ONTARIOPOWER GENERATION

Catriona King
Vice President, Corporate Secretary

19th Floor, 700 University Avenue Toronto, Ontario, M5G 1X6
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November 24, 2017

Mr. Serge Imbrogno
Deputy Minister of Energy
Ministry of Energy
4th Floor, Hearst Block
900 Bay Street
Toronto, Ontario
M7A 2E1

Hand Delivered

Dear Deputy:

Re: Fair Hydro Plan – OPG Shareholder Resolution and Master Share Subscription Agreement

I am writing on behalf of the OPG Board of Directors to seek the Minister of Energy's approval, as OPG's Shareholder, to amend OPG's Articles of Amalgamation, and to execute the Master Share Subscription Agreement between the Province of Ontario and OPG regarding the Fair Hydro Plan.

At its meeting of November 22, 2017 the OPG Board of Directors approved a request to seek OPG Shareholder approval to amend OPG's Articles of Amalgamation to create a new class of shares called Class A Shares as part of implementing the equity subscription plan under the Master Share Subscription Agreement between the Province and OPG in respect of the Fair Hydro Plan.

Please find attached the following documents requesting the Minster of Energy's signature:

1) a form of Shareholder Resolution, indicating the Shareholder's approval for amending OPG's Articles; and
2) 2 originals of the Master Share Subscription Agreement, duly signed by OPG, both for signature by the Minister of Energy, with one fully executed original to be returned to OPG.

I understand that a draft of the attached Shareholder Resolution has been under consideration by the Ministry of Energy in the same form as the document attached, and that the form of the Master Share Subscription Agreement has been agreed to by the Ministry.

I would appreciate it if you would put these before the Minister for his consideration and signature.

When the Resolution and the Master Share Subscription Agreement are signed, I would ask that a scanned copy of the Resolution be emailed to me (catriona.king@opg.com) so that we may immediately start the filing process in accordance with the Resolution. The hard copy originals of the Resolution and the Master Share Subscription Agreement should also be sent to me (at the mailing address listed above) for filing in the OPG Minute Book.

I would be pleased to answer any questions if needed, at your convenience.

Sincerely,

Catriona King

Catriona King

cc: Bernard Lord, Board Chair, OPG
Jeff Lyash, President and CEO, OPG
Ken Hartwick, CFO, OPG
Carolyn Calwell, ADM, Strategic Networks & Analytics Policy
Shruti Talwar, Director, SNAP

Enclosures

RESOLUTION OF THE SOLE SHAREHOLDER

OF

ONTARIO POWER GENERATION INC.
(the "Corporation")

RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Articles of the Corporation are hereby amended to:

   (a) create an additional class of shares ("**Class A Shares**") as set out in the proposed articles of amendment attached hereto as Schedule A (the "**Articles of Amendment**"); and

   (b) amend and restate the rights, privileges, restrictions and conditions attaching to the common shares of the Corporation as set out in the Articles of Amendment.

2. any officer or director of the Corporation is authorized and directed on behalf of the Corporation to deliver the Articles of Amendment, in duplicate, to the Director under the *Business Corporations Act* (Ontario) and to execute all documents and to take any action which, in the opinion of that person, is necessary or desirable to give effect to this special resolution; and

3. this resolution may be executed and delivered by means of facsimile, portable document format (PDF) or electronic mail and shall be deemed to be an original.

The foregoing special resolution is signed by the sole shareholder of the Corporation pursuant to the *Business Corporations Act* (Ontario) this ____day of ________, 2017.

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO, AS REPRESENTED BY THE MINISTER OF ENERGY

By:______________________________
Glenn Thibeault
Minister of Energy

Schedule A

For Ministry Use Only
À l'usage exclusif du ministère

Ontario Corporation Number
Numéro de la société en Ontario

1720591

Form 3
Business Corporations Act

Formule 3
Loi sur les sociétés par actions

ARTICLES OF AMENDMENT
STATUTS DE MODIFICATION

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale actuelle de la société (écrire en LETTRES MAJUSCULES SEULEMENT) :

ONTARIO POWER GENERATION INC.

2. The name of the corporation is changed to (if applicable): (Set out in BLOCK CAPITAL LETTERS)
Nouvelle dénomination sociale de la société (s'il y a lieu) (écrire en LETTRES MAJUSCULES SEULEMENT) :

3. Date of incorporation/amalgamation:
Date de la constitution ou de la fusion :

2007/01/01
(Year, Month, Day)
(année, mois, jour)

4. **Complete only if there is a change in the number of directors or the minimum / maximum number of directors.**
Il faut remplir cette partie seulement si le nombre d'administrateurs ou si le nombre minimal ou maximal d'administrateurs a changé.

