject to applicable law.</b>
Certain Considerations .....	See “Terms of the Tender Offer—Certain Significant Consequences to Holders” for a discussion of certain factors that should be considered in evaluating the Tender Offer.
U.S. Federal Income Tax Considerations .....	For a summary of U.S. federal income tax considerations relating to the Tender Offer applicable to Holders of Securities, see “U.S. Federal Income Tax Considerations.”
Dealer Manager .....	BofA Securities, Inc. is serving as the Dealer Manager in connection with the Tender Offer. Contact information for the Dealer Manager appears on the back cover of this Offer to Purchase.
Tender Agent and Information Agent .....	D.F. King & Co., Inc. is serving as the Tender Agent and the Information Agent for the Tender Offer. The address and telephone numbers of D.F. King & Co., Inc. are listed on the back cover page of this Offer to Purchase.
Brokerage Commissions .....	No brokerage commissions are payable by Holders to the Company, the Dealer Manager, the Tender Agent or the Information Agent. Holders whose Securities are held by a nominee should contact such nominee to determine whether a fee will be charged for tendering Securities pursuant to the Tender Offer.

## **Cautionary Statement Regarding Forward-Looking Statements**

This Offer to Purchase contains forward-looking statements based on current expectations and assumptions that involve risks and uncertainties. If the risks or uncertainties ever materialize or the assumptions prove incorrect, they could affect the business and results of operations of the Company and its consolidated subsidiaries which may differ materially from those expressed or implied by such forward-looking statements and assumptions.

All statements other than statements of historical fact, including statements regarding guidance, industry prospects or future results of operations or financial position, expected sources of incremental margin, strategy, financing needs, future capital expenditures and the outcome or effect of ongoing litigation, are forward-looking. This Offer to Purchase uses words such as “believe,” “expect,” “intend,” “seek,” “strategy,” “would,” “could,” “should,” “may,” “will” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on the beliefs and assumptions of management at the time that these statements were prepared and are inherently uncertain. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to, general economic conditions on an international, national, state and local level; weather conditions in SJI’s marketing areas; changes in commodity costs; changes in the availability of natural gas; “non-routine” or “extraordinary” disruptions in SJI’s distribution system; cybersecurity incidents and related disruptions; regulatory, legislative and court decisions; competition; the availability and cost of capital; costs and effects of legal proceedings and environmental liabilities; the failure of customers, suppliers or business partners to fulfill their contractual obligations; changes in business strategies; the Acquisition-related liabilities; the diversion of management time on Acquisition-related issues; and public health crises and epidemics or pandemics, such as the COVID-19 pandemic. These risks and uncertainties, as well as other risks and uncertainties that could cause our actual results to differ materially from those expressed in the forward-looking statements, are described in greater detail in (i) “Terms of the Tender Offer—Certain Significant Consequences to Holders” in this Offer to Purchase, including with respect to our ability to successfully complete the Debt Financing and (ii) “Risk Factors” in Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2021. These cautionary statements should not be construed by you to be exhaustive and they are made only as of the date of this Offer to Purchase. While the Company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, the Company undertakes no obligation to update or revise any of its forward-looking statements whether as a result of new information, future events or otherwise.

## **ABOUT SOUTH JERSEY INDUSTRIES, INC.**

SJI, an energy infrastructure holding company based in Folsom, NJ, delivers energy services to customers through two primary subsidiaries: SJI Utilities (SJIU) and SJI Energy Enterprises (SJIEE). SJIU houses the Company’s regulated natural gas utility operations, delivering safe, reliable and affordable natural gas to more than 700,000 residential, commercial and industrial customers across New Jersey via its South Jersey Gas and Elizabethtown Gas subsidiaries. SJIEE houses the company’s non-utility operations primarily focused on clean energy development and decarbonization via renewable energy production and energy management activities.

We are a New Jersey corporation with principal executive offices at 1 South Jersey Plaza, Folsom, NJ 08037. Our telephone number is (609) 561-9000 and our Internet address is <https://www.sjindustries.com/>

## **DESCRIPTION OF THE DEBT FINANCING**

We have entered into a commitment letter in connection with a term loan facility in an aggregate principal amount of \$300 million (the “*Debt Financing*”), the net proceeds of which will be used to fund the Tender Offer and pay accrued and unpaid interest and contract adjustment payments and related costs and expenses. The *Debt Financing* is expected to be consummated prior to or concurrently with the Tender Offer, and such consummation will depend on customary closing conditions, including the lenders’ receipt of certain financial statements and the

representations and warranties of transaction documents being true and correct in all material respects. There can be no assurance that we will complete in a timely manner, or at all, any such Debt Financing, and our obligation to accept for purchase and pay for the Securities validly tendered pursuant to the Tender Offer is conditioned upon satisfaction or waiver of the Financing Condition and the other conditions set forth in “Terms of the Tender Offer—Conditions to the Tender Offer,” below.

## TERMS OF THE TENDER OFFER

### General

We are offering, upon the terms and subject to the conditions set forth in this Offer to Purchase, to purchase any and all of the Securities. **The Tender Offer is not conditioned upon any minimum amount of Securities being tendered, and, subject to applicable law, the Tender Offer may be amended, extended, terminated or withdrawn in whole or with respect to one or more Series of Securities at any time.**

The consideration offered for each Corporate Unit or each \$1,000 principal amount of the Separate RSNs validly tendered and not validly withdrawn on or before the Early Tender Deadline and accepted for purchase will be the applicable Total Consideration for such Series of Securities. Holders of Securities validly tendering after the Early Tender Deadline, but on or before the Expiration Time, will only be eligible to receive the applicable Tender Consideration, namely the applicable Total Consideration for such Series of Securities minus the applicable Early Tender Premium. Payment for Securities purchased in the Tender Offer will be made on the Settlement Date.

Subject to the terms and conditions to the Tender Offer, in addition to the Total Consideration or the Tender Consideration, as the case may be, (A) Holders whose Corporate Units are accepted for purchase pursuant to the Tender Offer will also receive (i) accrued and unpaid contract adjustment payments and (ii) accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date; and (B) Holders whose Separate RSNs are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased RSNs from the last interest payment date for such RSNs to, but excluding, the Settlement Date. Contract adjustment payments and interest payments on the Corporate Units and interest payments on the Separate RSNs will be paid on October 1, 2023, so we expect accrued and unpaid interest payments and contract adjustment payments, as applicable, to accrue from October 1, 2023 to, but excluding, the Settlement Date. Payment of such accrued and unpaid interest and contract adjustment payments, as applicable, will be made on the Settlement Date. Under no circumstances will any interest or contract adjustment payments, as applicable, be payable because of any delay in the transmission of funds to Holders by the Tender Agent or DTC.

**From time to time, we may purchase additional Securities in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem the RSNs pursuant to the terms of the Indenture. Any future purchases may be on the same terms as, or on terms that are more or less favorable to Holders of Securities than, the terms of the Tender Offer. Any future purchases by the Company will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.**

### Total Consideration and Tender Consideration

The Total Consideration for each Corporate Unit and each \$1,000 principal amount of the Separate RSNs tendered and accepted for payment pursuant to the Tender Offer prior to the Early Tender Deadline will be \$69.00 and \$975, respectively. The Tender Consideration for each Corporate Unit and each \$1,000 principal amount of the Separate RSNs tendered and accepted for payment pursuant to the Tender Offer after the Early Tender Deadline but prior to the Expiration Time will be \$67.50 and \$945, respectively. Holders whose Corporate Units are accepted for purchase pursuant to the Tender Offer will also receive (i) accrued and unpaid contract adjustment payments and (ii) accrued and unpaid interest payments, in each case from the last applicable payment date to, but excluding, the Settlement Date. Holders whose Separate RSNs are accepted for purchase pursuant to the Tender Offer will also receive accrued and unpaid interest on their purchased RSNs from the last interest payment date for such RSNs to, but excluding, the Settlement Date. Contract adjustment payments and interest payments on the Corporate Units and interest payments on the Separate RSNs will be paid on October 1, 2023, so we expect accrued and unpaid interest payments and contract adjustment payments, as applicable, to accrue from October 1, 2023 to, but excluding, the Settlement Date. Accrued and unpaid contract adjustment payments or interest payments, as applicable, will cease to accrue on the Settlement Date for all Securities accepted in the Tender Offer.

Tendering Holders of Securities purchased in the Tender Offer will not be obligated to pay brokerage commissions or fees to the Dealer Manager, the Tender and Information Agent or the Company or to pay transfer

taxes with respect to the purchase of their Securities; however, such Holders may be obligated to pay commissions to their own brokers or other agents.

