SALT VERDE FINANCIAL CORPORATION
BOARD MEETING NOTICE AND AGENDA

BOARD OF DIRECTORS MEETING

Thursday, August 6, 2026, No Sooner Than 10:05 AM

SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85288

Directors: Chris Dobson, President; Barry Paceley, Vice President; and Krista O'Brien

Call to Order
Roll Call

1. Request for Approval of the Minutes for the Meeting of April 16, 2026 ....VICE PRESIDENT BARRY PACELEY

2. Fiscal Year 2026 (FY26) Audit Findings by PricewaterhouseCoopers (PwC) ....RAÚL PIÑA, PwC

   Informational presentation regarding the FY26 audit by PwC including audit findings, accounting and reporting matters, and required communications.

3. Update on Current Operations ....JASON RIGGS

   Informational presentation regarding the operations and current counterparty credit ratings.

4. Financial Matters .... SCOTT ERICKSON

   Informational presentation regarding the financial summary covering the year ended April 30, 2026.

5. Adjourn ....VICE PRESIDENT BARRY PACELEY

The Board may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03(A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Board on any of the matters listed on the agenda.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary's Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.

NOTICE WILL BE SENT REGARDING THE NEXT SVFC MEETING

07/30/2026

MINUTES
BOARD OF DIRECTORS
SALT VERDE FINANCIAL CORPORATION,
an Arizona Nonprofit Corporation

DRAFT

April 16, 2026

A meeting of the Board of Directors of the Salt Verde Financial Corporation (SVFC), an Arizona nonprofit corporation organized under the Arizona Nonprofit Corporation Act, convened at 9:30 a.m. on Thursday, April 16, 2026, from the Hoopes Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines.

Directors of SVFC present at roll call were David Rousseau, President of SVFC and SRP; Christopher Dobson, Vice President of SVFC and SRP; and Jack White Jr. of SVFC and SRP.

Also present were Kevin Johnson and Leslie Williams, Directors of SRP; Rocky Shelton, Council Chair of SRP; Barry Paceley, Council Vice Chair of SRP; Colleen Resch-Geretti, Council Member of SRP; Jon Hubbard, Treasurer of SVFC and Treasurer and Senior Director of Financial Operations and Compliance of SRP; Jason Riggs, Assistant Treasurer of SVFC and Director of Treasury Operations and Compliance of SRP; John Felty, Secretary of SVFC and Corporate Secretary of SRP; Lora Hobaica, Assistant Secretary of SVFC and Assistant Corporate Secretary of SRP; Melissa Burger, Scott Erickson, Jeremy Fry, Brian Koch, Ken Lee, Michael O'Connor, and Jim Pratt of SRP; and Scott Gavin and Raul Piña of PricewaterhouseCoopers LLP (PwC).

In compliance with A.R.S. §38-431.02, Andrew Davis of the SRP Corporate Secretary's Office had posted a notice and agenda of a meeting of the Board of Directors of SVFC at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Tuesday, April 14, 2026.

President and Director D. Rousseau served as Chair. They called the meeting to order at 9:30 a.m. and acknowledged the existence of a quorum of the Board of Directors.

Approval of the Minutes

On a motion duly made by Director J. White Jr. and seconded by Vice President and Director C. Dobson, the Board of Directors of the SVFC unanimously approved and adopted the minutes for the meeting of August 7, 2025, as presented.

Secretary J. Felty polled the Directors on Director J. White Jr.'s motion to approve the minutes for the meeting of August 7, 2025. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher Dobson, Vice President; and Jack White Jr.	(3)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Appointment of Officers for Fiscal Year 2027 (FY27)

Using a PowerPoint presentation, President and Director D. Rousseau reminded the Members that the SVFC Bylaws (Article III, Section 3.2) provide that the Board of Directors, at each annual meeting, appoint the officers of the Corporation to serve for the ensuing year. They stated that the current officers of SVFC are David Rousseau, President; Christopher Dobson, Vice President; John Felty, Secretary; Lora Hobaica, Assistant Secretary; Jon Hubbard, Treasurer; and Jason Riggs, Assistant Treasurer.

