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

AND

ONTARIO POWER GENERATION INC.

CHANGE OF LAW PROCESS AGREEMENT[1]

Dated as of [■], 2017

[1] This Agreement and the Protection Agreement will need to be effective on closing but signed and held in escrow as soon as they are settled and prior to pricing of the term deal.

This **CHANGE OF LAW PROCESS AGREEMENT**, between Her Majesty the Queen in Right of Ontario, as represented by the Minister of Energy and the Minister of Finance (the "**Province**"), and Ontario Power Generation Inc. ("**OPG**") is made and entered into as of [■], 2017.

RECITALS

OPG is appointed as the Financial Services Manager under Section 18 of the *Ontario Fair Hydro Plan Act, 2017* (the "**Act**").

Pursuant to Section 22(2) of the Act, OPG, in its capacity as the Financial Services Manager (the "**FSM**"), may establish or cause to be established one or more financing entities (as defined in the Act), which may incur Funding Obligations in accordance with the Act.[1]

Pursuant to a Declaration of Trust dated as of [■], 2017, the Financing Entity was established as a "financing entity" (as defined in the Act) for the purposes contemplated in the Act.[2]

Concurrent with this Agreement, the Province, the FSM, the Financing Entity and the Indenture Trustee will enter into the Change of Law Protection Agreement under which the Province will agree to provide protections and assurances to the Indenture Trustee, for the benefit of the Beneficiaries, in respect of **Primary** Obligations ~~Secured~~ that constitute Approved Obligations, in order to address concerns that would arise from a change or adverse determination of law, subject in each case to the satisfaction of the Adherence Conditions.

Prior to entering into this Agreement, OPG provided the Province with the proposed forms of ~~certain of~~ the Transaction Documents **listed on Exhibit "A"**, and the Province has not objected to such forms **and has confirmed to OPG that such Transaction Documents constitute "Reference Documentation" for purposes of this Agreement**.

Prior to entering into this Agreement, OPG, as the FSM, provided the Province with the initial Financing Plan attached hereto as Exhibit "B" (the "Initial Financing Plan"), and the Province has not objected to such Initial Financing Plan.

Prior to entering into this Agreement, OPG, as the FSM, provided to the Province (i) the initial forecast attached hereto as Exhibit "C" (the "Initial Forecast")> *setting out OPG's expectations regarding the aggregate maximum amount of Repayments* <>*that would arise in the future under Approved Obligations to be incurred during the* <**24 month period**

[1] ~~Blakes suggests that it be made clear in the Declaration of Trust that OPG is establishing the Trust. Blakes would appreciate the benefit of Torys analysis as to how the Trust is an "entity" under the OFHPA, as opposed to the trustee. Clearly OPG has not established Computershare. Blakes and Torys to discuss.~~

[2] ~~Lawyers to discuss~~**We are comfortable on this point because OPG has retained Computershare as issuer trustee. The recitals of the Declaration of Trust provide that Computershare has established the Trust at the request of the FSM. We can also provide you with a copy of the Computershare engagement letter upon request**.

following the date hereof> *(the "**Initial Forecast Period**")*<**; and (ii) notice of the initial Protection Agreement Maximum of C$■ (the "Initial Protection Agreement Maximum").**[3]**

The Province has not objected to the Initial Forecast and the Initial> *Protection Agreement Maximum on the basis that (i) there*< **does not appear to be inaccuracies in the Initial Financing Plan or the Initial Forecast, (ii) the Initial Forecast is consistent with the Initial Financing Plan, and (iii) the Initial Protection Agreement Maximum is less than the Initial Forecast.**

This Agreement sets out the obligations OPG has agreed to perform and assurances OPG has agreed to provide and on which the Province will rely in entering into and implementing the Change of Law Protection Agreement, including for the purposes of determining whether the Adherence Conditions have been satisfied, maintaining information related to the Program Agreements and the Approved Obligations, and ensuring that the Province's assumption rights pursuant to Article VI of the Change of Law Protection Agreement may be exercised without impediment on the terms and conditions contemplated in this Agreement and the Change of Law Protection Agreement.

All things necessary to make this Agreement a valid and legally binding agreement of OPG and the Province, have been done.

AGREEMENT OF THE PARTIES

In consideration of the respective agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

1.01 Interpretation

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms used in this Agreement that are defined in Schedule A have the meanings assigned to them in Schedule A;

(b) the terms used in this Agreement that are not defined in this Agreement shall have the meanings assigned to them in the Change of Law Protection Agreement;

(c) words importing the singular shall include the plural and vice versa, words importing general shall include all genders or the neuter, and words importing the neuter shall include all genders;

[3] **Given that this Agreement would now be delivered on or immediately prior to closing, we thought it would be acceptable to reference these initial items as delivered versus as future deliverables. Please note that OPG is working with the Province to deliver the initial financing plan and the initial forecast and to confirm the initial protection agreement maximum.**

(d) all references to any Person shall include such Person's permitted successors and assigns, and any reference to a Person in a particular capacity excludes such Person in other capacities;

(e) references to any law, rule, regulation or order of a Governmental Authority (including, for greater certainty, references to the Act and the General Regulation) shall include such law, rule, regulation or order as from time to time in effect, including any amendment, modification, codification, replacement or reenactment thereof or any substitution therefor;

(f) the word "will" shall be construed to have the same meaning and effect as the word "shall". The word "or" is not exclusive;

(g) any reference to this Agreement or any other agreement, document or instrument shall be construed as a reference to this Agreement or, as the case may be, such other agreement, document or instrument as the same may have been, or may from time to time be, amended, varied, replaced, amended and restated, supplemented or otherwise modified;

(h) all references in this Agreement to designated "Articles", "Sections", "Subsections" "Schedules", "Exhibits" and other subdivisions are to the designated Articles, Sections, Subsections, Schedules, Exhibits and other subdivisions of this Agreement as originally executed. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, Subsection, Schedule, Exhibit or other subdivision;

(i) "including" and words of similar import will be deemed to be followed by "without limitation"; and

(j) with respect to the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

1.02 References to the Financing Entity

For greater certainty, each reference to the Financing Entity shall be construed as a reference to the Financing Entity Trustee, as trustee of the Financing Entity.

1.03 Effect of Headings

The Article and Section headings herein and are for convenience only and will not affect the construction hereof.