The Dealer Manager will calculate for each Series of Securities the applicable accrued and unpaid interest and, in the case of the Corporate Units, contract adjustment payments, in each case from the last payment date for such Securities to, but excluding, the Settlement Date, and its calculation will be final and binding, absent manifest error.

### **Purpose and Background of the Tender Offer**

The purpose of the Tender Offer is to purchase any and all Securities, in order to reduce our level of indebtedness under the Securities and to reduce our leverage, interest expense and future contract adjustment payments. The Securities accepted in the Tender Offer will be purchased, retired and cancelled by us and will no longer remain our outstanding obligations.

We intend to fund the Tender Offer with funds from the Debt Financing and cash on hand. See “Terms of the Tender Offer—Conditions to the Tender Offer.”

From time to time, we may purchase additional Securities in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem the RSNs pursuant to the terms of the Indenture. Any future purchases may be on the same terms as, or on terms that are more or less favorable to Holders of Securities than, the terms of the Tender Offer. Any future purchases by the Company will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

### **Conditions to the Tender Offer**

**The Tender Offer is not conditioned upon any minimum amount of Securities being tendered, and, subject to applicable law, the Tender Offer may be amended, extended, terminated or withdrawn in whole or with respect to one or more Series of Securities at any time.** Notwithstanding any other provision of the Tender Offer, we will not be obligated to accept for purchase, and pay for, validly tendered Securities of any Series of Securities pursuant to the Tender Offer if the conditions to the Tender Offer have not been satisfied, or waived by us, with respect to such Series of Securities.

The purchase of any Series of Securities is not conditioned upon the purchase of any other Series of Securities; however, all Securities validly tendered (and not validly withdrawn) will be purchased by the Company, subject to the terms of the Tender Offer.

For purposes of the foregoing provisions, all of the conditions to the Tender Offer shall be deemed to have been satisfied on the Early Tender Deadline or the Expiration Time, as the case may be, unless any of the following conditions shall have occurred on or after the date of this Offer to Purchase and before the Early Tender Deadline or the Expiration Time, as the case may be, with respect to any Series of Securities:

- (i) any general suspension of, shortening of hours for or limitation on prices for, trading in securities in the United States securities or financial markets (whether or not mandatory), (ii) a material impairment in the trading markets for any of the Securities or securities of the Company generally, (iii) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States (whether or not mandatory), (iv) any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, (v) any attack on, outbreak or escalation of hostilities or acts of terrorism directly or indirectly involving the United States that would reasonably be expected to have a material, disproportionate effect on our (or our subsidiaries') business, operations, condition or prospects relative to other companies in the same industry, (vi) any significant adverse change in the United States securities or financial markets generally or in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof or

- (vii) any other change or development, including a prospective change or development, in general economic, financial, monetary or market conditions that, in our reasonable judgment, has or may have a material adverse effect on the market price or trading of any of the Securities or upon the value of any of the Securities to the Company;
- the existence of an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction that shall have been enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our reasonable judgment, would or would be reasonably likely to prohibit, prevent or materially restrict or delay consummation of the Tender Offer or that is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Company or our subsidiaries;
- any instituted, pending or threatened action or proceeding before or by any court or governmental, regulatory or administrative agency or instrumentality, or by any other person, that challenges the making of the Tender Offer or is reasonably likely to directly or indirectly prohibit, prevent, restrict or delay the consummation of the Tender Offer or otherwise adversely affects the Tender Offer in any material manner;
- there occurs or exists, in our reasonable judgment, any other actual or threatened legal impediment to the Tender Offer or any other circumstances that would materially adversely affect the transactions contemplated by the Tender Offer, or the contemplated benefits of the Tender Offer to the Company;
- the occurrence of an event or events or the likely occurrence of an event or events that would or might reasonably be expected to prohibit, restrict or delay the consummation of the Tender Offer or materially impair the contemplated benefits of the Tender Offer; or
- the Tender Agent, the Trustee or the Purchase Contract Agent objects in any respect to, or takes any action that would, in our reasonable judgment, be reasonably likely to materially and adversely affect the consummation of the Tender Offer, or takes any action that challenges the validity or effectiveness of the procedures used by the Company in the making of the Tender Offer or in the acceptance of Securities.

In addition, we have entered into a commitment letter in connection with the Debt Financing, consisting of a term loan facility in an aggregate principal amount of \$300 million, the net proceeds of which will be used to fund the Tender Offer and pay accrued and unpaid interest and contract adjustment payments and related costs and expenses. The Debt Financing is expected to be consummated prior to or concurrently with the Tender Offer, and such consummation will depend on customary closing conditions, including the lenders' receipt of certain financial statements and the representations and warranties of transaction documents being true and correct in all material respects. There can be no assurance that we will complete in a timely manner, or at all, any such Debt Financing, and our obligation to accept for purchase and pay for the Securities validly tendered pursuant to the Tender Offer is conditioned upon satisfaction or waiver of the Financing Condition and the other conditions set forth above.

#### *Additional Information*

The conditions described above are solely for our benefit and may be asserted only by the Company regardless of the circumstances giving rise to any such condition, and may be waived by us, in whole or in part, at any time and from time to time before the Settlement Date, in our sole discretion. If any of the foregoing conditions have not been met, we may (but will not be obligated to), at any time before the Settlement Date, subject to applicable law, (i) terminate the Tender Offer, (ii) extend the Tender Offer, on the same or amended terms, and thereby delay acceptance for purchase of any validly tendered and not validly withdrawn Securities, or (iii) waive the unsatisfied condition or conditions and accept for purchase all validly tendered Securities, in each case with respect to one or more Series of Securities. Our failure at any time to exercise any of our rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time.

Subject to applicable law, we reserve the right, in our sole discretion, to terminate the Tender Offer at any time with respect to one or more Series of Securities. If we terminate the Tender Offer with respect to a Series of Securities, we will notify the Tender Agent, and all of the Securities of such Series theretofore tendered pursuant to the Tender Offer and not accepted for purchase will be returned promptly to the tendering Holders thereof. See “—Withdrawal of Tenders” below.

### **Certain Significant Consequences to Holders**

In deciding whether to participate in the Tender Offer, each Holder should consider carefully, in addition to the other information contained in this Offer to Purchase, the following:

#### *Limited Trading Market for the Securities*

Historically, and particularly since the Acquisition, the market for the Securities has been limited. The Company intends to retire and cancel the Securities purchased in the Tender Offer. Securities not tendered or otherwise not purchased pursuant to the Tender Offer will remain outstanding, and the market for Securities of that Series that remain outstanding will likely become more limited. The market value of a security with a smaller outstanding amount available for trading (which the financial services industry refers to as a smaller “float”) may be lower than the market value of a comparable security with a greater float. Therefore, the market value for, and liquidity of, the Securities not tendered or tendered but not purchased may be affected adversely to the extent that the amount of Securities purchased pursuant to the Tender Offer reduces the float of such Series of Securities. The reduced float may also tend to make the market value more volatile.

There can be no assurance that an active trading market will exist for the Securities of a Series that remain outstanding following consummation of the Tender Offer. The extent of the public market with respect to a Series of Securities that remains outstanding following consummation of the Tender Offer will depend upon a number of factors, including the size of the float, the number of Holders remaining at such time, and the interest in maintaining a market in such Series of Securities on the part of securities firms.

None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, the Trustee, the Purchase Contract Agent or IIF has any duty to make a market in any remaining Securities.

#### *The Company Does Not File Reports with the SEC and Will Not Be Required to File Such Reports During and After the Tender Offer*

The Company does not presently file periodic reports or other information with the Securities and Exchange Commission (the “SEC”), and it will not be required to do so during and after the Tender Offer. The Company undertakes no obligation to deliver annual, quarterly or other reports or information about the Company to Holders of any Series of Securities during and after the Tender Offer.

#### *Remarketing of RSNs*

If a Holder of Corporate Units does not tender its Corporate Units in the Tender Offer, the RSNs forming a part of such Corporate Units will be subject to remarketing, unless the Holder elects in compliance with the PCPA not to have its RSNs remarketed. A Holder of Separate RSNs will be notified of a remarketing and may elect to participate in the remarketing.