Number of directors is/are: minimum and maximum number of directors is/are:
Nombre d'administrateurs : nombres minimum et maximum d'administrateurs :

Number / Nombre — **or / ou** — minimum and maximum / minimum et maximum

5. The articles of the corporation are amended as follows:
Les statuts de la société sont modifiés de la façon suivante :

See pages 1A to 1F attached

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act.*
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la *Loi sur les sociétés par actions.*

7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2017,

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

ONTARIO POWER GENERATION INC.

(Print name of corporation from Article 1 on page 1)
(Veuillez écrir le nom de la société de l'article un à la page une).

By/
Par :

(Signature)
(Signature)

(Description of Office)
(Fonction)

5. the articles of the Corporation are amended as follows:

   (a) to create an unlimited number of Class A shares;

   (b) by providing that the rights, privileges, restrictions and conditions attaching to the common shares and the Class A shares are as set out on Schedule "A" attached hereto;

   (c) to confirm that the authorized capital of the Corporation shall be:

      (i) an unlimited number of common shares; and
      (ii) an unlimited number of Class A shares.

SCHEDULE "A"

The Corporation is authorized to issue:

(i) an unlimited number of Class A shares; and

(ii) an unlimited number of common shares.

A. Class A shares

The Class A shares, as a class, shall be designated as the Class A shares and shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

The holders of the Class A shares shall be entitled to receive, and the Corporation shall pay thereon, any dividends declared by the Corporation on the Class A shares and the common shares, if, as and when declared by the directors of the Corporation out of moneys of the Corporation properly applicable to the payment of dividends, in such amounts as may be determined by the directors from time to time, each such dividend to be paid to such holders on such date as may be fixed by the directors at the time of declaration of such dividend. The Class A shares and the common shares shall rank equally as to dividends on a share for share basis, and all dividends declared by the Corporation shall be declared in equal amounts per share on all Class A shares and common shares at the time outstanding, without preference or distinction.

2. Subdivision or Consolidation

No subdivision or consolidation of the common shares or the Class A shares shall occur unless, simultaneously, the Class A shares or the common shares, as the case may be, are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of such classes.

3. Liquidation, Dissolution or Winding-up

Upon the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the property and assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Class A shares and the holders of the common shares shall be entitled to receive the remaining property and assets of the Corporation and shall be entitled to share equally, on a share for share basis, in all distributions of such property and assets without preference or distinction.

4. Class A Shares to be Non-Voting

Except as required by law, the holders of the Class A shares shall not be entitled as such to receive notice of, or to attend or to vote at, any meeting of the shareholders of the Corporation.