1.04 Successors and Assigns

All covenants and agreements in this Agreement by the parties will bind their respective successors and permitted assigns, whether so expressed or not.

1.05 Severability

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction will not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect.

1.06 Governing Law

THIS AGREEMENT WILL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

1.07 Proceedings Against the Crown Act

NOTHING IN THIS AGREEMENT OR THE PROGRAM AGREEMENTS AFFECTS THE RIGHTS, PROTECTIONS AND IMMUNITIES OF THE CROWN UNDER THE PROCEEDINGS AGAINST THE CROWN ACT **(ONTARIO)**.

1.08 Attornment

EACH PARTY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY ONTARIO COURTS SITTING IN TORONTO IN ANY ACTION, APPLICATION, REFERENCE OR OTHER PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT. THE PARTIES HERETO HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO REQUIRE A TRIAL BY JURY OF ANY PROCEEDING COMMENCED IN CONNECTION WITH THIS AGREEMENT.

1.09 Counterparts; Electronic Delivery

This Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute 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 the Agreement by such party.

1.10 Non-Business Days

Whenever any period of time would begin or end or any other action to be taken hereunder shall be stated to be required to be taken, on a day other than a Business Day, then (notwithstanding any other provision of this Agreement) such period of time shall begin or end, and such other action shall be taken on the next succeeding Business Day.

1.11 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement will be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement will constitute a waiver of any other provision nor will any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided. A party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right.

ARTICLE II
COVENANTS OF OPG

2.01 Deliveries to the Province

(a) ~~Not less than 15 Business Days, or such lesser period as the Province may agree to in writing, prior to the initial issuance of any Funding Obligation by the Financing Entity, OPG shall deliver to the Province a copy of the initial Financing Plan. Thereafter,~~ OPG shall promptly deliver to the Province a copy of any proposed change to or replacement of the **Initial** Financing Plan.

(b) Not less than 10 Business Days, or such lesser period as the Province may agree to in writing, prior to (i) any proposed change or supplement to a previously provided Transaction Document becoming effective or otherwise being used, (ii) any additional or replacement Transaction Document becoming effective or otherwise being used, OPG shall deliver to the Province a copy of such proposed change or supplement to the Transaction Document and any such additional or replacement Transaction Document.

(c) Promptly following (i) any change, modification, alteration, amendment, supplement, extension, renewal, compromise, novation, replacement, suspension or waiver of the terms of all or any part of the Approved Obligations or any Collateral therefor being made, (ii) any new, additional or replacement instruments, documents, agreements or security being used or granted in connection with all or any part of the Approved Obligations, or (iii) any waiver, release, reconveyance, termination, abandonment, subordination, exchange, substitution, transfer, compound, compromise, liquidation or enforcement of all or any part of the Approved Obligations or any security or guarantee therefor being

effected, OPG shall deliver to the Province a detailed description of such event and the reasons for it together with any related documents, agreements and instruments.

(d) Promptly following any incurrence of a Funding Obligation or any amendment of a Funding Obligation, OPG shall provide the Province with electronic copies of all related Governing Documents and all other closing documents executed by or on behalf of the Financing Entity in connection with such incurrence or amendment that would affect the Financing Entity's assets or obligations (including, for greater certainty, any related Disclosure Document) and which have not been previously provided to the Province.

(e) Promptly upon request, OPG shall provide the Province with such additional information and documentation as the Province reasonably requests in order to enable the Province to assess the nature and extent of its obligations under the Change of Law Protection Agreement.

2.02 Covenants

(a) OPG shall use commercially reasonable efforts to cause the Financing Entity to:

(i) punctually perform and observe all of the Financing Entity's obligations and agreements contained in the Program Agreements;

(ii) ensure that all Obligations Secured are incurred pursuant to and in accordance with the terms and conditions of the Trust Indenture;

(iii) ensure that no obligations other than the Obligations Secured are incurred by or on behalf of the Financing Entity;

(iv) not engage in any business other than as permitted under the Declaration of Trust or the other Program Agreements and activities ancillary thereto; and

(v) not **(unless waived by the Province)**:

(A) amend, supplement, modify, restate or replace or waive or consent to a postponement of compliance with the terms and conditions on the part of any other party to any of the Program Agreements, if any such supplementation, amendment, modification, restatement or replacement or waiver or consent could reasonably be considered to be materially prejudicial to the rights or interests of the Province under the Change of Law Protection Agreement; provided, however, that the foregoing does not apply to any change in particular financial terms, rates and levels;

(B) extend, renew, compromise, novate, replace, suspend, reconvey, terminate, abandon, subordinate, exchange, substitute, transfer, compound, liquidate or enforce the terms of all or any part of the Approved Obligations or any Collateral, if any such action could reasonably be considered to be materially prejudicial to the rights or interests of the Province under the Change of Law Protection Agreement; provided, however, that the foregoing does not apply to the extent that only particular financial terms, rates and levels are affected[3];

(C) permit the validity or effectiveness of the Change of Law Protection Agreement to be impaired~~.~~**; or**

(D) allow the Financing Entity to enter into any Supplemental Indenture or Loan Agreement where *any penalty or make-whole payment, or any requirement for further consent, approval or agreement,* **of the Specified Creditor party thereto would be required for** *the Province to assume the Obligations Secured* **thereunder.**[4]

(b) OPG shall:

(i) comply, and shall use commercially reasonable efforts to cause compliance by the Financing Entity, with the Act, the General Regulation and any other enactment related thereto;

(ii) punctually perform and observe all of its (including as the FSM and as Manager) obligations and agreements contained in the Program Agreements;

(iii) promptly notify the Province of the creation of any Funding Obligation that is not or would not be an Approved Obligation; and

(iv) after the occurrence of any Protection Event ~~(or any event that with the passage of time or the giving of notice would be a Protection Event)~~[5], not, without the Province's prior written consent, permit the Financing Entity to exercise any redemption, pre-payment, early termination or extension right in respect of any Approved Obligation or exercise any other election or privilege in respect of any Approved Obligation, in each case if as a result the obligations applicable to the Approved Obligation under the Change of Law Protection Agreement would be accelerated, delayed or otherwise affected.

~~[3] Added to address the scenarios contemplated in 2.01(c).~~

[4] Please see our cover note regarding the proposed assumption by the Province. Lawyers to discuss if appropriate mechanics for the first two deals are possible given timing.