The Company has agreed to enter into a remarketing agreement with one or more remarketing agents, no later than 20 days prior to the first day of the final remarketing period (as defined in the PCPA) or, if the Company elects to conduct an optional remarketing (as defined in the PCPA), no later than 20 days prior to the first day of the optional remarketing period (as defined in the PCPA). Following any successful remarketing of the RSNs: (i) the interest rate on all RSNs (including Separate RSNs that do not participate in the remarketing) may be reset; (ii) interest will be payable on the RSNs semi-annually on April 1 and October 1 of each year; (iii) the RSNs will cease to be redeemable at the Company’s option; and (iv) the Company will cease to have the ability to defer interest payments on the RSNs.

If the RSNs have not been successfully remarketed on or prior to the last day of the final remarketing period, Holders of RSNs will have the right to require the Company to purchase the RSNs on the purchase contract settlement date, which is April 1, 2024, upon at least two business days' prior notice in the case of RSNs that are not included in Corporate Units, at a price equal to the principal amount of such RSNs. In such circumstances, Holders of RSNs that underlie Corporate Units will be deemed to have exercised such put right, unless they settle the related purchase contracts with separate cash.

We cannot assure you that there will be a successful remarketing and, if there is a successful remarketing, we cannot assure you as to what reset interest rate will apply to the RSNs after the remarketing. In addition, because a Holder of Separate RSNs that does not elect to participate in a remarketing is nonetheless subject to the revised terms of the RSNs, such Holder may conclude that the revised terms are not as favorable as the Holder deems appropriate or as favorable as the initial terms of such RSNs.

*Settlement of Purchase Contract for Cash on April 1, 2024*

A Holder of Corporate Units that does not tender their Corporate Units in the Tender Offer and does not otherwise early settle their purchase contracts, will be obligated to settle the purchase contracts on April 1, 2024, which is the purchase contract settlement date. On that date, in exchange for delivering \$50 in cash to the Company for each purchase contract settled, the Holder is expected to receive a cash payment of \$69.22. Unless a Holder has duly elected to deliver separate cash to fulfill the purchase contract obligation, the PCPA generally provides that a Holder's obligation to deliver \$50 of cash upon settlement will be satisfied by delivery to the Company of a portion of the proceeds from the final or optional remarketing (in the case of a successful remarketing) or by delivery to the Company of the put price for the RSNs (in the case of a failed remarketing).

*The Amount of Securities that Will Be Accepted for Purchase Is Uncertain*

Securities validly tendered on or before the Early Tender Deadline may only be validly withdrawn on or before the Withdrawal Deadline, and Securities validly tendered after the Withdrawal Deadline may not be validly withdrawn, unless otherwise required by law. Depending on the number of Corporate Units and the principal amount of the Separate RSNs validly tendered and not validly withdrawn as of the Early Tender Deadline or the Expiration Date, as the case may be, such Securities may or may not be accepted for purchase, in whole or in part. If Securities are validly tendered as of the Expiration Time and the conditions to the Tender Offer are satisfied or waived, we will accept for purchase all Securities that have been validly tendered and not validly withdrawn. **We reserve the right, subject to applicable law, not to extend withdrawal rights.** Accordingly, Holders should not tender any Securities that they do not wish to be accepted for purchase. If Holders tender more Securities than they expect to be accepted for purchase by the Company, and we subsequently accept more of such Securities tendered and not validly withdrawn on or before the Withdrawal Deadline, such Holders will not be able to withdraw any of their previously tendered Securities.

*Subsequent Repurchases and Redemptions of Securities*

From time to time, we may purchase additional Securities in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem the RSNs pursuant to the terms of the Indenture. Any future purchases may be on the same terms as, or on terms that are more or less favorable to Holders of Securities than, the terms of the Tender Offer. Any future purchases by the Company will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

*Responsibility for Complying with the Procedures of the Tender Offer*

Holders are responsible for complying with all of the procedures for tendering Securities for purchase pursuant to the Tender Offer, as set out in this Offer to Purchase. In particular, the deadlines set by any broker, dealer, commercial bank, trust company or other nominee for the submission and withdrawal of a tender of Securities may be earlier than the relevant deadlines specified in this Offer to Purchase. None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent assumes

any responsibility for informing any Holder of irregularities with respect to such Holder's participation in the Tender Offer.

*Holders Should Consult their Tax, Accounting, Financial and Legal Advisers before Participating in the Tender Offer*

Holders should consult their tax, accounting, financial and legal advisers as they may deem appropriate regarding the suitability to themselves of the tax, accounting, financial and legal consequences of participating or declining to participate in the Tender Offer. In particular, due to the number of different jurisdictions where tax laws may apply to a Holder, this Offer to Purchase does not discuss all tax consequences for Holders arising from the purchase by the Company of the Securities. Holders are urged to consult their professional advisers regarding the possible tax consequences under the laws of the jurisdictions that apply to them. Holders are liable for their own taxes and have no recourse to the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent with respect to taxes arising in connection with the Tender Offer.

*A Withdrawal of a Tender of Securities Will Only be Accepted if Validly Submitted*

Notwithstanding the right of Holders to withdraw a tender of Securities in the circumstances set out in “—Withdrawal of Tenders,” such withdrawal will only be accepted if validly submitted in accordance with the instructions contained herein, prior to the Withdrawal Deadline (or any earlier deadlines set by the relevant broker, dealer, commercial bank, trust company or other nominee).

*Tax Matters*

See “U.S. Federal Income Tax Considerations” for a summary of U.S. federal income tax considerations relating to the Tender Offer.

*Conditions to the Consummation of the Tender Offer*

The completion of the Tender Offer is subject to the satisfaction or waiver of certain conditions, including the Financing Condition. See “—Conditions to the Tender Offer.” There can be no assurance that either the Tender Offer will be consummated or that any failure to consummate the Tender Offer will not have a negative effect on the market price and liquidity of the Securities. Even if the Tender Offer is completed, it may not be completed on the schedule described in this Offer to Purchase. Accordingly, Holders participating in the Tender Offer may have to wait longer than expected to receive payment for their Securities tendered and not validly withdrawn in the Tender Offer, during which time those Holders will not be able to effect transfers of such Securities.

*The Consideration to Be Received in the Tender Offer Does Not Reflect Any Valuation of the Securities*

The board of directors of SJI has made no determination that the consideration to be received in the Tender Offer represents a fair valuation of the Securities. SJI has not obtained a fairness opinion from any financial advisor about the fairness to SJI or to Holders of the consideration to be received by Holders of Securities.

*No Recommendation*

None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee or the Purchase Contract Agent makes any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder's Securities, and neither the Company nor any such other person has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in this Offer to Purchase, consult their own investment and tax advisors and make their own decisions whether to tender Securities and, if so, the amount of Securities to tender.

## **Procedures for Tendering**

### *General*

The following summarizes the procedures to be followed by all Holders in tendering their Securities.

### *Early Tender Deadline; Expiration Time; Extensions; Amendments*

The Early Tender Deadline is 5:00 p.m., New York City time, on September 18, 2023, unless extended, in which case the Early Tender Deadline will be such date to which the Early Tender Deadline is extended. The Expiration Time is 5:00 p.m., New York City time, on October 3, 2023, unless extended, in which case the Expiration Time will be such date to which the Expiration Time is extended. We, in our sole discretion, may extend the Early Tender Deadline or the Expiration Time for any purpose, including in order to permit the satisfaction of conditions to the Tender Offer. To extend the Early Tender Deadline or the Expiration Time, we will notify the Tender Agent and will make a public announcement thereof each before 9:00 a.m., New York City time, on the next business day after the previously scheduled Early Tender Deadline or Expiration Time, as applicable. Such announcement will state that we are extending the Early Tender Deadline or the Expiration Time for a specified period or on a daily basis. Without limiting the manner in which we may choose to make a public announcement of any extension, amendment or termination of the Tender Offer, we will not be obligated to publish, advertise or otherwise communicate any such public announcement, other than by making a timely press release.

We reserve the right, subject to applicable law, to:

- waive any and all conditions to the Tender Offer with respect to one or more Series of Securities;
- extend, terminate or withdraw the Tender Offer with respect to one or more Series of Securities;
- extend the Early Tender Deadline or the Withdrawal Deadline with respect to one or more Series of Securities; and
- otherwise amend the Tender Offer in any respect in relation to one or more Series of Securities.

In the event we extend the Early Tender Deadline or the Expiration Time, we also reserve the right, in our sole discretion, subject to applicable law, to take such action without extending the Withdrawal Deadline.

If we exercise any such right, we will give written notice thereof to the Tender Agent and will make a public announcement thereof as promptly as practicable.