5. Redemption at Option of the Corporation

Subject to the provisions of this clause 5, the Corporation may, upon giving notice as hereinafter provided, redeem at any time the whole or from time to time any part of the then outstanding Class A shares on payment for each Class A share to be redeemed of the Redemption Price thereof. For the purposes hereof, the "Redemption Price" of a Class A share at any time is equal to the quotient obtained when (i) the total aggregate equity value of the common shares and the Class A shares as set out in the most recent financial statements of the Corporation that have been approved as at that time by the board of directors of the Corporation (whether such financial statements are audited or unaudited) is divided by (ii) the aggregate number of common shares and Class A shares issued and outstanding as at the end of the period covered by such financial statements. In case a part only of the Class A shares is at any time to be redeemed, the shares so to be redeemed may be selected by lot in such manner as the directors of the Corporation in their sole discretion shall by resolution determine or redemption may be effected on a pro rata basis disregarding fractions. If the Class A shares are represented by certificates and a part only of the Class A shares represented by any certificate are redeemed, a new certificate representing the balance of such shares shall be issued to the holder thereof at the expense of the Corporation upon presentation and surrender of the first-mentioned certificate. In any case of redemption of Class A shares, the Corporation shall at least ten (10) days before the date specified for redemption mail to each person who at the date of mailing is a registered holder of Class A shares to be redeemed a notice in writing of the intention of the Corporation to redeem such Class A shares. Such notice shall set out the number of Class A shares held by the person to whom it is addressed which are to be redeemed, the Redemption Price therefor and the date on which redemption is to take place. On or after the date so specified for redemption, the Corporation shall pay or cause to be paid to or to the order of the registered holders of the Class A shares to be redeemed the Redemption Price of such Class A shares on presentation and surrender, at the registered office of the Corporation or at any other place or places within Canada as may be specified in such notice, of the certificate or certificates representing the Class A shares so called for redemption provided that such presentation and surrender of certificates shall be required only if the Class A shares are represented by certificates. Such payment shall be made by cheque payable at par at any branch in Canada of the Corporation's bankers for the time being or by wire transfer using the Canadian Payments Association's Large Value Transfer System or in a manner agreed to by the Corporation and the holders of the Class A shares to be redeemed. From and after the date specified for redemption in any such notice, the Class A shares called for redemption shall cease to be entitled to dividends or any other participation in the property and assets of the Corporation and the holders thereof shall not be entitled to exercise any of the other rights of shareholders in respect thereof unless payment of the Redemption Price shall not be made in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected. If the Class A shares are represented by certificates, the Corporation shall have the right at any time after the mailing of notice of its intention to redeem Class A shares to deposit the Redemption Price of the Class A shares so called for redemption or of such of the Class A shares represented by certificates which have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption to a special account in any chartered bank or any trust company in Canada named in such notice, to be paid without interest to or to the order of the respective holders of Class A shares called for redemption upon presentation and surrender to such bank or trust company of the certificates representing such Class A shares. Upon such deposit being made or upon the date specified for redemption in such notice, whichever is the later, the Class A shares in respect of which such deposit shall have been made shall be deemed to be redeemed and the rights of the holders thereof shall be limited to receiving without interest their proportionate part of the amount so deposited upon presentation and surrender of the certificates held by them respectively. Any interest allowed on any such deposit shall belong to the Corporation.

6. Notices

Any notice, cheque, notice of redemption or other communication from the Corporation herein provided for shall be either sent to the holders of the Class A shares by ordinary unregistered mail, postage prepaid, or delivered by hand to such holders, at their respective addresses appearing on the books of the Corporation or, in the event of the address of any such holder not so appearing, then at the last address known to the Corporation of such holder. Accidental failure to give any such notice, notice of redemption or other communication to one or more holders of Class A shares shall not affect the validity thereof, but, upon such failure being discovered, a copy of the notice, notice of redemption or other communication, as the case may be, shall be sent or delivered forthwith to such holder or holders. Unless otherwise provided herein, any notice, certificate or other communication from a holder of Class A shares herein provided for shall be either sent to the Corporation by ordinary unregistered mail, postage prepaid, or delivered by hand to the Corporation, at its registered office. Any notice or other communication, including without limitation a notice of redemption or request for redemption, from the Corporation to the holders of the Class A shares or from a holder of Class A shares to the Corporation may be waived.

B. Common Shares

The common shares, as a class, shall be designated as the common shares and shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Dividends

The holders of the common shares shall be entitled to receive, and the Corporation shall pay thereon, any dividends declared by the Corporation on the Class A shares and the common shares, if, as and when declared by the directors of the Corporation out of moneys of the Corporation properly applicable to the payment of dividends, in such amounts as may be determined by the directors from time to time, each such dividend to be paid to such holders on such date as may be fixed by the directors at the time of declaration of such dividend. The Class A shares and the common shares shall rank equally as to dividends on a share for share basis, and all dividends declared by the Corporation shall be declared in equal amounts per share on all Class A shares and common shares at the time outstanding, without preference or distinction.

2. Subdivision or Consolidation

No subdivision or consolidation of the common shares or the Class A shares shall occur unless, simultaneously, the Class A shares or the common shares, as the case may be, are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of such classes.

3. Liquidation, Dissolution or Winding-up

Upon the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the property and assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Class A shares and the holders of the common shares shall be entitled to receive the remaining property and assets of the Corporation and shall be entitled to share equally, on a share for share basis, in all distributions of such property and assets without preference or distinction.

4. Common Shares to be Voting

The holders of the common shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, other than separate meetings of the holders of another class of shares, and to vote at any such meeting on the basis of one (1) vote for each common share held.