[5] OPG is not in a position to be aware of events that may lead to a Protection Event.

(c) **For greater certainty, the parties hereto acknowledge and agree that OPG's obligations under this Agreement are subject to (i) OPG's obligations as FSM under the Act, and (ii) OPG's obligations under the Management Agreement.**[6]

(d) ~~(c)~~ Nothing in this Agreement ~~[~~nor in the Change of Law Protection Agreement~~]~~[47] shall limit the obligations of the Province under the Indemnity Agreement by the Province in favour of OPG dated June 1, 2017 (as amended, the "**Indemnity Agreement**") and to the extent of any conflict between this Agreement, the Change of Law Protection Agreement and such Indemnity Agreement, in respect of any matter relating to the Province's obligations to indemnify OPG, the Indemnity Agreement shall prevail.

ARTICLE III
PROCESS CERTIFICATE

3.01 Process Certificate[5][8]

OPG shall deliver a certificate (the "**Process Certificate**"), signed by the Chief Financial Officer and the Treasurer of OPG ~~(or their respective designees, provided that such designees are also executive~~**or any two Executive Officers of OPG (for clarity, such certificate is to be provided by such officers in their capacity as** officers of OPG **acting in its capacity as FSM**) and addressed to the Province, on ~~the earlier of (i) one Business Day prior to~~**or before** the incurrence ~~or any amendment~~ of a ~~Funding~~**Certified Primary** Obligation (~~other than any Funding Obligation under which not more than $■ in the aggregate may become payable by the Financing Entity), and (ii) on the Business Day on which the financial terms of such Funding Obligation are definitively determined (including the interest or discount rate applicable to any notes, bonds or other securities~~**provided that delivery may not be more than 5 Business Days before the incurrence of the Certified Primary Obligation**), setting out the following with respect to such ~~Funding~~**Certified Primary** Obligation:

[6] **We would like to ensure that there is an acknowledgement that OPG has certain obligations under the Act and the Management Agreement.**

[47] This language has extra-contractual implications and so its meaning as between only 2 of the parties to the Protection Agreement is uncertain. Torys to explain intention. **Torys: This provision is intended to clarify that neither the Protection Agreement nor the Process Agreement supersedes or otherwise amends the Province's obligations under the Provincial Indemnity Agreement. It is effectively an acknowledgment by the Province in favour of OPG and does not involve the other parties to the Protection Agreement and so we are comfortable including it here only. However, we do not have an issue with putting an equivalent clause in the Protection Agreement if that is preferable from your perspective.**

[5] ~~OPG/Dealers have indicated that "The current structure requiring satisfaction of~~<~~*the adherence conditions*~~>in~~[8] **The Process Certificate conforms to the certificate delivered under the Change of Law Protection Agreement including the changes to ensure that the Process Certificate is only provided here when a concurrent certificate is required to be delivered by OPG under** the Protection Agreement ~~impacts the marketability of the transaction and creates uncertainty for investors. Province has asked Dealers to explain how the current structure requiring satisfaction of the adherence conditions in the Protection Agreement is more onerous than ordinary adherence conditions applicable to government guaranteed bonds and to estimate the quantum impact on the marketability of the transaction and explain what uncertainty an ordinary closing condition of this type poses for investors~~**. Without this consistency, the obligations can become confusing and the intent of the parties of when Primary Obligations are subject to**> *the adherence conditions* <**may not be clear**.

(a) the material terms of the ~~Funding~~**Certified Primary** Obligation pertaining to (i) in the case of notes, bonds or other securities, the principal amount, interest or discount rate, third party fees, term to maturity, amortization, redemption or extension features, structure and coupon frequency, as applicable, and (ii) in the case of a ~~Derivative~~**Master** Agreement[9]**, events of default**~~, the notional amount, financial terms and pricing, benchmarks, payment structures and early termination rights~~ **termination events and any amendment to the standard terms of the Master Agreement relating to the calculation of termination amounts (and, for greater certainty, it shall not be necessary to set out the terms of any trade confirmation)**;

~~(b) if an existing Funding Obligation is proposed to be amended, material details respecting such amendment, including regarding the applicable details set forth in Subsection 3.01(a), as the context requires;~~

(b) ~~(c)~~ a statement to the effect that: (i) the ~~Funding~~**Certified Primary** Obligation to be incurred~~ or amended~~ (1) will arise under terms and conditions that are Substantially in the Form of the Reference Documentation applicable thereto; (2) in the opinion of the signatories to the Process Certificate, are reasonably incurred or effected in compliance with the Act, the General Regulation, any other enactments related thereto and the applicable Financing Plan; (3) are of a type and are on terms that a reasonably prudent financial services manager would incur in similar circumstances; and (4) reflect, in all material respects, arm's length terms and conditions; and (ii) any Disclosure Document used in connection with the offering and sale of notes, bonds or other securities is Substantially in the Form of the Reference Documentation;

(c) ~~(d)~~ a statement confirming that any disclosure made in respect of the ~~Funding~~**Certified Primary** Obligation (including any Disclosure Document, press release or other written communication prepared for dissemination to third parties in relation to the ~~Funding~~**Certified Primary** Obligation) that refers to or describes the terms, effect or adherence of or to this Agreement or the Change of Law Protection Agreement has been made available to the Province prior to use or dissemination, other than where such disclosure was substantially the same as a disclosure previously made;

(d) ~~(e)~~ a statement that no Breach Event has occurred on or prior to the date of the Process Certificate, unless such Breach Event has been waived by the Province in writing; and

(e) ~~(f)~~ confirmation that, at the time the ~~Funding~~**Certified Primary** Obligation is incurred~~ or amended~~, the maximum aggregate payment amounts due or becoming

[9] **Since we agreed at our meeting that OPG only needs to provide a certificate under section 4.02 of the Change of Law Protection Agreement when they enter into a Master Agreement (and not the broader concept of the Derivative Agreement), we had to revise the language here to conform to what would be expected to be found in a Master Agreement.**

due in the future in respect of Repayments under the ~~Funding~~**Certified Primary** Obligation, together with all other outstanding amounts due or becoming due in the future in respect of Repayments under all Approved Obligations, do not and will not exceed the **then applicable** Protection Agreement Maximum; for clarity, Repayments under Obligations Secured owing in currencies other than Canadian dollars will be determined on the date the Process Certificate is delivered hereunder in accordance with the following:

(i) where a Derivative Agreement has been entered into to hedge related currency exposures, Repayments under such obligations shall be valued on the basis of the hedged value expressed in Canadian dollars; and

(ii) where a Derivative Agreement has not been entered into to hedge related currency exposures, Repayments under such obligations shall be valued on the basis of the noon spot rate for conversions of any currencies into Canadian dollars.