The minimum period during which the Tender Offer and any withdrawal rights will remain open following material changes in the terms of the Tender Offer or in the information concerning the Tender Offer will depend upon the facts and circumstances of such changes, including the relative materiality of the changes. With respect to a change in the Total Consideration or the Tender Consideration, we will extend the Expiration Time and/or the Withdrawal Deadline, if necessary, to ensure that we comply with applicable law. If any of the terms of the Tender Offer are amended in a manner determined by the Company to constitute a material change adversely affecting any Holder, we will promptly disclose any such amendment in a manner reasonably calculated to inform Holders of such amendment, and we will extend the Tender Offer and/or any withdrawal rights for a time period that we in our sole discretion deem appropriate, depending upon the significance of the amendment and the manner of disclosure to Holders, if the Tender Offer or withdrawal rights would otherwise expire during such time period, or as required by applicable law.

### *How to Tender Securities*

All of the Securities are held in book-entry form through the facilities of DTC. For a Holder to tender Securities pursuant to the Tender Offer validly, an Agent's Message (as defined herein) and any other required documents must be received by the Tender Agent at one of its addresses set forth on the back cover of this Offer to

Purchase on or before the Early Tender Deadline or the Expiration Time, as applicable. In addition, on or before the Early Tender Deadline (if such Holder wants to be eligible to receive the Total Consideration) or the Expiration Time, as applicable, such Holder's Securities must be transferred pursuant to the procedures for book-entry transfer described below (and a confirmation of such tender must be received by the Tender Agent, including an Agent's Message). To effectively tender Securities that are held through DTC, DTC participants should transmit their acceptance through ATOP, and DTC will then edit and verify the acceptance and send an Agent's Message to the Tender Agent for its acceptance. There is no letter of transmittal for the Offer to Purchase.

**Beneficial owners should be aware that their broker, dealer, commercial bank, trust company or other nominee may establish its own earlier deadlines for participation in the Tender Offer. Accordingly, beneficial owners wishing to participate in the Tender Offer should contact their broker, dealer, commercial bank, trust company or other nominee as soon as possible in order to determine the times by which such nominee must take action in order to participate in the Tender Offer.**

Any beneficial owner whose Securities are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender Securities should contact such registered Holder promptly and instruct the Holder to tender such Securities on the beneficial owner's behalf. The tender by a Holder pursuant to the procedures set forth herein will constitute an agreement between such Holder and the Company in accordance with the terms and subject to the conditions set forth herein, which agreement will be governed by the laws of the State of New York.

**By tendering Securities pursuant to the Tender Offer, the Holder will be deemed to have represented and warranted that such Holder has full power and authority to tender, sell, assign and transfer the Securities tendered thereby and that when such Securities are accepted for purchase and payment by the Company, we will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right and have a net long position equal to or greater than the aggregate number of the Corporate Units or the aggregate principal amount of the Separate RSNs tendered and will cause such Securities to be delivered in accordance with the terms of the Tender Offer. The Holder will also be deemed to have agreed to, upon request, execute and deliver any additional documents deemed by the Tender Agent or by the Company to be necessary or desirable to complete the sale, assignment and transfer of the Securities tendered thereby.**

**Holders desiring to tender Securities pursuant to ATOP must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC.** Except as otherwise provided herein, delivery of Securities will be deemed made only when the Agent's Message is actually received by the Tender Agent. No documents should be sent to the Company or the Dealer Manager.

For a Holder who holds Securities through Clearstream or Euroclear to validly tender Securities pursuant to the Tender Offer, such Holder must tender such Securities in accordance with the procedures of such clearing system. Both Clearstream and Euroclear are indirect participants in the DTC system.

#### *Book-Entry Transfer*

The Tender Agent will establish an account with respect to the Securities at DTC for purposes of the Tender Offer, within two business days of the date of this Offer to Purchase, and any financial institution that is a participant in DTC may make book-entry delivery of Securities by causing DTC to transfer such Securities into the Tender Agent's account in accordance with DTC's procedures for such transfer. However, although delivery of Securities may be effected through book-entry transfer into the Tender Agent's account at DTC, an Agent's Message, and any other required documents, must, in any case, be transmitted to and received by the Tender Agent at its address set forth on the back cover of this Offer to Purchase on or before the Early Tender Deadline or the Expiration Time, as applicable. The confirmation of a book-entry transfer into the Tender Agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation." **Delivery of documents to DTC does not constitute delivery to the Tender Agent.**

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Tender Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment

from the participant in DTC described in such Agent's Message, stating (i) the aggregate number of the Corporate Units or the principal amount of the Separate RSNs that have been tendered by such participant pursuant to the Tender Offer, (ii) that such participant has received this Offer to Purchase and agrees to be bound by the terms of the Tender Offer as described in this Offer to Purchase and (iii) that we may enforce such agreement against such participant.

Any acceptance of an Agent's Message transmitted through ATOP is at the election and risk of the person transmitting an Agent's Message and delivery will be deemed made only when actually received by the Tender Agent.

*No Guaranteed Delivery*

**There are no guaranteed delivery provisions applicable to the Tender Offer. Holders must tender their Securities, if applicable, in accordance with the procedures set forth above under "—Procedures for Tendering."**

*Withholding Tax*

Under U.S. federal income tax laws, payments to certain Holders who tender Securities pursuant to the Tender Offer may be subject to withholding tax or backup withholding. See "U.S. Federal Income Tax Considerations" below.

*Transfer of Ownership of Tendered Securities*

Holders may not transfer record ownership of any Securities validly tendered and not validly withdrawn. Beneficial ownership in tendered Securities may be transferred by the Holder by delivering to the Tender Agent at its address set forth on the back cover of this Offer to Purchase the name of the DTC participant on the security listing position listed as the transferee of such Securities and the amount of the Securities to be transferred. A person who succeeds to the beneficial ownership of tendered Securities pursuant to these procedures will be entitled to receive the purchase price of the Securities and any applicable accrued interest and, in the case of the Corporate Units, any applicable accrued contract adjustment payments, in each case from the last applicable payment date for such Securities to, but excluding, the Settlement Date, if the Securities are accepted for purchase, or to receipt of the tendered Securities if the Tender Offer is terminated, provided, in each case, that we have been given proper and timely instructions as to the identity of such person and the address to which to deliver such purchase price or Securities.

*Compliance with "Short Tendering" Rule*

It is a violation of Rule 14e-4 (promulgated under the Exchange Act) for a person, directly or indirectly, to tender securities in a partial tender offer for his own account unless the person so tendering securities (a) has a net long position equal to or greater than the aggregate number of Corporate Units or the aggregate principal amount of the Separate RSNs being tendered and (b) will cause such securities to be delivered in accordance with the terms of the tender offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person.

A tender of Securities in the Tender Offer under any of the procedures described above will constitute a binding agreement between the tendering Holder and the Company with respect to the Tender Offer upon the terms and subject to the conditions to the Tender Offer, including the tendering Holder's acceptance of the terms and conditions to the Tender Offer, as well as the tendering Holder's representation and warranty that (a) such Holder has a net long position in the Securities being tendered pursuant to the Tender Offer within the meaning of Rule 14e-4 under the Exchange Act and (b) the tender of such Securities complies with Rule 14e-4.

### *Conditions to the Consummation of the Tender Offer*

The closing of the Tender Offer is subject to the satisfaction or waiver of certain conditions, including the Financing Condition. There can be no assurance that the Company will complete in a timely manner, or at all, the Debt Financing or that the Financing Condition will be satisfied. See “Terms of the Tender Offer—Conditions to the Tender Offer.” Accordingly, there can be no assurance that the Tender Offer will be consummated or that any failure to consummate the Tender Offer will not have a negative effect on the market price and liquidity of the Securities.

### *Other Matters*

Subject to, and effective upon, the acceptance for purchase of, and payment for, the Securities tendered in accordance with the terms and subject to the conditions to the Tender Offer, a tendering Holder will be deemed to have agreed to sell, assign and transfer to, or upon the order of, the Company, all right, title and interest in and to all of the Securities tendered and accepted for purchase pursuant to the terms hereof and waives any and all other rights with respect to such Securities (including, without limitation, any existing or past defaults and their consequences in respect of the Securities and the Indenture) and releases and discharges the Company from any and all claims the Holder may have now, or may have in the future, arising out of, or related to, the Securities, including, without limitation, any claims that the Holder is entitled to receive additional principal, interest or other payments with respect to such Securities or to participate in any repurchase, redemption or defeasance of the Securities. In addition, by tendering Securities pursuant to the Tender Offer, a Holder will be deemed to have irrevocably constituted and appointed the Tender Agent the true and lawful agent and attorney-in-fact of such Holder (with full knowledge that the Tender Agent also acts as the agent of the Company) with respect to any tendered Securities, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (i) deliver such Securities or transfer ownership of such Securities on the account books maintained by DTC together with all accompanying evidences of transfer and authenticity, to or upon the order of the Company, (ii) present such Securities for transfer on the register and (iii) receive all benefits or otherwise exercise all rights of beneficial ownership of such Securities, including receipt of funds from the Company for the purchase price for any Securities tendered pursuant to the Tender Offer that are accepted and purchased by the Company and transfer such funds to the Holder, all in accordance with the terms of the Tender Offer.