MASTER SHARE SUBSCRIPTION AGREEMENT

between

MINISTER OF ENERGY

- and –

ONTARIO POWER GENERATION

Dated as of November 22, 2017

EXHIBITS

Exhibit A	--	Share Subscription Form
Exhibit B	--	Subscription Supporting Information
Exhibit C	--	Receipt and Certificate
Exhibit D	--	Payment/Wire Transfer instructions

MASTER SHARE SUBSCRIPTION AGREEMENT

THIS AGREEMENT made as of November 22, 2017.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO, as represented by the Minister of Energy

(the "**Province**")

- and -

ONTARIO POWER GENERATION INC., a corporation established under the laws of the Province of Ontario

("OPG")

Background

1. The Government of Ontario enacted the *Ontario Fair Hydro Plan Act, 2017* (the "Act") to implement its Fair Hydro Plan (the "FHP"). The Act's purpose is, among other things, to ensure that clean energy costs and clean energy benefits are fairly allocated among present and future specified consumers.

2. The Act and the regulations promulgated under the Act (the "Regulations") creates certain assets related to the deferral of electricity charges (the "Assets"), which Assets will be acquired from the Independent Electricity System Operator ("IESO") by the special purpose financing entity established by OPG to implement the financing plan to fund the deferral under the Act (the "Financing Entity").

3. The Financing Entity will acquire the Assets periodically from IESO and finance them in accordance with the financing plan, which includes both senior debt (minimum of 51%) from external sources and subordinated debt (up to 49%) from OPG.

4. The Province has agreed to fund up to 44% of the total funding requirement for the Assets through equity injections in OPG and OPG has agreed to use the equity injections solely for funding the Financing Entity's debt (the "Equity Injection Plan").

5. For purposes of the Equity Injection Plan, OPG will amend its articles to create a new class of non-voting, redeemable shares (the "Class A Shares"). The Province will subscribe for Class A Shares periodically in accordance with the process set forth in this Agreement and OPG will, in turn, invest these amounts in debt of the Financing Entity.

6. OPG will be entitled from time to time to redeem or buy back outstanding Class A Shares in connection with repayment of the Financing Entity debt or other purposes as may be approved by the OPG board of directors.

7. The parties desire to set out in this Agreement the process and mechanisms by which the equity injections and share purchases will occur and their respective roles and responsibilities in the Equity Injection Plan.

NOW THEREFORE the parties hereto agree as follows:

1. Confirmation of Equity Injection and Use of Funds

1.1 The Province commits to fund up to 44% of the total financing required by the Financing Entity, to acquire Assets from the IESO under the Act and Regulations, by way of equity subscriptions in OPG.

1.2 OPG agrees to use the funds from the equity received from the Province solely to lend to the Financing Entity to fund the Financing Entity's obligations under the Master Transfer and Servicing Agreement between the IESO and the Financing Entity, and the Act and Regulations.

2. Share Subscription Process

2.1 The Province will subscribe for and purchase Class A Shares from OPG, in an amount, and for a value, as determined by OPG in accordance with paragraph 2.2 below.

2.2 Periodically, coincident with the asset acquisitions to be made by the Financing Entity from the IESO under the Master Transfer and Servicing Agreement, OPG will provide notice to the Province of the amount of equity injection required and the corresponding number of shares to be issued by OPG and subscribed by the Province. This notice will be substantially in the form of the Share Subscription attached as Exhibit A. OPG will also provide reasonable supporting information for the values and amounts set out in the Share Subscription, substantially in the form of the Subscription Supporting Information attached as Exhibit B.

2.3 For purposes of providing the reasonable supporting information required under paragraph 2.2 above, OPG agrees that:

(i) the amount of each equity injection/share subscription will reflect the funding requirements of the Financing Entity acquisitions under the Master Transfer and Servicing Agreement; and

(ii) the Class A Shares will be issued to the Province at a per share price equal to the value of Shareholder's Equity, as determined by the last approved quarterly financial statements of OPG, divided by the aggregate number of issued and outstanding Common Shares and Class A Shares.

2.4 Within five Business Days of receipt of the notice and supporting information described in paragraph 2.2, the Province will deliver the executed Share Subscription to OPG and wire transfer, in immediately available funds, the required equity funds in accordance with the payment instructions set out in Exhibit D or as may be otherwise provided by OPG from time to time. For purposes of this Agreement, "Business Day" means any day other than a Saturday, a Sunday or a day on which banking institutions in Toronto, Ontario are authorized or obligated by law, regulation or executive order to be closed.

2.5 OPG will issue a receipt to the Province, substantially in the form of Exhibit C attached, confirming receipt of the equity amount and certifying as to the update of OPG's corporate share register with issue of the shares in the name of the Province.