3.02 ~~Delivery of a Suspension Notice~~ Acknowledgement[10]

The Province acknowledges and agrees that, concurrent with the delivery of the Process Certificate pursuant to Section ~~8.01~~<~~*of the Change of Law Protection Agreement*~~>~~, the Province is entitled to deliver a Suspension Notice. The Province agrees not to deliver a Suspension Notice pursuant to Section 8.01~~**3.01 of this Agreement, the Chief Financial Officer and the Treasurer of OPG or any two Executive Officers of OPG (for clarity, such certificate is to be provided by such officers in their capacity as officers of OPG acting in its capacity as FSM) are authorized to deliver the certificate referred to in Subsection [4.02(b)] of the** Change of Law Protection Agreement ~~unless any of the following circumstances has occurred:~~**to the Indenture Trustee confirming that OPG has delivered all required certifications to the Province in connection with the incurrence of the Certified Primary Obligations in respect of which the certificate in Subsection [4.02(b)]**> *of the Change of Law Protection Agreement*< **is being delivered; provided that, upon receipt of a Suspension Notice under the Change of Law Protection Agreement, OPG covenants not to deliver any further certificates to the Indenture Trustee under Subsection [4.02(b)] of the Change of Law Protection Agreement other than in connection with a Refinancing.[11]**

~~(a) a Program Breach; and~~

~~(b) a Breach Event.~~

[10] **OPG needs certainty on the conditions in which it is permitted to deliver the certificate under the Change of Law adherence conditions.**

[11] **Since OPG receives a Suspension Notice under the Change of Law Protection Agreement, we removed the concept of such notice here other than to provide the covenant above.**

3.03 Meaning of "Reference Documentation"

For the purposes of Subsection 3.01(~~c~~b), the term "Reference Documentation" shall mean each Transaction Document (including any change, addition or supplement thereto) that, at the relevant time:

(a) is a Transaction Document provided to, and not objected to by, the Province prior to the making of this Agreement, as contemplated in the fifth recital to this Agreement; or

(b) is a Transaction Document provided to the Province in accordance with Subsection 2.01(b) that has not been objected to by the Province, by delivery of an objection notice in writing delivered to OPG, within 10 Business Days after it is provided to the Province.

3.04 Meaning of "Substantially in the Form"

For the purposes of Subsection 3.01(~~c~~b), the term "Substantially in the Form" shall mean:

(a) with respect to the Reference Documentation referred to in clauses (i) to (xi) of the definition of "Transaction Documents", that there are no differences between the proposed documents and such Reference Documentation that could result in a change in the material terms or conditions applicable to the applicable Primary Obligation, including regarding the timing of or circumstances under which related payments are or may become due or accrue (including as a result of any default, acceleration, termination, wind-up, liquidation or realization), or that would affect the Province's rights of subrogation or assignment (including pursuant to **[Section 5.01 or Article VI]** of the Change of Law Protection Agreement) or its interests as a subrogee or an assignee, that would arise as a result of performing the Limited Guarantee in respect of the applicable Primary Obligation or upon the assumption of obligations in accordance with **[Article VI]** of the Change of Law Protection Agreement; provided, however, that the foregoing does not apply to any variable terms to be set forth in the proposed documents as are reasonably contemplated in the Reference Documentation, including the particular financial terms, rates and levels set forth in the proposed documents other than to the extent that the forms of Reference Documentation themselves specify specific requirements, limitations or parameters with respect to such financial terms, rates, levels and parameters; and

(b) with respect to the Reference Documentation referred to in clause (xii) of the definition of "Transaction Documents", that there are no material differences between the form and substance of the proposed Disclosure Document and such form of Disclosure Document and that the proposed Disclosure Document complies in all material respects with all applicable securities disclosure requirements relating to the Primary Obligation subject to distribution thereunder.

ARTICLE IV
PROTECTION AGREEMENT MAXIMUM

4.01 Protection Agreement Maximum[12]

~~(a) Not less than 15 Business Days, or such lesser period as the Province may agree to in writing, prior to the proposed incurrence of the first Funding Obligation, OPG shall, as the FSM, deliver to the Province: (i) a forecast<~~ ~~*setting out OPG's expectations regarding the aggregate maximum amount of Repayments*~~ ~~><that would arise in the future under Approved Obligations to be incurred during the >next following 24 month period<~~ ~~*(the "**Initial Forecast Period**")*~~ ~~>, which expectations shall be consistent with the Financing Plan (the "**Initial Forecast**"); and (ii) notice of the initial Protection Agreement Maximum, which may not exceed the Initial Forecast.~~

~~(b) Not more than 10 Business Days, or such lesser period as the Province may agree to in writing, following receipt of the Initial Forecast and notice of the initial Protection Agreement Maximum from OPG pursuant to Section 4.01(a), the Province may disagree with the Initial Forecast and the initial<~~ ~~*Protection Agreement Maximum on the basis that (i) there*~~ ~~> appears to be inaccuracies in the Financing Plan or the Initial Forecast, (ii) the Initial Forecast is inconsistent with the Financing Plan, or (iii) the initial Protection Agreement Maximum is not less than the Initial Forecast. If the Province disagrees, OPG shall discuss any discrepancies with the Province, address any inaccuracies and inconsistencies to the reasonable satisfaction of the Province and OPG, and the initial Protection Agreement Maximum will be revised accordingly and confirmed by an amended notice to the Province.~~

(a) ~~(c)~~ Between nine (9) and twelve (12) months prior to the end of the Initial Forecast Period, OPG shall, as the FSM, deliver to the Province an updated forecast setting out the sum of (1) the aggregate amount of Repayments that will arise in the future under Approved Obligations that are then outstanding and (2) OPG's expectations regarding the aggregate maximum amount of Repayments that would arise in the future under Approved Obligations to be incurred during the period ending 24 months following the Initial Forecast Period, which expectation shall be consistent with the then applicable Financing Plan. Such updated forecast shall be further updated on a similar basis with respect to each successive 24 month period or more frequently if at any time OPG has knowledge that the most recent forecast is materially inaccurate (the Initial Forecast and each such updated forecast, each a "**Forecast**"). Together with each Forecast, OPG shall also provide a revised Protection Agreement Maximum, which may not exceed such Forecast.