**By tendering Securities pursuant to the Tender Offer, the Holder will be deemed to have agreed that the delivery and surrender of the Securities is not effective, and the risk of loss of the Securities does not pass to the Tender Agent, until receipt by the Tender Agent of a properly transmitted Agent's Message together with all accompanying evidences of authority and any other required documents in form satisfactory to us. All questions as to the form of all documents and the validity (including time of receipt) and acceptance of tenders and withdrawals of Securities will be determined by us, in our sole discretion, which determination shall be final and binding.**

Notwithstanding any other provision of the Tender Offer, payment of the Total Consideration or the Tender Consideration, as the case may be, plus accrued and unpaid interest and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments, in each case from the last applicable payment date for such Securities to, but excluding, the Settlement Date, in payment for Securities tendered and accepted for purchase pursuant to the Tender Offer will occur only after timely receipt by the Tender Agent of a Book-Entry Confirmation with respect to such Securities, together with an Agent's Message and any other required documents. The tender of Securities pursuant to the Tender Offer by the procedures set forth above will constitute an agreement between the tendering Holder and the Company in accordance with the terms and subject to the conditions to the Tender Offer.

**Alternative, conditional or contingent tenders will not be considered valid.** We reserve the absolute right to reject any or all tenders of Securities that are not in proper form or the acceptance of which would, in the opinion of the Company or our counsel, be unlawful. We also reserve the right, subject to applicable law, to waive any defects, irregularities or conditions to tender as to particular Securities. Our interpretations of the terms and conditions to the Tender Offer will be final and binding. Any defect or irregularity in connection with tenders of Securities must be cured within such time as we determine, unless waived by us. Our waiver of a defect with respect to one tender of Securities shall not constitute a waiver with respect to any defect applicable to any other tender of Securities unless we expressly provide otherwise. Tenders of Securities shall not be deemed to have been

made until all defects and irregularities have been waived by the Company or cured. None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee, the Purchase Contract Agent or any other person will be under any duty to give notice of any defects or irregularities in tenders of Securities or will incur any liability to Holders for failure to give any such notice.

*Acceptance of Securities for Purchase; Payment for Securities*

Upon the terms and subject to the conditions to the Tender Offer, we will accept for purchase, and pay for, Securities validly tendered pursuant to the Tender Offer, not validly withdrawn upon the satisfaction or waiver of the conditions to the Tender Offer specified under “—Conditions to the Tender Offer.” We will promptly pay for Securities accepted for purchase on the Settlement Date. In all cases, payment for Securities accepted for purchase pursuant to the Tender Offer will be made only after a Book-Entry Confirmation with respect to such Securities, together with an Agent’s Message and any other required documents.

We reserve the right, in our sole discretion, but subject to applicable law, to (1) delay acceptance for purchase of Securities tendered under the Tender Offer or the payment for Securities accepted for purchase (subject to Rule 14e-1 under the Exchange Act, which requires that we pay the consideration offered or return Securities deposited by or on behalf of the Holders promptly after the termination or withdrawal of the Tender Offer) or (2) terminate the Tender Offer with respect to any Series of Securities at any time.

For purposes of the Tender Offer, we will be deemed to have accepted for purchase validly tendered Securities (or defectively tendered Securities with respect to which the Company has waived such defect) if, as and when we give oral (promptly confirmed in writing within 1 business day thereof) or written notice thereof to the Tender Agent. With respect to tendered Securities that are to be subsequently returned to Holders, such Securities will be credited to the account maintained at DTC from which such Securities were delivered after the expiration or termination of the Tender Offer.

We will pay for Securities accepted for purchase in the Tender Offer by depositing such payment in cash with the Tender Agent, or upon our instructions, DTC, which will act as agent for the tendering Holders for the purpose of receiving tenders of Securities, the Total Consideration or the Tender Consideration, as the case may be, and accrued and unpaid interest and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments and transmitting the Total Consideration or the Tender Consideration, as the case may be, and accrued and unpaid interest and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments, in each case from the last applicable payment date for such Securities to, but excluding, the Settlement Date, to such Holders.

Corporate Units may be tendered and accepted for purchase only in integral multiples of 20 Corporate Units. Separate RSNs may be tendered and accepted for purchase only in principal amounts equal to minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Securities must continue to hold Securities in the applicable minimum authorized denomination of such Securities.

If, for any reason, acceptance for purchase of, or payment for, validly tendered Securities pursuant to the Tender Offer is delayed, or the Company is unable to accept for purchase or to pay for validly tendered Securities pursuant to the Tender Offer, then the Tender Agent may, nevertheless, on behalf of the Company, retain the tendered Securities, without prejudice to the rights of the Company described under “—Early Tender Deadline; Expiration Time; Extensions; Amendments” and “—Conditions to the Tender Offer” above and “—Withdrawal of Tenders” below, but subject to Rule 14e-1 under the Exchange Act, which requires that we pay the consideration offered or return the Securities tendered promptly after the termination or withdrawal of the Tender Offer.

If any tendered Securities are not accepted for purchase for any reason pursuant to the terms and conditions to the Tender Offer, such Securities will be promptly credited to an account maintained at DTC, designated by the participant therein who so delivered such Securities promptly following the Expiration Time or the termination of the Tender Offer.

We may transfer or assign, in whole or from time to time in part, to one or more of our affiliates or any third party the right to purchase all or any of the Securities tendered pursuant to the Tender Offer, but any such transfer or assignment will not relieve our obligations under the Tender Offer and will in no way prejudice the rights of tendering Holders to receive payment for Securities validly tendered and not validly withdrawn and accepted for purchase pursuant to the Tender Offer.

Holders of Securities tendered on or prior to the Early Tender Deadline (and not validly withdrawn on or prior to the Withdrawal Deadline) and accepted for purchase pursuant to the Tender Offer will be entitled to accrued and unpaid interest on their Securities and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments, in each case to, but excluding, the Settlement Date. Holders of Securities tendered on or prior to the Expiration Time and accepted for purchase pursuant to the Tender Offer will be entitled to accrued and unpaid interest on their Securities and, in the case of the Corporate Units, accrued and unpaid contract adjustment payments, in each case to, but excluding, the Settlement Date. Under no circumstances will any additional interest or contract adjustment payments be payable because of any delay by the Tender Agent or DTC in the transmission of funds to the Holders of purchased Securities or otherwise.

Tendering Holders of Securities purchased in the Tender Offer will not be obligated to pay brokerage commissions or fees to the Dealer Manager, the Tender Agent, IIF, the Information Agent or the Company or to pay transfer taxes with respect to the purchase of their Securities. If, however, the Total Consideration or the Tender Consideration, as the case may be, is to be paid to, or if Securities not tendered or not accepted for purchase are to be registered in the name of, any person other than a Holder, the amount of any transfer taxes (whether imposed on the Holder or such other person) payable on account of the transfer to such person will be deducted from the Total Consideration or the Tender Consideration, as the case may be, unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted. We will pay all other fees and expenses in connection with the Tender Offer. See “Dealer Manager; Tender Agent; Information Agent.” Notwithstanding anything herein to the contrary, the payments to Holders will be made net of any withholding tax or backup withholding that is required to be imposed pursuant to applicable law. See “U.S. Federal Income Tax Considerations.”

## **Withdrawal of Tenders**

**Securities tendered may be validly withdrawn at any time on or before the Withdrawal Deadline, but not thereafter, except in certain limited circumstances where additional withdrawal rights are required by law.**

If the Tender Offer with respect to any Series of Securities, is terminated, Securities of such Series tendered pursuant to the Tender Offer will promptly be returned to the tendering Holders.

