RE: equity injection at book value?

From: "Veinot, Cindy (TBS)" <"/o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=veinot, cindy (tbs)d57">
To: "Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
Cc: "Patel, Bharat (TBS)" <bharat.patel3@ontario.ca>
Date: Tue, 21 Mar 2017 15:50:07 -0400

Probably needs all parties to be involved.

At the meeting last Thursday there was a comment made that there would be a new class of shares issues as they would be redeemable/retractable -- to essentially enable repayment of the injection. We should understand where that is at re: the design of the new shares.

Cindy

From: Petsche, Nadine (TBS)
Sent: March-21-17 3:47 PM
To: Veinot, Cindy (TBS)
Cc: Patel, Bharat (TBS)
Subject: FW: equity injection at book value?

Cindy,
Any advice? I'm not sure that OPCD should be giving advice on this request. Perhaps OPG should provide input. n

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From: John Psinas [mailto:John.Psinas@ofina.on.ca]
Sent: March-21-17 3:43 PM
To: Petsche, Nadine (TBS)
Cc: Patel, Bharat (TBS); Kandeepan, Ken (OFA); Sakura, George (OFA); Bozinoski, Robert (OFA)
Subject: FW: equity injection at book value?

Nadine,
We would like OPCD to weigh in what to value the shares for the upcoming electricity relief equity injection. OPG has disclosed that they are authorized to issue an unlimited number of common shares without nominal or par value.

The book value appears to be $20 exactly based on the current number of shares, but we don't know if there were any previous injections that brought the BV to $20 now. Perhaps OPCD would know.

$$\frac{5.126\text{ B}}{.256300010\text{ B}} = \$20$$

Some clarification is needed:

1) Is share price needed?
2) If so, what value is to be used? Book value, fair value, etc.

Thanks.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of OPG consists of an unlimited numl shares of the Company). As at December 31, 2016, OPG had 256,3(outstanding, all of which are owned directly by the Province at a state authorized to issue an unlimited number of common shares without common shares are entitled to one vote per share at meetings of the s receive dividends if, as, and when declared by the Board of Direc common shares would participate, pro rata to their holding of commo assets of the Company upon its liquidation, dissolution, or winding up. to the consent of all of OPG's shareholders.

All of the Company's voting securities are held by the Province. Acc(by the Province.

John