President and Director D. Rousseau concluded by recommending that the SVFC Board of Directors appoint the individuals listed below to serve in their respective capacities in FY27.

There being no other nominations, on a motion duly made by Director J. White Jr., seconded by Vice President and Director C. Dobson and carried, the Board adopted the following resolution:

RESOLUTION APPOINTING THE OFFICERS OF THE CORPORATION FOR FISCAL YEAR 2027

RESOLVED, that the following persons are hereby appointed as Officers of Salt Verde Financial Corporation, to serve in their respective capacities in Fiscal Year 2027 and until their successors are appointed:

President	Christopher Dobson
Vice President	Barry Paceley
Secretary	John Felty
Asst. Secretary	Lora Hobaica
Treasurer	Jon Hubbard
Asst. Treasurer	Jason Riggs

RESOLVED FURTHER, that the Officers of the Corporation are hereby authorized, empowered and directed to execute such documents, instruments and other writings, and to do all such things on behalf of and in the name of the Corporation, as may be deemed appropriate, required or necessary to perform the duties incidental to their respective offices.

Secretary J. Felty polled the Directors on Director J. White Jr.'s motion to approve the appointment of officers for FY27. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher Dobson, Vice President; and Jack White Jr.	(3)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slide used in this presentation are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

Status of Operations and Counterparty Credit Ratings Update

Using a PowerPoint presentation, Jason Riggs, Assistant Treasurer of SVFC and Director and Assistant Treasurer of Treasury Operations and Compliance of SRP, updated the Board on the status of operations of SVFC and its credit rating. They reported that the inception-to-date gas discount was $8.6 million and that there were no delivery issues.

J. Riggs provided a review of Moody's and Standard and Poor's current credit ratings of Citigroup Inc. (Citi) and the other counterparties involved. In conclusion, they reviewed the Citi collateral received and invested, which included interest earned and interest paid to Citi through March 2026.

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

Nina Mullins and Mitchen Rosen of SRP entered the meeting during the presentation.

PwC FY26 Audit

Using a PowerPoint presentation and referencing the material distributed, Raul Piña, Partner of PwC, presented the audit report and the objectives of the audit. They stated that compliance with the auditor independence rules continues to be a shared responsibility between a company’s management and its independent auditor.

R. Piña provided an overview of the risk assessment results, the PwC audit team, and other required communications.

In conclusion, Scott Erickson, SRP Director of Financial Reporting, requested approval to retain PwC to serve as an independent public accountant for the FY26 year-end audit.

On a motion duly made by Director J. White Jr., seconded by Vice President and Director C. Dobson and carried, the Board approved the retention of PwC for the FY26 year-end audit.

Secretary J. Felty polled the Directors on Director J. White Jr.’s motion to approve the FY26 year-end audit. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher Dobson, Vice President; and Jack White Jr.	(3)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the handouts distributed and PowerPoint slides used in this presentation and materials distributed by PwC are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

Financial Matters

Unaudited Financial Statements

Using a PowerPoint presentation, S. Erickson provided a financial summary of the FY26 Actuals through the third quarter and the FY27 operating budget. They reviewed the unaudited financial statements of SVFC for the nine-month period ending January 31, 2026.

FY27 Operating Budget

Continuing, S. Erickson reviewed the key elements of the proposed Operating Budget of SVFC for FY27, including the estimated income and expenses. They concluded by recommending that the SVFC Board of Directors approve the proposed Operating Budget for FY27, as presented.

On a motion duly made by President and Director D. Rousseau, seconded by Director J. White Jr. and carried, the Board granted approved, as recommended.

Secretary J. Felty polled the Directors on President and Director D. Rousseau’s motion to approve the Operating Budget for FY27. The vote was recorded as follows:

YES:	Directors David Rousseau, President; Christopher Dobson, Vice President; and Jack White Jr.	(3)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	None	(0)

Copies of the PowerPoint slides used in this presentation are on file in the SRP Corporate Secretary's Office and, by reference, made a part of these minutes.