(b) ~~(d)~~ Not more than 10 Business Days, or such lesser period as the Province may agree to in writing, following receipt of any further Forecast and notice of the

[12] **Per an earlier footnote, the items in previous draft (a) and (b) were moved to the recitals.**

revised Protection Agreement Maximum from OPG pursuant to Section 4.01(~~e~~a), the Province may disagree with such further Forecast or revised Protection Agreement Maximum on the basis that (i) there appears to be inaccuracies in the Financing Plan or such further Forecast, (ii) the further Forecast is inconsistent with the Financing Plan, or (iii) the revised Protection Agreement Maximum is ~~not less~~more than the further Forecast. If the Province disagrees, OPG shall discuss any discrepancies with the Province, address any inaccuracies and inconsistencies to the reasonable satisfaction of the Province and OPG, and the revised Protection Agreement Maximum will be further revised accordingly and confirmed by an amended notice to the Province.

(c) ~~(e)~~ For clarity, Repayments under Obligations Secured owing in currencies other than Canadian dollars will be valued at the time to be determined for the purposes of this Section 4.01 in accordance with the following:

(i) where a Derivative Agreement has been entered into to hedge related currency exposures, Repayments under such obligations shall be valued on the basis of the hedged value expressed in Canadian dollars; and

(ii) where a Derivative Agreement has not been entered into to hedge related currency exposures, Repayments under such obligations shall be valued on the basis of the noon spot rate for conversions of any currencies into Canadian dollars.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

5.01 Representations and Warranties of OPG

OPG represents and warrants that on the date hereof and on each day that a Primary Obligation is incurred or amended:

(a) The Financing Entity is a trust duly constituted and validly existing under the laws of the Province of Ontario, is duly qualified to carry on its business in each jurisdiction in which it carries on business, and has the power and authority to perform the acts that OPG, as the FSM, may cause it to perform pursuant to this Agreement and to own its property and carry on its business in accordance with the Program Agreements.

(b) OPG is a corporation duly constituted and validly existing under the laws of the Province of Ontario and has the power and authority to enter into and perform its obligations under this Agreement and all instruments and agreements delivered pursuant hereto.

(c) OPG has the power and authority to enter into and perform its obligations as the FSM under the Program Agreements and all instruments and agreements delivered pursuant thereto.

(d) The execution, delivery and performance of this Agreement and every instrument or agreement delivered pursuant hereto or in its capacity as the FSM has been or will be duly authorized by all requisite action by OPG and constitute a valid and binding obligation in accordance with its terms subject to (i) applicable bankruptcy, insolvency, moratorium and similar laws at the time in effect affecting the rights of creditors generally, and (ii) equitable principles which may limit the availability of certain remedies, including the remedy of specific performance.

(e) There are no actions, suits or proceedings pending or, to the knowledge of OPG, threatened against or affecting the Financing Entity at law or in equity or before or by any Governmental Authority, or before any arbitrator of any kind, which would result in any material adverse change in the business, operations, prospects, properties, assets or condition, financial or otherwise, of the Financing Entity or in the ability of the Financing Entity to perform its obligations under the Program Agreements.

(f) There are no actions, suits or proceedings pending or, to the knowledge of OPG, threatened against or affecting OPG at law or in equity or before or by any Governmental Authority, or before any arbitrator of any kind, which would result in any material adverse change in the business, operations, prospects, properties, assets or condition, financial or otherwise, of OPG or in the ability of the OPG to perform its obligations under this Agreement or any Program Agreements.

(g) The performance by the Financing Entity of the Program Agreements does not conflict with, will not conflict with, does not result in, and will not result in, any breach of, and does not constitute, a default under, the Declaration of Trust or any agreements or instruments to which the Financing Entity is a party or by which it or any of its property and assets are bound.

(h) Neither the execution nor delivery of this Agreement, the Program Agreements nor any agreements or instruments delivered pursuant hereto or thereto, the consummation of the transactions herein or therein, nor compliance with the terms, conditions and provisions hereof or thereof conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under, any of the provisions of the constating documents of OPG or any agreements or instruments to which OPG is a party or by which it or any of its property and assets are bound.

(i) No consent, approval or authorization of, or declaration, registration, filing or qualification with, or giving of notice to, or taking of any other action in respect of, any Governmental Authority on the part of OPG is required in connection with the execution and delivery of this Agreement, the Program Agreements or any agreements or instruments delivered pursuant hereto or thereto or the consummation of any of the transactions contemplated hereby or thereby or in connection with the enforcement of this Agreement, the Program Agreements or

any agreements or instruments delivered pursuant hereto or thereto, except those which have been obtained.

5.02 Representations and Warranties of the Province

The Province hereby represents and warrants that:

(a) the execution and delivery of, and the performance of its obligations under, this Agreement by the Province have been authorized by all necessary action on the part of the Province;

(b) the execution and delivery of, and the performance of its obligations under, this Agreement by the Province do not result in the violation of any applicable law; and

(c) this Agreement has been duly executed and delivered by the Province.

ARTICLE VI
PROCESS FOR ELECTION TO ASSUME APPROVED OBLIGATIONS[6][13]

6.01 Election by the Province

Pursuant to Section 6.01 of the Change of Law Protection Agreement, at any time following the occurrence of a Protection Event, the Province may (but shall not be obligated) elect to assume the Financing Entity's obligations in respect of all Obligations Secured~~,~~ **permitted to be assumed by their terms** as obligor and debtor by giving notice to the Indenture Trustee. Prior to determining whether or not to exercise its election, the Province may deliver to OPG a notice in the form of Exhibit ~~A~~**"D"** (an "**Election Information Notice**"). The Election Information Notice shall, among other things, specify the date **or dates** on which the Province proposes to assume the Obligations Secured **referred to in this Section 6.01**, which date **or dates** shall be no earlier than ~~20 Business Days~~**60 days**[14] following delivery of the Election Information Notice to OPG (**with respect to each such Obligation Secured,** the "**Proposed Assumption Date**").