For a withdrawal of a tender of Securities to be effective, a notice of withdrawal must be timely received by the Tender Agent on or before the Withdrawal Deadline by a properly transmitted “Request Message” through ATOP. Any such notice of withdrawal must (a) specify the name of the DTC participant for whose name appears on the security position listing as the owner of such Securities, (b) contain the description of the Securities to be withdrawn (including the amount and Series of Securities to be withdrawn) and (c) be signed by the DTC participant in the same manner as the participant’s name is listed in the applicable Agent’s Message, or be accompanied by evidence satisfactory to the Company that the person withdrawing the tender has succeeded to the beneficial ownership of such Securities. The signature on the notice of withdrawal must be guaranteed by a Medallion Signature Guarantor unless such Securities have been tendered for the account of an Eligible Institution. Withdrawal of tenders of Securities may not be rescinded, and any Securities properly withdrawn will thereafter be deemed not validly tendered for purposes of the Tender Offer. Withdrawal of Securities may only be accomplished in accordance with the foregoing procedures. Securities validly withdrawn may thereafter be retendered at any time on or before the Expiration Time by following the procedures described under “—Procedures for Tendering.”

We will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender, in our sole discretion, which determination shall be final and binding. None of the Company, the Dealer Manager, the Tender Agent, the Information Agent, IIF, the Trustee, the Purchase Contract Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

If we are delayed in our acceptance for purchase of, or payment for, validly tendered Securities or we are unable to accept for purchase or pay for validly tendered Securities pursuant to the Tender Offer for any reason, then, without prejudice to our rights hereunder, but subject to applicable law, tendered Securities may be retained by the Tender Agent on behalf of the Company and may not be validly withdrawn (subject to Rule 14e-1 under the Exchange Act, which requires that we pay the consideration offered or return the Securities deposited by or on behalf of the Holders promptly after the termination or withdrawal of the Tender Offer).

## U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of U.S. federal income tax considerations relating to the disposition of Securities pursuant to the Tender Offer. This discussion is based on the Internal Revenue Code of 1986, as amended (the “Code”) and applicable U.S. Treasury regulations, rulings, administrative pronouncements and judicial decisions thereunder all as of the date hereof and all of which are subject to change or differing interpretations at any time with possible retroactive effect. This discussion is general in nature and does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular Holder in light of the Holder’s particular circumstances, or to certain types of Holders subject to special treatment under U.S. federal income tax laws (such as banks and other financial institutions, insurance companies, tax-exempt entities, retirement plans, dealers or traders in securities or currencies, brokers, regulated investment companies, real estate investment trusts, traders in securities that elect to use mark-to-market method of accounting for their securities, expatriates, partnerships and other pass-through entities (and investors in such entities), persons that own or have owned more than five percent (actually or constructively) of our common stock or our purchase contracts, persons that hold their Securities as part of a straddle, hedge, conversion or constructive sale transaction or other integrated investment, “U.S. Holders” (as defined herein) whose functional currency is not the U.S. dollar, persons subject to special tax accounting rules under Section 451(b) of the Code or persons subject to the alternative minimum tax). In addition, this discussion does not address Holders who purchased Corporate Units other than in the initial offering and does not address any U.S. state or local or non-U.S. tax consequences or non-income tax consequences (such as estate or gift tax consequences). This disclosure also does not address the Medicare tax on net investment income. Further, this discussion assumes that Holders are the beneficial owners of the Securities and hold the Securities as “capital assets” (generally, property held for investment) within the meaning of Section 1221 of the Code. Holders are urged to consult their tax advisors regarding the U.S. federal, state, local and non-U.S. income and other tax considerations of the Tender Offer.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Securities, the U.S. federal income tax treatment of an owner in such entity will generally depend upon the status of the owner and the activities of the entity. Entities or arrangements treated as partnerships for U.S. federal income tax purposes that hold Securities and the owners therein should consult their tax advisors regarding the tax consequences of tendering or retaining the Securities.

As used in this discussion, the term “U.S. Holder” means a beneficial owner of a Security that is, for U.S. federal income tax purposes, one of the following:

- (1) an individual who is a citizen or resident of the United States;
- (2) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- (4) a trust if it (x) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (y) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

As used herein, the term “Non-U.S. Holder” means a beneficial owner of a Security who is an individual, entity taxable as a corporation for U.S. federal income tax purposes, estate or trust for U.S. federal income tax purposes and who is not a U.S. Holder.

**The tax considerations relating to the Tender Offer are highly uncertain in many respects. We have not sought any rulings concerning the tender of the Corporate Units or the Separate RSNs, and the tax consequences described herein are not binding on the IRS or the courts, either of which could disagree with the explanations or conclusions contained in this summary.**

**Holders should consult their tax advisors concerning the U.S. federal income tax considerations relating to them of the tender of Securities pursuant to the Tender Offer in light of their specific situation, as well as the consequences arising under any federal tax law other than federal income tax law or under the laws of any state, local or non-U.S. jurisdiction.**

## **U.S. Holders**

### **Treatment of the Corporate Units**

Each Corporate Unit consists of two components, an undivided beneficial interest in an RSN and a purchase contract. Although the treatment of a Corporate Unit as having two separate components for U.S. federal income tax purposes is not free from doubt, we and, by purchasing Corporate Units, each beneficial owner, agreed to treat the RSNs and purchase contracts as owned separately by such beneficial owner, and to treat the RSNs as indebtedness for U.S. federal income tax purposes. The remainder of this discussion assumes such treatment.

The purchase price of each Corporate Unit was to be allocated between the RSN and the purchase contract in proportion to their respective fair market values at the time of issuance. This allocation established the U.S. Holder's initial tax basis in the RSN and the purchase contract. With respect to the initial issuance, we determined that 100% of the issue price of a Corporate Unit was allocable to the RSN, and 0% was allocable to the purchase contract. By purchasing the Corporate Units upon issuance, each U.S. Holder was deemed to have agreed to this allocation, although this allocation is not binding on the IRS.

The RSNs (including the Separate RSNs) have been treated for U.S. federal income tax purposes as "variable rate debt instruments" that are subject to applicable U.S. Treasury regulations that apply to "reset bonds" and that mature, solely for purposes of the accrual of original issue discount, on the date immediately preceding the purchase contract settlement date, for an amount equal to 100% of their principal amount. There are, however, no Treasury regulations, rulings or other authorities that address whether debt instruments that are substantially similar to the RSNs should be treated as "variable rate debt instruments," and therefore the U.S. federal income tax treatment of the RSNs is unclear and other characterizations are possible. The remainder of this discussion assumes that the RSNs are treated as "variable rate debt instruments" for U.S. federal income tax purposes.

There is no direct authority addressing the U.S. federal income tax treatment of the contract adjustment payments under current law, and such treatment is unclear. We have been reporting the contract adjustment payments on any required information returns as ordinary income to U.S. Holders. Under this treatment, U.S. Holders should have included the contract adjustment payments in gross income when received or accrued, in accordance with their regular method of tax accounting. Alternatively, contract adjustment payments might be characterized for U.S. federal income tax purposes as non-taxable adjustments to the purchase price payable for our common stock under the purchase contract. If so, a U.S. Holder would not be required to currently include the contract adjustment payments in gross income; instead the U.S. Holder would have increased gain or reduced loss upon the termination of the purchase contract pursuant to the Tender Offer, as discussed below. U.S. Holders should consult their tax advisors regarding the characterization of contract adjustment payments under U.S. federal income tax law.

### **Tender of Corporate Units Pursuant to the Tender Offer**

The tender of a Corporate Unit for cash consideration as part of the Tender will be a taxable event for U.S. Holders. We intend to treat the tender of a Corporate Unit for U.S. federal income tax purposes as if:

(1) the purchase contract is terminated for the amount of cash that would be due under the purchase contract, calculated by reference to the Acquisition consideration (plus any accrued but unpaid contract adjustment payments), less the amount of the U.S. Holder's obligation under the purchase contract; and

(2) the RSN is retired for cash equal to the fair market value of the RSN (including accrued and unpaid interest).

Accordingly, a U.S. Holder's gain or loss with respect to the tender of a Corporate Unit will be separately calculated with respect to the RSN and the purchase contract comprising each Corporate Unit and will be determined based upon the consideration allocated to each of the RSN and the purchase contract over the U.S. Holder's adjusted tax basis in the RSN or the purchase contract, as applicable. It is not clear how to allocate the total cash consideration received in the Tender Offer for a Corporate Unit between these two components. For example, the total consideration received in the Tender Offer for a Corporate Unit could be allocated first to the retirement of the RSN based on its fair market value, with the balance being allocated to the purchase contract, but alternative methods are possible. As a result of allocating the cash consideration between the RSN and the purchase contract, it is possible that a U.S. Holder could recognize a gain on the tender on one component of the Corporate Unit and a loss on the other.