There being no further business to come before the Board, the meeting adjourned at 9:58 a.m.

John Felty
Secretary

The PwC audit

Experience beyond numbers

Salt Verde Financial Corporation

Audit results

August 6, 2026

Report to the Board of Directors

Salt Verde Financial Corporation

CONFIDENTIAL

This report and the information that it contains is intended solely for the information and use of the Board of Directors and, if appropriate, management, and is not intended to be, and should not be used by anyone other than these specified parties.

The PwC Audit

Experience beyond numbers

August 6, 2026

Dear Members of the Board of Directors of Salt Verde Financial Corporation:

We are pleased to submit our Report to the Board of Directors related to the results of our FY26 audit of Salt Verde Financial Corporation (the "Company"). Our report includes an update on the status of our audit, a summary of the results of our audit work to date and other required communications. We've also highlighted how our human-led, tech-powered approach enhanced audit quality and contributed to a more streamlined, tailored experience, enriched by meaningful insights.

This report has been prepared in advance of our meeting and prior to the completion of our procedures. Other matters of interest to the Board of Directors may arise, which we will bring to your attention at our meeting.

We look forward to presenting this report on your PwC Audit. If you have any questions or wish to discuss any other matters prior to our meeting, please do not hesitate to contact me at (708) 310-2358 or raul.pina@pwc.com.

Very truly yours,

Raul Piña

Raul Pina
Engagement Partner

Status of our audit

Overall Status and Remaining Items

We have performed the appropriate procedures in accordance with our audit plan to address the identified risks pending completion of the items below:

- Keeping current procedures
- Receipt of the signed management representation letter and legal letter. A draft management representation letter is included as appendix II. There were no new representations.
- Review and finalization of our audit file documentation.

Significant changes to the audit plan

We presented our planned audit approach, including our preliminary risk assessment, and related scoping considerations to the Board of Directors on April 15, 2026. Throughout the audit we continuously evaluate the appropriateness of our audit strategy. As a result, there were no significant changes to the planned audit approach.

Testing Results

There were no misstatements identified that exceeded the de minimis threshold previously communicated during the course of our audit.

Audit report

We expect to issue our unqualified report upon completion of the remaining open items.

A draft of the audit report is included as Appendix I.

Independence

There were no matters identified which could reasonably be thought to bear on our independence.

What's Inside

Audit risks

During our planning phase of the audit, we previously provided you with a preliminary list of areas of audit emphasis in response to identified risk. Below is the listing of areas of significant risk:

- Management override of controls (Presumed Risk for all Audits)
- Fair value of derivatives may not be properly recorded (Valuation)
- Risk of fraud in revenue recognition (Accuracy)

There were no changes to our identified areas of significant risk during the execution phase of the audit. There were no misstatements identified in connection with our audit procedures in these areas.

Other required communications

Matter to report	No	Yes	Comments
Ethics and independence requirements	√		We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the AICPA Code of Professional Conduct and the rules of applicable state boards of accountancy. Our policies related to ethics, including independence, integrate the requirements of the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA code) and the relevant standards and regulations established by US standard setting bodies and by external regulators.
Independence breaches	√		In accordance with the AICPA's Code of Professional Conduct, we are required to communicate a breach of external independence requirements to you as soon as possible or in line with a communication protocol that is confirmed in writing. There were no independence matters that occurred or were identified subsequent to April 15, 2026, the date of our most recent communication to the Board of Directors.