2.6 The first equity injection/share subscription is expected to occur in the fourth quarter of 2017. Equity injections will continue periodically so long as the Financing Entity is purchasing assets and incurring debt obligations, including debt in favour of OPG, pursuant to the Act and Regulations.

3. Equity Requirement Forecasts and Approvals

3.1 OPG will prepare and submit forecasts of equity requirements for the applicable business planning period as part of its business plan submissions to the Province in accordance with the Memorandum of Agreement between the Province and OPG effective July 17, 2015 (the "MOA") as amended, restated or replaced from time to time. For clarity, OPG will submit annually, as part of its business plan submissions, the FHP equity requirements forecast for the upcoming 3 years.

3.2 OPG's equity requirement forecast submissions will include all reasonable supporting information and documentation.

3.3 The Province confirms that OPG's equity requirement forecasts submitted with OPG's business plans will not require concurrence by the Province as set out in the MOA.

3.4 In accordance with the submissions made under paragraph 3.1 above, the Province will seek appropriations for the upcoming 3 year period to support the equity injections.

4. Share Redemption Process

4.1 The Province and OPG will agree to the required process for any future redemption by OPG of outstanding Class A Shares before the first share redemption, and in any case no later than 90 Business Days before the effective date of such redemption.

5. Miscellaneous

5.1 Notices

Any notice, report or other communication to be given under this Agreement will be in writing and will be effective (a) upon receipt when sent by mail or courier, (b) on the date personally delivered to an authorized officer of the party to which sent, or (c) on the date transmitted by electronic transmission with a confirmation of receipt in all cases, addressed as follows:

in the case of the Minister:

Minister of Energy
c/o 6th Floor, 77 Grenville Street
Toronto, ON
M5S 1B3
Attention: Shruti.Talwar
Email: shruti.talwar@ontario.ca

in the case of OPG:

Ontario Power Generation Inc.
Treasury
700 University Avenue
Toronto, Ontario
M5G 1X6
Attention: Vice President, Treasurer
Email: john.s.lee@opg.com

and

Attention: Corporate Secretary
Email: catriona.king@opg.com

Each party may by notice given as above to the other party or parties hereto, designate any further or different address to which subsequent notices, reports and other communications will be sent.

5.2 Separate Counterparts; Electronic Delivery

This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered will be considered an original, but all such counterparts together constitute but one and the same instrument. Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

5.3 Governing Law

This Agreement will be construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

MINISTER OF ENERGY

____

ONTARIO POWER GENERATION INC.

By: ______________________________
Name:
Title:

By: Ken Hartwick
Name:
Title:

EXHIBIT A

SHARE SUBCRIPTION FORM

See attached

SUBSCRIPTION FOR SHARES

TO: **ONTARIO POWER GENERATION INC.** (the "**Corporation**")

The undersigned hereby subscribes for [·] Class A Shares of the Corporation at the price of $[·] per share and tenders payment in full of the purchase price. The undersigned represents and warrants to the Corporation that the undersigned is purchasing such shares as principal and is a "security holder of the Corporation" within the meaning referred to in subsection (2) of section 2.4 of National Instrument 45-106 of the Canadian Securities Administrators.

Please register the shares in the name of the undersigned. The undersigned will advise the Corporation if the undersigned ceases to be the sole beneficial owner of the share.

Distribution date: ____________, 2017

[NTD: "Distribution Date" will be 5 days following the date the Corporation issues the draft subscription form to the Province]

HER MAJESTY THE QUEEN IN THE RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF ENERGY

By:___________________________
Name:
Title:

EXHIBIT B

SUBSCRIPTION SUPPORTING INFORMATION

See attached.

Exhibit B

TRANSFER NOTICE

TO: **[FINANCING ENTITY]**
c/o Ontario Power Generation Inc., as Manager
700 University Avenue
Toronto, Ontario
M5G 1X6

Attention: ■
Email: ■

This Transfer Notice is delivered to you pursuant to Section 2.1 of a master transfer and servicing agreement made as of ■, 2017 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Master Transfer and Servicing Agreement**") between **FAIR HYDRO TRUST**, a trust formed under the laws of the Province of Ontario (the "**Issuer**"), the **INDEPENDENT ELECTRICITY SYSTEM OPERATOR** ("**Transferor**" in its capacity as transferor, "**Servicer**", in its capacity as servicer, and "**IESO**" in its capacity as both Transferor and Servicer), a statutory corporation without share capital amalgamated under the laws of the Province of Ontario. All capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Master Transfer and Servicing Agreement.