6.02 Details regarding Obligations Secured

~~Promptly~~**Within 10 Business Days** following the delivery of the Election Information Notice to OPG, OPG shall provide the following information and documentation to the Province:

(a) a summary of the amounts that will be owing under ~~all~~**the** Obligations Secured **referred to in Section 6.01** as of the Proposed Assumption Date, together with a

[6] ~~Note: Lawyers to discuss assumption mechanics~~[13] **Please see Torys' cover email to explain changes made in this Article and the related Article in the Protection Agreement. Section 6.05 was deleted and moved up as a covenant in section 2.02(a)(v)(D).**

[14] **This process will take time and require appropriate notice to holders of the applicable Obligations Secured.**

detailed schedule setting out the dates on which such amounts will become due and payable under ~~the~~**such** Obligations Secured;

(b) a summary of the rights arising under the Obligations Secured **referred to in Section 6.01** that permit the ~~Financing Entity to assign the~~**Province to assume such** Obligations Secured ~~to the Province~~, including details regarding any conditions precedent to such assignment and the related assumption becoming effective and any notices, filings, consents or other actions that will be required in order to implement and effect such assignment and assumption;

(c) current versions of all documentation under which the Obligations Secured **referred to in Section 6.01** arise;

(d) copies of all correspondence exchanged between OPG, as the FSM, or the Financing Entity, on the one hand, and any Specified Creditor, Rating Agency or the Indenture Trustee, on the other hand, in each case that may reasonably be considered to be material to the assumption and performance of the Obligations Secured **referred to in Section 6.01** by the Province; and

(e) all income tax returns and assessments, financial statements and notices of proceedings of or pertaining to the Financing Entity or its business and any documentation related thereto, including any pleadings, appeals, objections, qualifications or other similar materials in respect of the Financing Entity or any Program Agreement.

6.03 Settlement of Terms

Following receipt and consideration by the Province of the information and documentation to be provided under Section 6.02, the Province shall confirm in writing whether or not it expects to proceed with the assignment and assumption of the Obligations Secured **referred to in Section 6.01** and, if it will be proceeding with the assignment and assumption, the date on which the Province expects that assignment and assumption will be effected. If it will be proceeding with such assignment and assumption, the Province will deliver an Assumption Notice as contemplated under Section **[6.01]** of the Change of Law Protection Agreement. A decision not to proceed with an election at any time will not limit the Province from proceeding with an election at a later date, including by issuing a further Election Information Notice, and Article VI of this Agreement shall continue to apply unaffected.

6.04 Cooperation to Implement the Assignment and Assumption

OPG shall cooperate with the Province and, as FSM, shall use commercially reasonable efforts to cause the Financing Entity to cooperate, and shall use its commercially reasonable efforts, to complete the assignment and assumption of the Obligations Secured **referred to in Section 6.01** by and from the Financing Entity to and by the Province, by the applicable Assumption Closing Date.

6.05 Terms of Obligations Secured

ARTICLE VII In order to permit< *the Province to assume the Obligations Secured* >in the circumstances contemplated herein, OPG, as FSM, shall cause the Financing Entity to use commercially reasonable efforts to ensure that all Obligations Secured permit such an assignment to and assumption by the Province substantially in accordance with the terms and on the basis contemplated in the Assumption Agreement, without< *any penalty or make-whole payment, or any requirement for further consent, approval or agreement,* >or alternatively, in the case of any Obligations Secured entered into by or on behalf of the Financing Entity for the provision of on-going services to the Financing Entity permitting the satisfaction and termination of such Obligations Secured on or prior to the effective time of such assumption without any acceleration of future fees, profits or other like amounts, other than to the extent of payment obligations that arise under market standard mark-to-market payment terms and conditions included on a commercially reasonable basis under a Derivative Agreement.[7][15]

ARTICLE VII
BREACH EVENTS

7.01 Breach Events

"**Breach Event**" shall mean the occurrence or existence of any one or more of the following:

(a) a default in the performance, or breach, of any covenants of OPG under this Agreement, which continues for thirty (30) days after written notice by the Province to OPG of such default or breach;

(b) any representation or warranty made by OPG in this Agreement, any certification made in a Process Certificate, or any certification made in a certificate contemplated by Section **[4.02]** of the Change of Law Protection Agreement, proves to be incorrect on the date made and, if curable, is not cured within thirty (30) days after written notice by the Province to OPG of such misrepresentation; or

(c) OPG is no longer the Manager or actions have been taken by or on behalf of the Indenture Trustee to remove OPG as the Manager. **ARTICLE VIII**

[7] The Trust Indenture will need to be revised to ensure that the Province's assignment and assumption right is fully contemplated and may be implemented without any requirement for further Specified Creditor or other third party consents. Among other changes, it is contemplated that Torys will add the following to the MTI to address this requirement: (i) Specified Creditors (including in the applicable Funding Obligation Agreement) will be required to acknowledge the rights of the Province to assume the Obligations Secured on the basis contemplated in the form of assumption agreement, and (ii) the Indenture Trustee will be permitted to enter into and give effect to the global Assumption Agreement without the consent of Specified Creditors or any other third parties[15] **Breach events not required to be listed since OPG receives a Suspension Notice under the Change of Law Protection Agreement. See also the proviso in section 3.02.**

~~MISCELLANEOUS~~
MISCELLANEOUS

7.01 ~~8.01~~ Term of Agreement

This Agreement will continue for the term of the Change of Law Protection Agreement.

7.02 ~~8.02~~ Notices

Any notice or other communication required or permitted to be given hereunder will be in writing and will be given by prepaid first-class mail, by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such notice or other communication, if mailed by prepaid first-class mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, will be deemed to have been received on the fourth Business Day after the post-marked date thereof, or if sent by facsimile or other means of electronic communication, will be deemed to have been received on the Business Day following the sending, or if delivered by hand will be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address will also be governed by this Section. In the event of a general discontinuance of postal service due to strike, lock-out or otherwise, notices or other communications will be delivered by hand or sent by facsimile or other means of electronic communication and will be deemed to have been received in accordance with this Section. Notices and other communications will be addressed as follows:

(a) if to OPG:

Ontario Power Generation Inc.
700 University Avenue
Toronto, Ontario M5G 1X6
Attention: ~~[■]~~General Counsel
Fax: (416) ~~[■]~~592-4189
~~Email: [■]~~

(b) if to the Province:

Ministry of Finance
[Address]
Attention: [■]
Fax: (416) [■]
Email: [■]

and

Ministry of Energy
[Address]

Attention: [■]
Fax: (416) [■]
Email: [■]

or to such other addresses as a party may from time to time notify the other parties in accordance with this Section ~~8.02~~**7.02**.