Other required communications

Matter to report	No	Yes	Comments
Fraud	√		We did not identify any fraud or suspected fraud.
Non-compliance with laws and regulations	√		We are not aware of any instances of non-compliance with laws and regulations.
Related Parties	√		After evaluating the company’s identification of, accounting for, and disclosure of its relationships and transactions with related parties, we have identified no significant findings or issues arising during the audit in connection with the company’s related parties.
Quality of the company’s financial reporting	√		We have considered the qualitative aspects of the company's significant accounting policies and practices and we identified no reportable matters. We have evaluated whether the difference between (1) estimates best supported by the audit evidence and (2) estimates included in the financial statements, which are individually reasonable, indicate a possible bias on the part of the company's management. We did not identify any areas of possible bias. We have performed an evaluation of whether the presentation of the financial statements and the related disclosures are in conformity with the applicable financial reporting framework, including our consideration of the form, arrangement, and content of the financial statements (including the accompanying notes). We did not identify any instances of non conformity.
Alternative accounting treatments	√		We did not identify alternative treatments permissible under US GAAP for accounting policies and practices related to material items, including recognition, measurement, and presentation and disclosure in Note 2 in the financial statements. These policies are consistent with those followed in previous years and we believe such policies are appropriate.

Other required communications

Matter to report	No	Yes	Comments
Material uncertainties related to events and conditions (specifically going concern)	√		There were no conditions and events that we identified that indicate that there is substantial doubt about the Company's ability to continue as a going concern.
Other information in documents containing audited financial statements	√		AICPA Auditing Standards Board Statement on Auditing Standards No. 137 (SAS 137) requires that we communicate to you our responsibility with respect to other information, the procedures performed related to the other information, and the results. These standards require that we read other information, whether financial or nonfinancial, included in the Company's annual report and consider whether a material inconsistency exists between the other information and the financial statements and to remain alert for indications that • A material inconsistency exists between the other information and the auditor's knowledge obtained in the audit, and/or • A material misstatement of fact exists or the other information is otherwise misleading. We assume no obligation to perform procedures to corroborate such other information as part of our audit. As it relates to other information included in the annual report, refer to the management representation letter attached for management's written acknowledgment of the document(s) which comprise the annual report and the planned manner and timing of issuance of those document(s). We have completed our procedures over the other information and have not identified uncorrected material inconsistencies, material misstatements or statements that are otherwise misleading.

Other required communications

Matter to report	No	Yes	Comments
Disagreements with management	√		There were no disagreements with management.
Consultation with other accountants	√		We are not aware of any consultations management has had with other accountants about significant accounting or auditing matters.
Difficulties encountered during the audit	√		There were no significant difficulties encountered during the audit.
Difficult or contentious matters	√		There were no difficult or contentious matters for which we consulted outside the engagement team and we reasonably determined are significant and relevant to those charged with governance regarding the responsibility to oversee the financial reporting process.
Other material written communications	√		Appendix II includes a copy of other material written communications with management, including a copy of management's representation letter.
Other matters	√		There were no other matters arising from the audit that are significant and relevant to the oversight of the company's financial reporting process.

Experience beyond numbers

Report to the **Audit Committee**

pwc.com

[redacted]