Any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if, at the time of such disposition, the U.S. Holder held such Corporate Unit for a period of more than one year. Long-term capital gains recognized by non-corporate U.S. Holders are subject to reduced rates. The deductibility of capital losses is subject to limitations.

The choice of allocation method between the components could result in differences in the amount of gain or loss recognized by a U.S. Holder in respect of the purchase contract and the RSN, respectively. U.S. Holders are encouraged to consult their tax advisors regarding the U.S. federal income tax considerations relating to participating in the Tender.

For purposes of determining gain or loss on the tender of a Corporate Unit, the proceeds received by such U.S. Holder upon such tender (i) will not include any amount properly attributable to accrued but unpaid interest on the RSN, which amount will be taxable as ordinary interest income to the extent not previously included in income by such U.S. Holder, and (ii) may not include any amount properly attributable to accrued contract adjustment payments, which amount may be treated as ordinary income to the extent not previously included in income by such U.S. Holder. As described under “—Treatment of the Corporate Units” above, there is no direct authority under current law that addresses the U.S. federal income tax treatment of the contract adjustment payments, and such treatment is, therefore unclear. We plan to report a portion of the cash payment made pursuant to the Tender Offer as properly allocable to accrued and unpaid contract adjustment payments and as taxable in the same manner as we have been reporting contract adjustment payments prior to this Tender Offer. See “—Treatment of the Corporate Units” above.

### **Tender of Separate RSNs Pursuant to the Tender Offer**

A tender of Separate RSNs by a U.S. Holder pursuant to the Tender Offer will be a taxable transaction to such U.S. Holder for U.S. federal income tax purposes **based on the amount realized**. Subject to the discussion below regarding the potential alternative treatment of the Early Tender Premium, in general, a U.S. Holder that tenders a Separate RSN pursuant to the Tender Offer will recognize gain or loss upon such tender equal to the difference between the amount realized by such U.S. Holder on such disposition of the Separate RSN and such U.S. Holder's adjusted tax basis in such Separate RSN.

For purposes of determining gain or loss, the proceeds received by such U.S. Holder upon a tender will not include any amount properly attributable to accrued but unpaid interest, which amount will be taxable as ordinary interest income to the extent not previously included in income by such U.S. Holder. Subject to the market discount rules described below, any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if, at the time of such disposition, the U.S. Holder held such Separate RSN for a period of more than one year. Long-term capital gains recognized by non-corporate U.S. Holders are subject to reduced rates. The deductibility of capital losses is subject to limitations.

*Market Discount.* A U.S. Holder that acquired a Separate RSN with “market discount” in excess of a statutory de minimis amount will generally be required to treat a portion of any gain recognized on the disposition of such Separate RSN as ordinary income (rather than capital gain) to the extent of the market discount accrued to the date of the disposition, unless the U.S. Holder has elected to include market discount in income currently as it accrued. Market discount is generally the amount by which the “stated redemption price” at maturity (within the

meaning of Section 1278 of the Code) of a Separate RSN exceeds the U.S. Holder's tax basis in such Separate RSN immediately after its acquisition (other than at initial issuance).

*Amortizable Bond Premium.* In general, a U.S. Holder that purchased a Separate RSN for an amount in excess of the Separate RSN's principal amount is considered to have purchased such Separate RSN with "amortizable bond premium" equal to such excess. A U.S. Holder that elected to amortize such premium as an offset to its interest income must reduce its tax basis in the Separate RSN by the amount of premium used to offset income.

### **Early Tender Premium**

The tax treatment of the Early Tender Premium is uncertain. We intend to treat the Early Tender Premium as additional consideration paid in exchange for the tender of the Securities pursuant to the Tender Offer, in which case it would be treated as part of the amount realized by a U.S. Holder upon the disposition of its Securities and taken into account in determining the amount of gain or loss recognized on the exchange. There can be no assurance, however, that the IRS will not treat the Early Tender Premium as interest or a separate fee, in which case the Early Tender Premium would be treated as ordinary income to a U.S. Holder.

U.S. Holders should consult their tax advisors as to the proper treatment of the Early Tender Premium.

### **U.S. Holders That Do Not Tender**

A U.S. Holder that does not tender its Securities in the Tender Offer or does not have its tender of Securities accepted for purchase pursuant to the Tender Offer will not recognize any gain or loss as a result of the Tender Offer.

### **Non-U.S. Holders**

#### **Tender of Corporate Units and/or Separate RSNs Pursuant to the Tender Offer**

Subject to the discussion below under "—Information Reporting and Backup Withholding" and "—FATCA," except (i) with respect to any accrued and unpaid interest, which will be treated as described below under "—Accrued Interest" and (ii) potentially with respect to any amounts attributable to accrued and unpaid contract adjustment payments, which will be treated as described below under "—Accrued Contract Adjustment Payments," a non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding tax on any gain realized upon the tender of Corporate Units or Separate RSNs, as the case may be, unless:

- the gain is effectively connected with Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment of the Non-U.S. Holder in the United States);
- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met; or
- the Non-U.S. Holder, by virtue of holding a purchase contract, is or was considered to own an interest in a U.S. real property holding corporation ("USRPHC") and does not meet the criteria for exemption from U.S. federal income tax.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis in the same manner as if such Non-U.S. Holder were a U.S. person. A Non-U.S. Holder that is a non-U.S. corporation also may be subject to an additional "branch profits tax" at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) of its "effectively connected earnings and profits" for the taxable year, subject to certain adjustments.

Gain described in the second bullet point above will be subject to U.S. federal income tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty), which may be offset by U.S. source capital losses, if any, of the Non-U.S. Holder.

With respect to gain described in the third bullet point above, we have not made a determination as to whether we are or have been a USRPHC. It is possible that, due to our current, prior, or future overall mix of assets, we are, have been or will become a USRPHC.

**Non-U.S. Holders that hold or have held more than five percent (actually or constructively) of our common stock or the purchase contracts should consult their tax advisors regarding potential taxes pursuant to the rules relating to USRPHCs.**

### **Accrued Interest**

Subject to the discussion below under “—Information Reporting and Backup Withholding” and “—FATCA,” payments of accrued and unpaid interest on the RSNs and Separate RSNs to a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax, provided that the Non-U.S. Holder:

- does not own, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- is not a “controlled foreign corporation” with respect to which we are, directly or indirectly, a “related person;”
- is not a bank receiving interest pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- provides the holder’s name and address, and certifies, under penalties of perjury, that the holder is not a U.S. person (which certification may be made on an IRS Form W-8BEN or W-8BEN-E (or successor form)), or, if the holder holds the RSNs and Separate RSNs through certain non-U.S. intermediaries, such holder and the non-U.S. intermediaries satisfy the certification requirements of applicable Treasury regulations.

If a Non-U.S. Holder cannot satisfy the requirements described above, such Non U.S. Holder will be subject to a 30% U.S. federal withholding tax unless the Non-U.S. Holder provides us with a properly executed (1) IRS Form W-8BEN or W-8BEN-E (or successor form) claiming an exemption from or reduction in withholding under the benefit of an applicable U.S. income tax treaty or (2) IRS Form W-8ECI (or successor form) stating that the interest is not subject to withholding tax because it is effectively connected with the Non-U.S. Holder’s conduct of a U.S. trade or business. For the treatment of any interest that is described immediately above in (2), see the discussion of effectively connected income above.

### **Accrued Contract Adjustment Payments**

There is no direct authority under current law that addresses the U.S. federal income tax treatment of the contract adjustment payments, and such treatment is, therefore, unclear. Consistent with our past practice, we intend to treat any amounts paid that are properly allocable to accrued contract adjustment payments as amounts subject to U.S. federal withholding tax at a 30% rate, unless an income tax treaty reduces or eliminates such tax or the payment is effectively connected with the conduct by the non-U.S. Holder of a trade or business within the United States and the non-U.S. Holder provides the applicable, properly executed IRS forms, as described above. For the treatment of any accrued contract adjustment payments that are effectively connected with a U.S. trade or business, see the discussion above relating to effectively connected income. Alternative treatments of the contract adjustment payments are possible. Non-U.S. Holders should consult their tax advisors concerning contract adjustment payments and the possibility of obtaining a refund of any U.S. federal withholding tax.