7.03 ~~8.03~~ Assignment

(a) None of the rights or obligations hereunder shall be assignable or transferable by any party without the prior written consent of the other parties.

(b) Any purported assignment of this Agreement in violation of this Section ~~8.03~~**7.03** shall be null and void.

7.04 ~~8.04~~ Enurement

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

7.05 ~~8.05~~ FIPPA

The parties acknowledge that the Province will be bound by the *Freedom of Information and Protection of Privacy Act* (Ontario) and that any information provided to the Province, or any agent or representative of the Province in connection with this Agreement may be subject to disclosure in accordance with the act or as otherwise required by law.

7.06 ~~8.06~~ Delivery of Executed Copies

Each party acknowledges delivery of a fully executed copy of this Agreement.

[Signature page to follow]

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

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

By: _____

Name:
Title:

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

By: _____

Name:
Title:

ONTARIO POWER GENERATION INC.

By: _____

Name:
Title:

By: _____

Name:
Title:

Each of the undersigned hereby acknowledge the foregoing as of the day and year first above written.

COMPUTERSHARE TRUST COMPANY OF CANADA, in its capacity as trustee of **FAIR HYDRO TRUST**, as Issuer, by **ONTARIO POWER GENERATION INC.**, not in its individual capacity but solely as Manager

By: _____

Name:
Title:

By: _____

Name:
Title:

SCHEDULE A
DEFINED TERMS

"**Act**" has the meaning ascribed thereto in the first paragraph of the recitals in this Agreement.

"**Adherence Conditions**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Approved Obligation**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Assumption Agreement**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Assumption Closing Date**" has the meaning ascribed thereto in Section 6.03.

"**Beneficiaries**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Breach Event**" means the occurrence ~~or existence of any one or more of the following: (a) a default in the performance, or breach, of any covenants of the FSM under this Agreement; or (b) any representation or warranty made by the FSM, any certification made by the FSM under this Agreement, or any certification made by the FSM in a certificate contemplated by Section 4.03~~**of an event described in Section [8.01(b) or (c)]** of the Change of Law Protection Agreement~~, proves to be incorrect in any material respect on the date made; or (c) OPG is no longer the FSM or the Manager or actions have been taken by or on behalf of the Indenture Trustee to remove OPG as the FSM or the Manager~~.

~~has the meaning ascribed thereto in Section 7.01.~~

~~"**Breach Event Suspension Notice**" has the meaning ascribed thereto in Section 7.02.~~

"**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 applicable law, regulation or executive order to be closed.

"Certified Primary Obligations" means Primary Obligations that are payment obligations that are: (i) incurred by or on behalf of the Financing Entity to fund its ownership of an Investment Interest or to repay payment obligations that were incurred by or on behalf of the Financing Entity to fund its ownership of an Investment Interest,[16] (ii) incurred by or on behalf of the Financing Entity upon the Financing Entity entering into a Derivative Agreement, in which case the Certified Primary Obligation therefor shall be the Master Agreement applicable to such Derivative Agreement and not each individual trade confirmation, or (iii) incurred by or on behalf of the Financing Entity upon entering into a contract that has a term of more than three (3) years which is not terminable by the Financing Entity giving three (3) years' notice or less and aggregate payments by the

[16] Query: For a warehouse facility, does the Province want a Certificate for each monthly draw?

Financing Entity thereunder during the term of such contract is in excess of C$5,000,000 (that, for greater certainty, is not otherwise captured in clauses (i) and (ii) above).[17]

"**Change of Law Protection Agreement**" means the Change of Law Protection Agreement dated [■], 2017 among the Province, the FSM on behalf of the Financing Entity and the Indenture Trustee.

"**Collateral**" has the meaning ascribed thereto in the Trust Indenture.

"**Co-Owner Agreement**" means any agreement between, *inter alia*, the Financing Entity and any other owner or owners of an Investment Interest as contemplated by Subsection 29(5) of the Act.

"**Declaration of Trust**" means the declaration of trust made as of [■], 2017 under which the Financing Entity was established.

"**Derivative Agreement**" means any rate swap transaction, basis swap, forward rate transaction, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, total return swap transaction, credit default swap transaction or any other similar transaction (including any option with respect to any of those transactions) or any combination of these transactions entered into from time to time by the Financing Entity in connection with or related to Funding Obligations.

"**Disclosure Document**" means a disclosure document (including any offering circular, prospectus or other investor disclosure statement) describing the material terms of the notes, bonds or securities to be issued pursuant to a supplemental indenture under the Trust Indenture, together with any related material information;

"**Election Information Notice**" has the meaning ascribed thereto in Section 6.01.

"Executive Officer" has the meaning ascribed thereto in the *Securities Act* (Ontario).

"**Financing Entity**" means Fair Hydro Trust, a trust settled by the FSM under the laws of the Province of Ontario and under which the Financing Entity Trustee is the trustee.

"**Financing Entity Trustee**" ~~means, at any time, the Person who is, in accordance with the Declaration of Trust, the trustee of the Financing Entity at such time~~has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Financing Plan**" has the meaning ascribed thereto in the Act as of the date of this Agreement.

"**Forecast**" has the meaning ascribed thereto in Section 4.01(~~e~~a).

[17] This concept reflects what Primary Obligations the parties agreed to be subject to the adherence conditions.

"**FSM**" has the meaning ascribed thereto in the second paragraph of the recitals of this Agreement.

"**Funding Obligation**" has the meaning ascribed to the term "funding obligation" in the Act as of the date of this Agreement.

"**General Regulation**" means O. Reg. 206/17 made under the Act.

"**Governing Document**" has the meaning ascribed to the term "governing document" in the General Regulation.

"**Governmental Authority**" means any nation or government, any federal, state, provincial, local or other political subdivision thereof and any court, administrative agency or other instrumentality or entity exercising executive, legislative, judicial, regulatory or administrative functions of government.

"**IESO**" has the meaning ascribed thereto in the Act as of the date of this Agreement.