Salt Verde Financial Corporation Overview

Jason I. Riggs | August 06, 2026

Salt Verde Financial Corporation Overview
Background

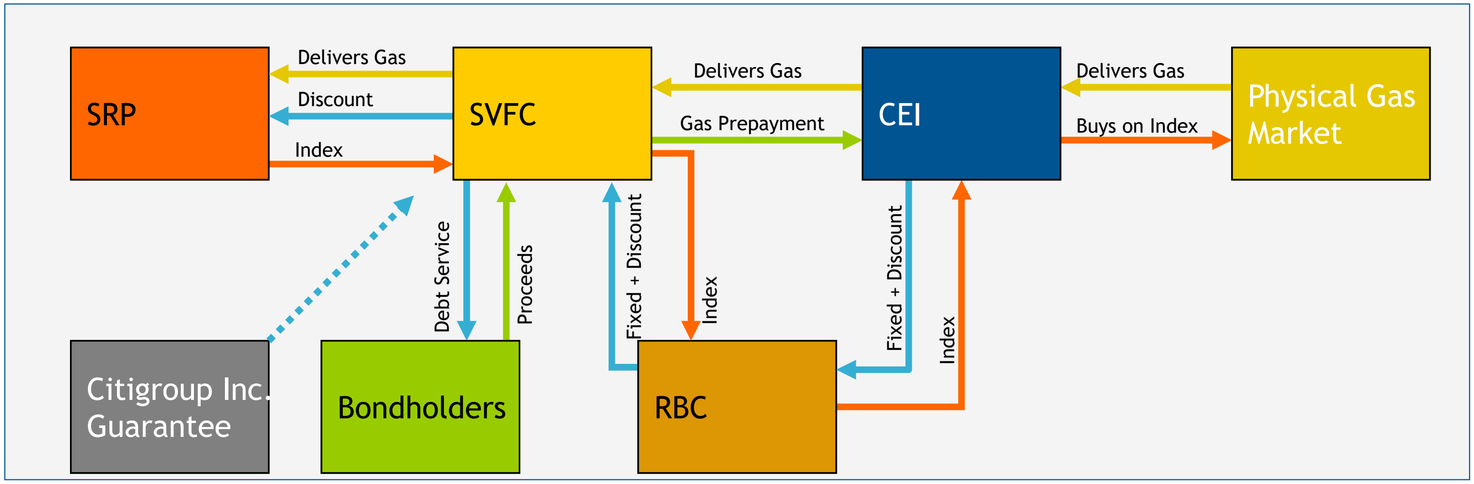
- Opportunity:
  - ❑ In the mid 2000s, SRP sought to secure a long-term supply of natural gas for generation to provide fuel certainty and to keep prices stable for customers
  - ❑ Benefit from tax-exempt status to procure discounted natural gas through a prepaid commodity transaction

Salt Verde Financial Corporation Overview
Summary & Results: Deal Execution

- In 2007, SVFC issued $1.2B in debt, non-recourse to SRP, to prepay for gas
  - ❑ Separate accounting and financial statements
  - ❑ Independently audited by PWC
  - ❑ No impact to SRP’s balance sheet / liability for the issued debt
- Proceeds used to prepay for gas over a 30-year period (~20% of needs at time)
- SRP achieved a total discount of $1.15/MMBtu
- SRP’s Original Savings is $336M
  - SRP’s savings have been $198.3M to-date with ~$137M to be realized

Transaction Participants and Structure
Summary of Key Participants

Gas Purchaser:	Salt Verde Financial Corporation	**Gas Supplier:**	Citigroup Energy Inc	**Guarantor:**	Citigroup, Inc.
Gas User:	Salt River Project	**Commodity Swap Counterparty:**	Royal Bank of Canada	**Debt Reserve Account:**	Cash Funded and Surety Provided by MBIA
				GICs:	MBIA
					American General Life Insurance Co.