## **Early Tender Premium**

As discussed above, the tax treatment of the Early Tender Premium is uncertain. We intend to treat the Early Tender Premium as additional consideration paid in exchange for the tender of the Securities pursuant to the Tender Offer, with the tax consequences described above. There can be no assurance, however, that the IRS or any applicable withholding agent will not take a contrary position. If a withholding agent takes a contrary position, and treats the Early Tender Premium as a separate fee, then the withholding agent may withhold U.S. federal tax at a rate of 30% (or such lower rate provided by an applicable income tax treaty or exemption). In order to claim an exemption from or reduction of withholding tax, the Non-U.S. Holder generally must deliver a properly completed IRS Form W-8BEN or W-8BEN-E (or successor form) to claim the benefits of an applicable United States income tax treaty, or deliver a properly completed IRS Form W-8ECI to claim a withholding tax exemption on the ground that the Early Tender Premium is effectively connected with the conduct of a trade or business by the Non-U.S. Holder within the United States.

Non-U.S. Holders should consult their tax advisors as to the proper treatment of the Early Tender Premium.

## **Non-U.S. Holders That Do Not Tender Their Securities Pursuant to the Tender Offer**

A Non-U.S. Holder that does not tender its Securities in the Tender Offer or does not have its tender of Securities accepted for purchase pursuant to the Tender Offer will not recognize any gain or loss as a result of the Tender Offer.

## **Information Reporting and Backup Withholding**

Information reporting will generally apply to payments of accrued interest or accrued contract adjustment payments made to a Non-U.S. Holder pursuant to the Tender Offer. Copies of the information returns reporting such amounts and any withholding also may be made available by the IRS to the tax authorities in the country in which a Non-U.S. Holder is a resident under the provision of an applicable income tax treaty or other agreement.

In general, backup withholding and additional information reporting will not apply to payments made to a Non-U.S. Holder pursuant to the Tender Offer if, among other conditions, such Non-U.S. Holder certifies as to its non-U.S. person status under penalties of perjury on IRS Form W-8BEN or W-8BEN-E (or other applicable IRS Form W-8 or successor form) or otherwise establishes an exemption, provided that neither the Company nor its paying agent has actual knowledge or reason to know that the Non-U.S. Holder is a U.S. person or that the conditions to any other exemption are not, in fact, satisfied.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the Non-U.S. Holder's U.S. federal income tax liability, provided that the Non-U.S. Holder follows the required procedures and timely provides the required information to the IRS.

## **Foreign Account Tax Compliance Act**

Sections 1471 through 1474 of the Code and regulations thereunder ("FATCA") generally impose U.S. federal withholding tax of 30% on interest income and contract adjustment payments paid on a Security and, subject to proposed regulations discussed below, on the gross proceeds of a disposition of Securities, paid to (i) a foreign financial institution (whether such foreign financial institution is the beneficial owner or an intermediary), unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), and, in certain cases, to withhold on amounts paid to non-compliant U.S. account holders, or (ii) a foreign entity that is not a financial institution (whether such foreign entity is the beneficial owner or an intermediary), unless such entity provides the applicable withholding agent with a certification identifying the substantial U.S. owners of the entity, which generally include any U.S. person who directly or indirectly owns more than 10% of the entity. An intergovernmental agreement between the U.S. and the applicable foreign country, or future regulations or other guidance, may modify these requirements.

Proposed regulations propose to eliminate potential FATCA withholding on the gross proceeds of a disposition of a Security. The proposed regulations provide that taxpayers may rely upon such proposal until final regulations are issued.

We will not pay additional amounts or “gross up” payments to holders of the Securities as a result of any taxes or withholding imposed under FATCA. Under certain circumstances, a Non-U.S. Holder may be eligible for a refund or credit of such tax or withholding. Each holder should consult with its tax advisor regarding the implications of this legislation on its investment.

**THE TAX CONSIDERATIONS RELATING TO THE TENDER OF SECURITIES PURSUANT TO THE TENDER OFFER IS HIGHLY UNCERTAIN IN MANY RESPECTS. ALL PERSONS WHO TENDER SECURITIES PURSUANT TO THE TENDER OFFER SHOULD CONSULT THEIR TAX ADVISORS.**

## **DEALER MANAGER; TENDER AGENT; INFORMATION AGENT**

We have retained BofA Securities, Inc. to act as the Dealer Manager and D.F. King & Co., Inc. to act as the Information Agent and as the Tender Agent in connection with the Tender Offer. We have agreed to pay the Dealer Manager, the Information Agent and the Tender Agent customary fees for their services in connection with the Tender Offer. Such fees will be payable promptly following, and conditioned on, the completion of the Tender Offer. The obligations of the Dealer Manager to perform its functions are subject to various conditions. We have also agreed to reimburse the Dealer Manager, the Information Agent and the Tender Agent for certain out-of-pocket expenses and to indemnify them against certain liabilities, including liabilities under federal securities laws.

At any given time, in the ordinary course of their business activities, the Dealer Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Company or the Company's affiliates. The Dealer Manager or its affiliates that have a lending relationship with the Company routinely hedge their credit exposure to the Company consistent with their customary risk management policies. Typically, the Dealer Manager and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Company's securities, including potentially the Securities referred to herein. Any such credit default swaps or short positions could adversely affect current or future trading prices of the Securities. The Dealer Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions, and may trade for their own accounts or the accounts of their customers, in such securities and instruments.

To the extent that the Dealer Manager or its affiliates own or acquire Securities during the Tender Offer, they may tender such Securities pursuant to the terms of the Tender Offer. In connection with positions in the Securities, the Dealer Manager or their affiliates may tender Securities in the Tender Offer and receive a portion of the consideration paid by us.

Affiliates of the Dealer Manager are expected to be parties to our term loan agreement. In addition, the Dealer Manager and/or its affiliates have provided in the past, and/or are currently providing, other investment and commercial banking and financial advisory services to us and our affiliates. The Dealer Manager and/or its affiliates may from time to time in the future engage in transactions with, and provide various investment and commercial banking and other services to, us and our affiliates, for which they would receive customary compensation.

None of the Dealer Manager, the Information Agent, the Tender Agent, the Trustee or the Purchase Contract Agent assumes any responsibility for the accuracy or completeness of the information concerning the Company or our affiliates or the Securities contained in this Offer to Purchase, or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

In connection with the Tender Offer, our directors, officers and regular employees (who will not be specifically compensated for such services) may solicit tenders by use of the mails, personally or by telephone. We will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Securities and in handling or forwarding tenders of Securities by their customers.

None of the Dealer Manager, the Tender Agent, IIF or the Information Agent is making any recommendation as to whether Holders should tender Securities in response to the Tender Offer. Holders must make their own decision as to whether to tender any of their Securities, and, if so, the amount of Securities to tender.

## **MISCELLANEOUS**

We are not aware of any jurisdiction where the making of the Tender Offer is not in compliance with the laws of such jurisdiction. If we become aware of any jurisdiction where the making of the Tender Offer would not

be in compliance with such laws, we will make a good faith effort to comply with any such laws or may seek to have such laws declared inapplicable to the Tender Offer. If, after such good faith effort, we cannot comply with any such applicable laws, the Tender Offer, as applicable, will not be made to the Holders of Securities residing in each such jurisdiction.

In order to tender Securities, a Holder should tender pursuant to DTC's Automated Tender Offer Program. Any questions or requests for assistance or additional copies of this Offer to Purchase may be directed to the Information Agent at its telephone number or address set forth below. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer.

*The Tender Agent and Information Agent for the Tender Offer is:*

**D.F. King**

48 Wall Street, 22nd Floor  
New York, New York 10005  
United States of America  
E-mail: [sgi@dfking.com](mailto:sgi@dfking.com)  
Toll free calls: (866) 864-7964  
All others calls: (212) 269-5550  
Website: <http://www.dfking.com/sji>

*Any questions regarding the terms of the Tender Offer for the Corporate Units should be directed to BofA Securities, Inc. at its address and telephone numbers set forth below.*

**BofA Securities**

Bank of America Tower  
One Bryant Park  
New York, New York 10036  
Attention: Strategic Equity Solutions  
Toll Free: 1 (888) 803-9655

*Any questions regarding the terms of the Tender Offer for the Separate RSNs should be directed to BofA Securities, Inc. at its address and telephone numbers set forth below.*

**BofA Securities**

620 South Tryon Street, 20th Floor  
Charlotte, North Carolina 28255  
Attention: Debt Advisory  
Toll Free: +1 (888) 292-0070  
Collect: +1 (980) 387-5602  
E-mail: [debt\\_advisory@bofa.com](mailto:debt_advisory@bofa.com)