"**Indenture Trustee**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"Initial Financing Plan" has the meaning ascribed thereto in the recitals of this Agreement.

"**Initial Forecast**" has the meaning ascribed thereto in ~~Section 4.01(a)~~**the recitals of this Agreement**.

"**Initial Forecast Period**" has the meaning ascribed thereto in ~~Section 4.01(a)~~**the recitals of this Agreement.**

"Initial Protection Agreement Maximum" has the meaning ascribed thereto in the recitals of this Agreement.

"**Investment Interest**" has the meaning ascribed to the term "investment interest" in the Act as of the date of this Agreement.

~~"**Legislature**" means the Legislature of the Province of Ontario.~~

[18]

"**Limited Guarantee**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"Loan Agreement" has the meaning ascribed thereto in the Trust Indenture.

"**Management Agreement**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

[18] Definition of Legislature not used here.

"**Manager**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"Master Agreement" means an agreement in the form of a 1992 ISDA Master Agreement (Multi-Currency – Cross Border) as published by ISDA or any replacement or substitute or functional equivalent of such agreement.

"**Master Transfer and Servicing Agreement**" means the master transfer and servicing agreement dated [■], 2017 between the Financing Entity and IESO.

"**Obligations Secured**" has the meaning ascribed thereto in the Trust Indenture.

"**OPG**" has the meaning ascribed thereto in the first paragraph of this Agreement.

"**Person**" means any individual, corporation, limited liability company, estate, partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated organization or Governmental Authority.

"**Primary Obligations**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Process Certificate**" has the meaning ascribed thereto in Section 3.01.

"**Program Agreements**" has the meaning ascribed thereto in the Trust Indenture.

~~"**Program Breach**" means an acceleration of Funding Obligations in accordance with the provisions of the Trust Indenture or an event of default, early amortization event, termination event or similar event or circumstance (including any event that with the passage of time or the giving of notice would become such an event) of or in respect of the obligations of any party under any Program Agreement, including under this Agreement, the Trust Indenture, the Master Transfer and Servicing Agreement or any Derivative Agreement.~~

"**Proposed Assumption Date**" has the meaning ascribed thereto in Section 6.01.

"**Protection Agreement Maximum**" means the dollar amount referenced as the Program Agreement Maximum and determined in accordance with Article IV.

"**Protection Event**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**Province**" has the meaning ascribed thereto in the first paragraph of this Agreement.

"**Rating Agency**" has the meaning ascribed thereto in the Trust Indenture.

"**Reference Documentation**" has the meaning ascribed thereto in Section ~~3.03.~~**3.03.**

"**Repayment**" has the meaning ascribed to the term "repayment" in the General Regulation as of the date of this Agreement.

"**Specified Creditors**" has the meaning ascribed thereto in the Trust Indenture.

"**Substantially in the Form**" has the meaning ascribed thereto in Section ~~3.04.~~**3.04.**

"**Suspension Notice**" has the meaning ascribed thereto in the Change of Law Protection Agreement.

"**this Agreement**" means this agreement, as amended, supplemented, restated or otherwise modified from time to time.

"**Transaction Document**" means (i) all constating and organizational documents of the Financing Entity, including the Declaration of Trust; (ii) any management, administration or servicing agreement to which the Financing Entity is a party, including any replacement or standby services agreement and the Management Agreement; (iii) the Master Transfer and Servicing Agreement; (iv) Trust Indenture; (v) the form of supplemental indenture (supplemental to the Trust Indenture) governing the terms and conditions of a sample series of notes, bonds or other securities to be issued by the Financing Entity, including the particular allocations, security and priority of the Obligations Secured being serviced by the related Investment Interest and any other related series property; (vi) the form of any note, bond or securities purchase agreement; (vii) the form of underwriting agreement, agency agreement, selling agreement and/or subscription agreement that may be used with respect to a sale of a related series of notes, bonds or securities to be issued under the supplemental indenture referred to in (v), above; (viii) the form of any loan or credit agreement governing the issuance of short term loan obligations by the Financing Entity; (ix) the form of schedule to ~~an ISDA~~**a** Master Agreement governing derivative transactions that may be entered into the Financing Entity from time to time; (x) the form of any other agreement or instrument under which a Funding Obligation may arise or be effected, including any other agreement under which the Financing Entity incurs a material financial obligation or that affects the Province's subrogation rights and/or subrogee interests, including any standby liquidity arrangements or credit enhancement agreements; (xi) if applicable, a Co-Owner Agreement or any other agreement governing the respective interests of persons having rights or interests in the investment asset or other assets of the Financing Entity, including any other agreement of the sort contemplated in Subsection 29(5) of the Act; and (xii) the form of Disclosure Document.

"**Trust Indenture**" means the trust indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017.

EXHIBIT "A<
~~FORM OF ELECTION INFORMATION NOTICE~~>"
INITIAL REFERENCE DOCUMENTATION

- **Declaration of Trust;**
- **Management Agreement;**
- **Master Transfer and Servicing Agreement;**
- **Acknowledgement and indemnity agreement dated as of [■], 2017 made by IESO in favour of the Indenture Trustee;**
- **Security agreement made by IESO in favour of the Financing Entity to secure certain of its obligations under the Master Transfer and Servicing Agreement;**
- **Trust Indenture;**
- **Term Senior Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Term Subordinated Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Term Junior Subordinated Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Warehouse Senior Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Warehouse Subordinated Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Warehouse Junior Subordinated Series 2017-1 Supplemental Indenture between the Financing Entity and the Indenture Trustee dated as of [■], 2017;**
- **Schedule to the ISDA Master Agreement governing derivative transactions that may be entered into the Financing Entity from time to time;**
- **Confidential shelf offering memorandum of the Financing Entity dated as of [■], 2017, including the term sheet incorporated by reference therein; and**
- **Agency agreement between the Financing Entity, CIBC World Markets Inc., RBC Dominion Securities Inc., Goldman Sachs Canada Inc. and the other agents named therein dated as of [■], 2017.**

[NTD: List above to be confirmed.]

EXHIBIT "B"
INITIAL FINANCING PLAN

(see attached)

EXHIBIT "C"
INITIAL FORECAST

(see attached)

EXHIBIT "D">
FORM OF ELECTION INFORMATION NOTICE<

[NTD: Blakes to provide draft.]