Salt Verde Financial Corporation Update on Current Operations & Investments

Jason I. Riggs | August 6th, 2026

Salt Verde Financial Corporation

FY26 Gas Discount $ 8.6 million

Total savings – Inception through July 2026 $ 198.3 million

- Gas Discount $ 142.5 million
- Interest Earnings* $ 55.8 million

No delivery issues

Current credit ratings

Senior Debt		Subordinate Debt	
Moody's	S&P	Moody's	S&P
A3	BBB+	Ba3	BBB+

Excluding collateral

Counterparty Ratings

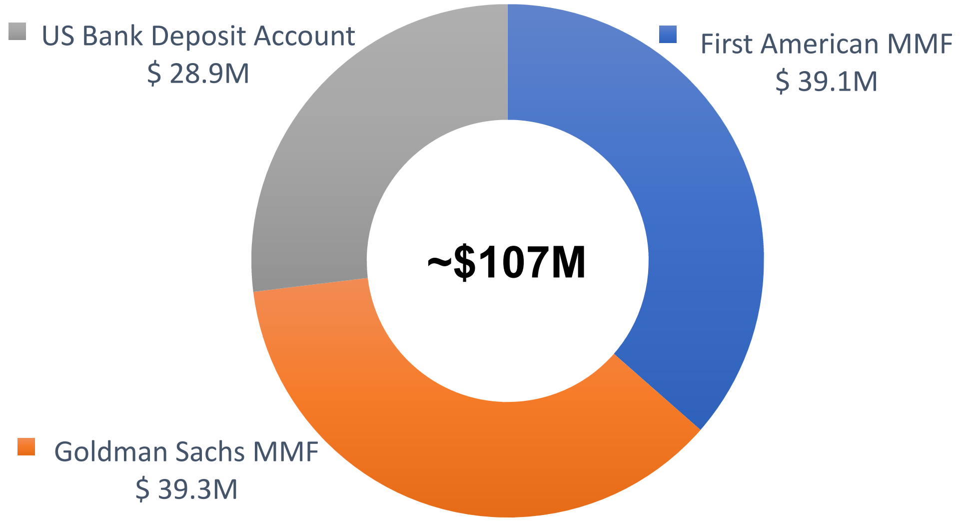
<table>
<tr><th colspan="8">Counterparties Monitored in Pre-Pay Gas Transaction</th></tr>
<tr><th rowspan="2">Counterparty</th><th rowspan="2">Role</th><th colspan="2">Current Rating</th><th colspan="2">Trigger Rating</th><th colspan="2">Notches to Reach Trigger</th></tr>
<tr><th>S&P</th><th>Moody's</th><th>S&P</th><th>Moody's</th><th>S&P</th><th>Moody's</th></tr>
<tr><td colspan="8">Salt Verde Financial Corp.'s Primary Exposure</td></tr>
<tr><td>Citigroup, Inc.</td><td>Guarantor for CEI</td><td>BBB+</td><td>A3</td><td>BBB+</td><td>Baa1</td><td>Trigger Reached</td><td>1</td></tr>
<tr><td colspan="8">Other Entities Involved in Transaction</td></tr>
<tr><td>Citigroup Energy, Inc.</td><td>Gas Supplier</td><td>A+</td><td>NR</td><td colspan="4">N/A</td></tr>
<tr><td>Royal Bank of Canada</td><td>Commodity Swap Provider</td><td>AA-</td><td>Aa1</td><td>A-</td><td>A3</td><td>3</td><td>5</td></tr>
<tr><td>MBIA Inc.</td><td>Investment Agreement Provider
(Debt Reserve)</td><td>NR</td><td>Ba3</td><td>A+</td><td>A1</td><td>Trigger Reached</td><td>Trigger Reached</td></tr>
<tr><td rowspan="2">American General Life Insurance Co.</td><td rowspan="2">Investment Agreement Provider
(Debt Service & Capitalized Interest)</td><td>A+/A+(Fitch)</td><td>A2</td><td>A+</td><td>A1</td><td>Trigger Reached</td><td>Trigger Reached</td></tr>
<tr><td>A+/A+(Fitch)</td><td>A2</td><td>BBB+</td><td>Baa1</td><td>3</td><td>2</td></tr>
<tr><td>National Public Finance Guarantee Corp.</td><td>Surety Bond Provider</td><td>NR</td><td>Baa3</td><td colspan="4">N/A</td></tr>
<tr><td>U.S. Bank NA</td><td>Bond Trustee</td><td>A+</td><td>A2</td><td colspan="4">N/A</td></tr>
</table>