The Transferor hereby gives notice to the Issuer of its offer to transfer to the Issuer on the Closing Date set out below, the Specified Portion of the Regulatory Asset referred to below, all in accordance with the terms and conditions of the Master Transfer and Servicing Agreement. In consideration for (i) the Transferor's Transfer to the Issuer of the Specified Portion of the Regulatory Asset referred to below, the Issuer shall deliver or cause to be delivered to the Transferor on the Closing Date set out below, by wire transfer or electronic funds transfer in immediately available funds, an amount in Canadian dollars equal to the Purchase Price set out below.

Upon receipt by the Transferor of the Purchase Price on the Closing Date the Transferor shall reduce the balance of the Fair Hydro Variance Account by an amount equal to the Purchase Price, and the Regulatory Asset shall be adjusted accordingly.

Specified portion of Regulatory Asset: $■

Purchase Price: $■

Closing Date: ■

The Transferor hereby represents, warrants and confirms that:

(i) each of the representations and warranties on the part of the Transferor contained in the Master Transfer and Servicing Agreement are true and correct in all respects on the date hereof as if made on the date hereof;

(ii) the Transferor is not in breach of any of its covenants in the Master Transfer and Servicing Agreement; and

(iii) as of the date hereof, each condition precedent that must be satisfied by the Transferor under Section 2.2 of the Master Transfer and Servicing Agreement is capable of being satisfied prior to Closing Date.

The closing shall take place at ■ (Toronto time) on the Closing Date referred to above at the offices of ■, except as may be otherwise mutually agreed. The Purchase Price shall be paid on that date by wire transfer or electronic funds transfer to [insert IESO bank account details].

DATED this ■ day of ■, 20■.

FAIR HYDRO TRUST, by its Manager,
ONTARIO POWER GENERATION INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

The undersigned hereby accepts the foregoing offer.

DATED this ■ day of ■, 20■.

INDEPENDENT ELECTRICITY SYSTEM OPERATOR
as Transferor

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

Attachment A to Exhibit B of Master Subscription Agreement

Calculation of Equity Injection for

____

[insert applicable timeframe/ dates/period] ("Period")

(A) Purchase Price per Transfer Notice attached:	________________
(B) Percentage Funded by Equity:	________________
(C) Total Equity injection required for Period (A x B):	________________
(D) Class A Share Price pursuant to OPG Financial Statements of [date/period]:	________________
(E) Number of Class A Shares to be issued to Province (C ÷ D):	________________

Exhibit C

FORM OF RECEIPT AND OFFICER'S CERTIFICATE

See attached.

Exhibit C

RECEIPT

TO: Her Majesty the Queen in right of Ontario, as represented by the Minister of Energy (the "**Province**")

Ontario Power Generation Inc. ("**OPG**") hereby acknowledges receipt from the Province of $[•] pursuant to the Class A share subscription agreement between OPG and the Province made as of [•], 20•.

DATED •, 20•.

Per:

____

John Lee
Vice President – Treasurer

Exhibit C continued

CERTIFICATE

of

Ontario Power Generation Inc. ("OPG")

TO: **Her Majesty the Queen in right of Ontario, as represented by the Minister of Energy**

RE: **Class A Share Equity Subscription Agreement dated [•]**

I, John Lee, the Vice President – Treasurer of OPG, certify, without personal liability, that:

1. This certificate is furnished to you in connection with the Class A Share Equity Subscription Agreement dated [•] (the "**Equity Subscription Agreement**") and may be relied on by the addressees above. We have reviewed such books and records of OPG and such other documents and have made such inquiries and investigations as we have considered necessary or appropriate to verify the matters addressed in this certificate. All capitalized terms used but not defined in this certificate have the meanings set out in the Equity Subscription Agreement.

2. Attached hereto as Appendix 1 is a true and complete copy of the Shareholder Register of OPG dated [•] (the "**Shareholder Register**"). The Shareholder Register has not been further amended or supplemented and no resolutions have been passed by the board of directors or the shareholders of OPG to effect any such further amendment or supplement.

* * * * *

DATED: as of the [•] day of [•], 20•.

____

John Lee
Vice President – Treasurer

APPENDIX 1 – Shareholder Register

See attached.

EXHIBIT D

Payment/Wire Transfer Instructions

Bank: Bank of Nova Scotia
Address: 44 King Street West Toronto, Ontario MSH 1H1
SWIFT Code: NOSCCATT
Branch Transit: 47696
Bank Code: 002
Account Number: 476960302716