Citi Collateral

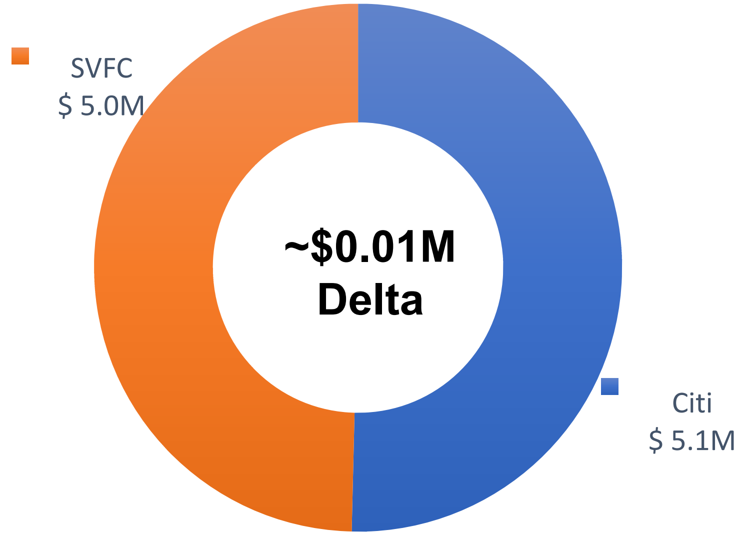
Initial Amount Received on May 10, 2016. $ 197.6 million

- Required balance is re-calculated/adjusted, ~$107M at 6/30/2026

Collateral Held – Breakdown



Interest Earned - Inception thru June 2026



Operating Account

Operating Funds	$	7.6 million
• US Bank Operating Fund Bank Account	$	5.1 million
• First American Money Market Fund	$	2.5 million

Operating Account Functions

- Interest earnings flow through to the Operating Account, and from there are rebated to SRP
- Interest SVFC earns and interest paid to Citi on Collateral flows through Operating Account
- Payments from SRP for SVFC services are made here, on a per MMBtu basis
- US Bank monthly charges

Investment Review

Investment Policy Statement of Compliance

- The Investment Portfolio meets all the credit, liquidity, maximum limits, security type, maximum maturity, prudence, controls, custody and safety objectives the Policy requires.

thank you

[redacted]

Salt Verde Financial Corporation

Year-End Financial Update
Fiscal Year 2026

Scott Erickson

August 6, 2026

Salt Verde Financial Corporation
Summary

FY 2026 Actuals

- Gas received/delivered as scheduled
- Investment income slightly above budget due to our ability to invest in higher-yielding funds
- Expenses are slightly above budget due to timing of rebate payments to SRP

Salt Verde Financial Corporation

Summary of Revenues, Expenses, and Changes in Net Position

(Amounts in thousands)	FY 2026 Actual (Unaudited)	FY 2026 Budget	Variance
Income			
Gas Revenues	$ 84,282	$ 84,282	$ -
Investment Income	3,099	3,189	(90)
Investment Income on Collateral	4,313	3,831	482
Total Income	91,694	91,302	392
Expenses			
Bond Interest	52,108	52,108	-
Amortization of Prepaid Gas	35,721	35,721	-
Transfers to SRP	4,361	3,189	1,172
Interest Expense on Collateral	4,445	5,187	(742)
Other	117	165	(48)
Total Expenses	96,752	96,370	382
Income (Loss) before Derivatives	(5,058)	(5,068)	10
Gain (Loss) on Derivatives	8,911	-	8,911
Net Income (Loss)	$ 3,853	$ (5,068)	$ 8,921

Salt Verde Financial Corporation

Statement of Net Position (Summarized)

(Amounts in thousands)	April 30, 2026 (Unaudited)	April 30, 2025 (Audited)	Variance
Assets			
Current Assets	$ 99,539	$ 101,094	$ (1,555)
Current Portion of Derivative Asset	78,376	64,288	14,088
Derivative Asset, Net of Current Portion	691,456	685,322	6,134
Collateral Assets	107,290	111,599	(4,309)
Other Assets	392,935	428,656	(35,721)
Total Assets	$ 1,369,596	$ 1,390,959	$ (21,363)
Liabilities & Equity			
Current Liabilities	$ 59,760	$ 53,881	$ 5,879
Current Portion of Derivative Liability	86,796	72,630	14,166
Collateral Liability	107,290	111,599	(4,309)
Long Term Liabilities	971,257	1,009,354	(38,097)
Derivative Liability, Net of Current Portion	725,092	727,947	(2,855)
Equity	(580,599)	(584,452)	3,853
Total Liabilities & Equity	$ 1,369,596	$ 1,390,959	$ (21,363)